

- 12/ We (or our designee) may, but have no obligation, to service customers of the Franchised Business if you fail to provide service to such customers in accordance with our standards and specifications. If we elect to service such customers in these instances, you must reimburse us for all costs we incur in connection with the services we perform.
- 13/ If you participate in our Flex Start Program, you will not be required to pay royalties or advertising fund contributions until the expiration of the Royalty Exempt Period.
- 14/ The marketing materials, forms, supplies, reports, and other items used in the operation of the Franchised Business will be supplied by SGE. You will pay SGE for such materials.

Item 7

ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure ⁽¹⁾	Amount	Method of Payment	When Due	To Whom Payment is to be Made
Initial Franchise Fee ⁽²⁾	\$50,000	See Item 5	See Item 5	Us
Production Vehicles, Equipment and Fixtures ⁽³⁾	\$5,492	As Agreed	As Incurred	Us or Outside Suppliers
Technology Equipment and Software ⁽⁴⁾	\$3,600	As Agreed	As Incurred	Us or Outside Suppliers
Opening Inventory and Supplies	\$2,530	As Agreed	As Incurred	Us, our Affiliate or Outside Suppliers
Initial Marketing Campaign Fee ⁽⁵⁾	\$30,000	As Agreed	See Item 5	Us or our Affiliate
Initial Property Data Fee ⁽⁶⁾	\$16,500	Lump Sum	At Training	Us or our Affiliate
Training Expenses ⁽⁷⁾	\$0 to \$1,535	As Incurred	As Incurred	Outside Suppliers
3 Months' Rent ⁽⁸⁾	N/A	N/A	N/A	N/A
Miscellaneous Opening Costs (incl. licenses, insurance, and other prepaid expenses) ⁽⁹⁾	\$1,450 to \$6,200	As Incurred	As Incurred	Third Parties
Additional Funds - 3 months ⁽¹⁰⁾	\$7,421 to \$10,142	As Incurred	As Incurred	Third Parties
TOTAL ESTIMATED INITIAL INVESTMENT ⁽¹¹⁾	\$116,993 to \$125,999			

Explanatory Notes

(1) Except where noted, these expenditures are non-refundable.

(2) As described in Item 5, you must pay an initial franchise fee of \$50,000 for a geographic territory containing up to 60,000 SFDUs. However, if you elect, and are eligible, to participate in the Green Associate Program, we will waive the initial franchise fee for a geographic