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May 3, 2019

<u>via email</u>

Linda B. Hollinshead, Esquire Duane Morris LLP 30 South 17th Street Philadelphia, Pennsylvania 19103-4196

Re: JDog Junk Removal

Dear Linda:

Based upon our previous discussions, we have concluded the investigation by JDog Franchises, LLC (the "Company") into the events occurring on January 30, 2019 in Atlanta.

As an initial matter, thank you for your efforts in making arrangements for several of the attendees at the January 30 dinner to speak with Philip Deming. The accounts given by those present at the dinner to the Company's investigator, while sometimes conflicting, have provided us an understanding of the events that occurred and the dynamics involved. Armed with such understanding, the Company has elected to take prompt, remedial action and to make certain structural changes to ensure events of this type do not occur again.

Because this investigation involved a personnel matter, involved certain employee personal privacy interests, and was done at the direction and under the supervision of counsel, we will not go into a full recitation of all steps taken in response to these events. We can, however, describe certain corporate structure and policy changes that will be made to ensure that events like those that occurred will not happen again. These changes include the following:

1. Kevin Kopa will be shortly promoted to President and Chief Operating Officer of the Company, and in that role will have primary responsibility for interacting with franchisees in that role.

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- 2. Mr. Flanagan will continue on with his duties as Chief Executive Officer of the Company, but will have no further involvement with day-to-day junk removal franchise operations.
- 3. Mr. Flanagan's revised role will not require further contact with any of the staff of JDog MVP New York, and all future matters between the Company and JDog MVP New York have been delegated to the Chief Operating Officer to handle.
- 4. The Company will shortly adopt a corporate policy of discouraging the serving of alcohol at JDog sponsored franchisee meetings or franchisee events
- 5. The Company will shortly adopt a corporate policy prohibiting any non-business socializing by Company representatives with franchisee employees. Although we will continue to encourage interactions between Company representatives and franchisee employees during business-related events like facilities tours, training programs and business-related activities, Company representatives will be instructed to refrain from interacting with franchisee employees in nonbusiness settings like bars, restaurants or other informal settings.
- 6. Mr. Flanagan's Employment Agreement will be modified to add termination for cause provisions in his agreement if any of the newly implemented policies regarding alcohol are violated.

While you can feel free to share the foregoing information with your client, I would appreciate if you would advise your client not to publicly disclose such information until the Company has had an opportunity to make a public announcement, which it intends to do shortly.

If you have any questions, please do not hesitate to contact me.

Sincerely yours,

Sean P. McDevitt

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