

SETTLEMENT AGREEMENT

This Settlement Agreement (“Settlement Agreement”) is made this 5 of August, 2021 between, on the one hand, KB Junk Hauling, Inc., an Alabama corporation located at 3015 Rescue Road, Union Grove, AL 35175 and Kellen Brown, an adult individual residing at 3015 Rescue Road, Union Grove, AL 35175 (collectively, the “Franchisees”), and, on the other hand, JDog Franchises, LLC, a Delaware corporation, with its principal place of business located at 1021 Old Cassatt Road, Suite 100, Berwyn, PA 19312 (“Franchisor”). Franchisor and Franchisee are collectively hereinafter referred to as the “Parties”.

WHEREAS, the Parties entered into a franchise agreement dated January 8, 2021 (“Franchise Agreement”) wherein Franchisees agreed to own and operate a JDog Junk Removal franchise business in the Huntsville, AL Territory (the “Franchise Business”) which was thereafter terminated by Franchisees.

WHEREAS, a dispute between the Parties arose concerning Franchisees’ post termination obligations under the Franchise Agreement.

WHEREAS, Franchisor instituted litigation against Franchisees in the United States District Court for the Eastern District of Pennsylvania, docketed as 2:21-cv-02515 (the “Legal Action”) wherein Franchisor alleged money damages against Franchisees and requested injunctive relief from the Court.

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained in this agreement and for other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, and intending to be legally bound, the Parties agree as follows:

1. Mutual Termination of Franchise Agreement, the Parties agree that the Franchise Agreement is mutually terminated in its entirety except with respect to Franchisees’ post termination obligations set forth herein.
2. Agreement Not to Compete, Franchisees agree to fully comply with Section 18 of the Franchise Agreement entitled “NON-COMPETITION” in its entirety. In addition, Franchisees specifically agree that they shall immediately:
 - a. Cease operating their junk removal business operating out of the Huntsville AL Territory, known as “Junk Medics” (the “Competing Business”);
 - b. Take down all advertising for the Competing Business including all social media or oilier websites;
 - c. Remove advertising wrap from Franchisees’ vehicle used in the Competing Business; and
 - d. Refrain from, directly or indirectly, at any time or in any manner identifying themselves or any business as a current or former JDog franchisee of or otherwise associated with Franchisor.

3. Other Post Termination Obligations. In addition to the Agreement Not to Compete set forth herein, Franchisee shall comply with sections 15.2, entitled “Discontinuance”, and 15.3 (entitled “Power of Attorney”) of the Franchise Agreement.
4. Stipulated Injunction. In consideration for Franchisor’s agreement to enter into this Settlement Agreement, Franchisees agree to stipulate to a permanent injunction prohibiting Franchisees from competing against Franchisor in the Huntsville, AL Territory. The injunction will enjoin Franchisees from operating a competing business for a period of two years. Before presenting any stipulation of default with the Court, counsel for Franchisor shall provide Franchisees and their counsel an affidavit or sworn declaration attesting to the event of Default (the “Default Affidavit”). As part of this Settlement, Counsel for Franchisor and Franchisees have executed the following documents which are attached hereto and made a part hereof:
 - a. Stipulation of Settlement and Order (attached hereto at Attachment “A”), which is to be submitted to the Court upon execution of this Settlement Agreement. *This Settlement Agreement is contingent upon the Court in the Legal Action executing the said document and making it an Order of the Court;* and
 - b. Stipulation of Permanent Injunction (attached hereto at Attachment “B”), the original of which Franchisor shall retain and hold. Upon a Default, and delivery of the Default Affidavit to the Franchisees and their counsel, Franchisor shall be entitled to file the Stipulation of Permanent Injunction with the Court in the Legal Action.
5. Release of Claims against Franchisor. Except as provided under this Settlement Agreement, the Franchisees, their respective officers, directors, shareholders, parents, subsidiaries, affiliated companies, agents, employees, successors and assigns for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, hereby remise, release and forever discharge Franchisor, its officers, directors, shareholders, parents, subsidiaries, affiliated companies, agents, employees, successors and assigns from any and all actions, causes of action, claims and demands whatsoever, whether or not well-founded in fact or in law or equity, and all suits, debts, dues, sums of money, accounts, reckonings, notes (or bonds), bills, specialties, covenants, contracts, controversies, claims and demands whatsoever, at law or in equity, that Franchisees ever had, now have, or that their respective its officers, directors, shareholders, parents, subsidiaries, affiliates, agents, employees, successors or assigns hereafter may have against Franchisor, by reason of any matter, cause or thing whatsoever, and in particular and without limiting in any way the generality of the foregoing, all matters arising from and/or related to the Legal Action, and that certain Franchise Agreement dated January 8, 2021, up to and including the day and date of this Settlement Agreement.
6. Release of Claims against Franchisees. Except as provided under this Settlement Agreement, Franchisor, its officers, directors, shareholders, parents, subsidiaries, affiliated companies, agents, employees, successors and assigns for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, hereby remises, releases and forever discharges Franchisees and Franchisees’ respective

officers, directors, shareholders, parents, subsidiaries, affiliated companies, agents, employees, successors and assigns from any and all actions, causes of action, claims and demands whatsoever, whether or not well-founded in fact or in law or equity, and all suits, debts, dues, sums of money, accounts, reckonings, notes (or bonds), bills, specialties, covenants, contracts, controversies, claims and demands whatsoever, at law or in equity, that Franchisor ever had, now has, or that its officers, directors, shareholders, parents, subsidiaries, affiliates, agents, employees, successors or assigns hereafter may have against Franchisees, by reason of any matter, cause or thing whatsoever, and in particular and without limiting in any way the generality of the foregoing, all matters arising from and/or related to the Legal Action, and that certain Franchise Agreement dated January 8, 2021, up to and including the day and date of this Settlement Agreement.

7. Non-Disparagement. The Parties expressly covenant and agree not to make any false representations of fact, or to defame, disparage, discredit or deprecate any of the Released Parties or otherwise communicate with any person or entity in a manner intending to damage any of the Released Parties, their business or their reputation.
8. Notices. Notices shall be given in writing, via overnight courier and email to the following addresses, and shall be deemed given on the earlier of receipt by the sender of a delivery receipt for email or proof of delivery for overnight courier:

To Franchisees:

Mr. Kellen Brown
KB Junk Hauling, Inc.
3015 Rescue Road
Union Grove, AL 35175

with a copy to:

Matthew R. Elliott, Esq.
Wilmer & Lee, P.A.
725 N Brindlee Mtn Pkwy
Arab, AL 35016
(melliott@dwilmerlee.com)

To Franchisor:

Mr. Kevin Koppa, President
JDog Franchises, LLC
1021 Old Cassatt Road, Suite 100
Beiwyn, PA 19312


with a copy to:


Will Jameson, Esq.
Spadea Lignana LLC
1X2 N. 2nd Street
Philadelphia, PA 19106
(wjamcsonfms@tadealaw.com)

9. Execution in Counterparts. This Settlement Agreement may be signed in multiple counterparts, each such signed counterpart constituting an original thereof.
10. Representations. The parties hereto represent and warrant that they have read and understand the terms of this Agreement and that it is not the product or result of any duress, economic or otherwise. The parties further represent and warrant that they have consulted with their respective counsel prior to executing this Agreement.
11. Governing Law. The terms of this Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania.
12. Entire Agreement. This Agreement constitutes the full and entire understanding and agreement among the parties with regard to the subject matter hereof and fully supersedes any prior discussions, negotiations and representations of any kind. Any terms of this Agreement may be amended and the observance of any term may be waived only upon the written consent of all parties.

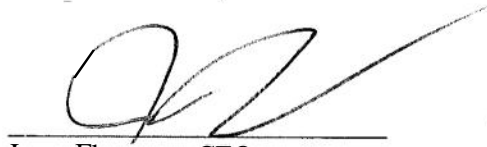
IN WITNESS HEREOF the Parties have executed this Settlement Agreement as of the date first written above.

FRANCHISEES:
KB Junk Hauling, Inc.


Kellen Brown, President


Kellen Brown, individually

FRANCHISOR:
JfDog Franchises, LLC


Jerry Flanagan, CEO

ATTACHMENT B

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

JDOG FRANCHISES, EEC	:	
Plaintiff,	:	CIVIL ACTION
v.	:	
KB JUNK HAULING, INC.	:	No. 2:21-cv-02515
and	:	
KELLEN BROWN	:	
Defendants.	:	

STIPULATION OF PERMANENT INJUNCTION


Plaintiff, by and through its undersigned counsel, and Defendants hereby stipulate that Defendants Kellen Brown and KB Junk Hauling, Inc., their agents, servants, employees and those persons in active concert or participation with them, are hereby enjoined, for a period of twenty four (24) months from the date of this Stipulation and Order, from operating a junk removal business within the following zip codes or anywhere else within fifteen (15) miles of a JDog junk removal business:

35175	35763	35805	35814
35741	35775	35806	55816
35748	35801	35808	35893
35754	35802	35810	35896
35759	35803	35811	35899

PLAINTIFF:

DEFENDANTS:

William B. Jameson, Esquire
Attorney for Plaintiff
JDog Franchises, LLC



Kellen Brown on behalf of himself and
as President of KB Junk Hauling, Inc.

ORDER

AND NOW, this ____ day of _____, 2021, the Stipulation of Permanent Injunction set forth above is APPROVED and entered as an ORDER of the Court.

The Horn Petrese B. Tucker, U.S.D.J