CORPORATE & LOCATION RESPONSIBILITIES

Location Leadership Guide

Where you lead, and where you can rely on Corporate. Written to remove ambiguity so Location Leaders can operate with confidence and take real ownership of their location.

PURPOSE

Clear ownership, not separation

This guide clarifies ownership and responsibilities between Sunwave Corporate and each Location Leader. The goal is to remove ambiguity so Location Leaders can operate with confidence, take ownership of their location, and understand both where they lead and where they can rely on Corporate for support.

This is not intended to create separation between Corporate and individual locations. It is designed to create clear ownership, strong communication, and a partnership that allows each location to flourish.

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01

CHAPTER ONE

Insurance & Compliance

CORPORATE LED

Corporate owns

- Securing and maintaining required insurance policies
- Ensuring coverage remains current and compliant
- Maintaining current W-9s and other relevant documentation
- Providing Location Leaders with access to current insurance and company documentation
- Supporting locations with questions or requirements related to insurance and compliance

Location Leader owns

- Communicating any local changes or circumstances that could affect insurance or compliance
- Following Sunwave's established safety and compliance processes
- Keeping access to important documentation for local needs
- Bringing questions or potential compliance concerns to Corporate
- Ensuring all local vendors and contractors provide and maintain a current Certificate of Insurance when required

All relevant documentation, including COIs and W-9s, will be made available to Location Leaders so they can easily access them when needed for customers, vendors, or other local requirements. Location Leaders are responsible for ensuring local vendors are properly insured before engaging them, and should work with Corporate when they have questions about insurance requirements.

WHY IT WORKS THIS WAY Insurance and compliance are areas where centralized oversight allows Sunwave to reduce risk, maintain consistency, and ensure every location has the protection and documentation it needs.

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CHAPTER TWO

Marketing

CORPORATE LED

Corporate owns

- Google Ads, Meta Ads, and Pay-Per-Click advertising
- Search Engine Optimization
- Management of outside marketing partners and agencies
- Digital marketing strategy and optimization
- Brand standards and guidelines
- Corporate-level marketing materials
- Supporting locations with branding, design, and marketing resources

Location Leader owns

- Building relationships within the local community
- Identifying local marketing opportunities
- Sharing photos and videos of technicians, vans, jobs, and community involvement
- Identifying local stories and customer experiences Corporate can highlight
- Participating in local marketing initiatives when appropriate
- Ordering or creating local materials that follow brand guidelines
- Managing local marketing accounts and platforms specific to their location

Location Leaders are encouraged to build Sunwave's presence locally through Reddit, Nextdoor, Yelp, local Facebook groups and pages, and other community platforms. These are opportunities to build relationships, answer plumbing questions, provide value to the community, and increase awareness within the local market. If a Location Leader has an idea for a piece of marketing, needs help creating something, or wants a specific design or mock-up, Corporate is available to support them.

Local Marketing Partnership

Marketing is a partnership. Corporate provides the strategy, resources, expertise, and digital infrastructure. Location Leaders provide the authentic local presence that makes the marketing feel real. Photos of technicians in their vans, working in the community, interacting with customers, participating in events, and simply being present in the local market are incredibly valuable.

WHY IT WORKS THIS WAY Centralizing digital marketing allows Sunwave to maximize the effectiveness of our marketing dollars while maintaining a consistent and recognizable brand across every location.

> **Corporate builds the brand. Location Leaders build the local reputation. The best marketing happens when we do both together.**

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CHAPTER THREE

Social Media

CORPORATE LED

Corporate owns

- Managing the primary Sunwave social media accounts
- Establishing the overall content strategy
- Maintaining a consistent brand voice
- Creating and publishing corporate content
- Highlighting local teams, technicians, customers, and community involvement
- Using content provided by locations to strengthen Sunwave's overall reputation

Location Leader owns

- Photos and videos from their location
- Technician accomplishments and customer stories
- Community involvement and local events
- Behind-the-scenes content
- Interesting or educational plumbing content
- Local wins and milestones

The use of individual social media accounts for specific locations is still being determined. If location-specific accounts are permitted in the future, they will be expected to follow Sunwave's established branding and content guidelines, and any location-specific strategy will be designed to strengthen rather than compete with the overall Sunwave brand.

WHY IT WORKS THIS WAY The goal is a social media presence that feels local, authentic, and connected to the communities we serve, while still maintaining one strong Sunwave brand.

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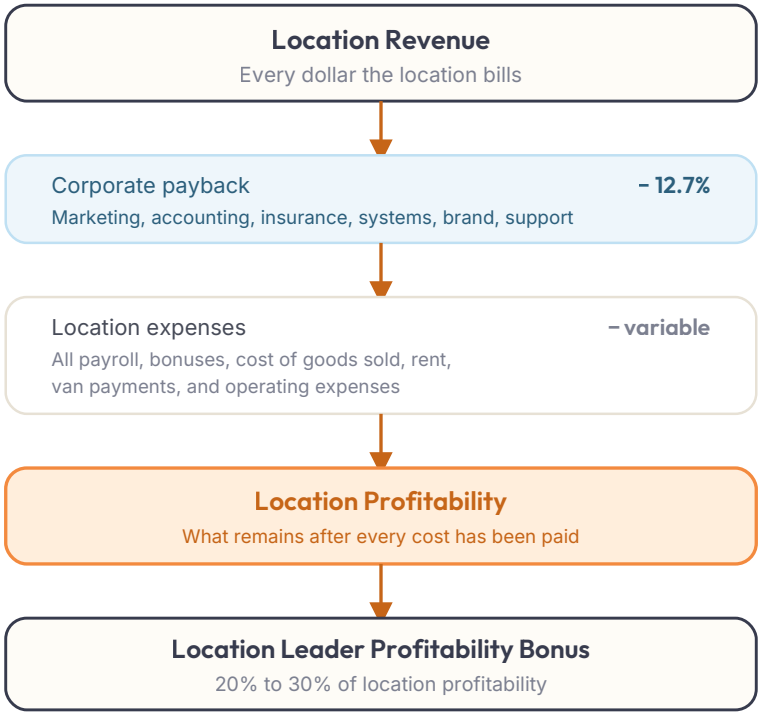
CHAPTER FOUR

Financial Structure

LOCATION LEADER LED

One of the most important responsibilities of a Location Leader is understanding and taking ownership of the financial health of their location. The goal is not simply to hand you numbers. It is to help you understand how your decisions affect profitability.

HOW THE MONEY FLOWS



READ THE ORDER The corporate payback comes off before profitability is calculated, so your bonus is a share of what remains after every cost, including your own wages, has been paid.

You will not navigate this alone

Location Leader owns

- Understanding the financial performance of the location
- Managing expenses responsibly
- Making thoughtful purchasing decisions
- Managing labor and payroll appropriately
- Looking for opportunities to improve profitability
- Understanding how operational decisions affect the P&L

Corporate owns

- Systems, resources, and infrastructure to operate the location
- Centralized services covered by the 12.7% corporate payback
- The van used by the location
- Ongoing financial support and coaching
- Monthly P&L meetings with the Location Leader

Estimated break-even point

Based on current financial modeling, we estimate a new location will have a break-even point of approximately **$24,000 in monthly revenue**. This is an initial estimate, not a guaranteed figure. Actual break-even varies with local market conditions, labor costs, customer acquisition costs, operating expenses, revenue mix, location-specific expenses, and growth rate. As launch approaches and better local information exists, Corporate will work with the Location Leader to establish a more specific target.

Monthly P&L meetings

Each month the Location Leader and Corporate review the location's financial performance together. These meetings are used to review the P&L, identify opportunities and areas of concern, discuss financial decisions, understand profitability, create action plans, and coach the Location Leader on business decisions.

The Location Leader's own wages are paid from the location's bank account and should therefore be considered within the location's financial planning and profitability.

The goal is to give Location Leaders increasing ownership of their financial decisions while providing the training, coaching, and support necessary to make those decisions well.

> **When the location wins, the Location Leader has the opportunity to win with it.**

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CHAPTER FIVE

Taxes & Business Licenses

CORPORATE LED

Corporate owns

- State tax registrations and filings
- State-level business licenses and registrations
- Maintaining compliance with state tax requirements
- Managing state-level renewals and required documentation
- Providing guidance and support when state tax or licensing questions arise

Location Leader owns

- City and county business licenses
- City and county taxes
- Local registrations and renewals
- Maintaining compliance with local requirements
- Staying aware of local requirements and keeping the location current

Corporate will provide support and guidance when needed, but local compliance ultimately belongs to the Location Leader.

WHY IT WORKS THIS WAY State-level requirements can be managed efficiently and consistently through Corporate, while local requirements are best managed by the Location Leader who understands the specific needs and regulations of their community.

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CHAPTER SIX

Principles, Mission & Vision

CORPORATE LED

Corporate owns

- Defining and maintaining Sunwave's core mission, vision, and principles
- Providing clarity and training around what these principles look like in practice
- Ensuring the brand and culture remain consistent as the company grows
- Supporting Location Leaders as they apply these principles to their local market
- Helping Location Leaders navigate decisions that may impact Sunwave as a whole

Location Leader owns

- Make decisions that align with Sunwave's principles
- Lead their team in a way that reflects Sunwave's values
- Protect and strengthen the Sunwave reputation within their community
- Consider how local decisions may affect the broader organization
- Use good judgment on decisions not specifically outlined in a policy
- Create a local culture that supports the mission and principles
- Take ownership of representing Sunwave well to customers, employees, vendors, and the community

Local Identity, One Sunwave

We want each location to have ownership and personality while still feeling like Sunwave. A Location Leader should have the freedom to build something that is uniquely theirs, and that freedom comes with the responsibility to make decisions that strengthen the company as a whole. When faced with a difficult decision, the question should not simply be whether it is good for the location. It should also be whether it reflects Sunwave well.

WHY IT WORKS THIS WAY As Sunwave grows, Corporate cannot make every decision for every location. The goal is to develop Location Leaders who understand why we do what we do, not simply what they are allowed or not allowed to do.

> **We want Location Leaders who don't need to ask what Corporate wants them to do. We want Location Leaders who can ask what is right for our customers, our team, our location, and Sunwave.**

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CHAPTER SEVEN

Branding

CORPORATE LED

Corporate owns

- Logo usage, colors, fonts, and typography
- Photography and visual style
- Messaging and tone
- Marketing materials
- Vehicle and uniform branding
- Customer-facing materials
- Guidance and support for new local materials

Location Leader owns

- Ensuring all local branding adheres to established guidelines
- Materials they create, order, or design
- Materials they publish, distribute, or display in their market
- Bringing creative ideas to Corporate
- Requesting assistance with designs, mock-ups, or new materials when needed

Maintaining consistent branding is not about limiting creativity or local identity. It is about protecting the reputation we are building together and ensuring every location contributes positively to the overall growth of Sunwave. Each location can develop its own local personality and presence, but it should always be recognizable as Sunwave.

WHY IT WORKS THIS WAY The Sunwave brand is one of our most valuable company-wide assets. Consistent branding helps customers recognize Sunwave, builds trust across markets, and allows every location to benefit from the reputation the company builds as a whole.

> **Local creativity is encouraged. Brand consistency is essential.**

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CHAPTER EIGHT

Policies

CORPORATE LED

Corporate owns

- Creating company-wide policies
- Establishing standards and expectations for all locations
- Reviewing and updating policies as the company grows
- Ensuring policies support the mission, principles, and overall goals
- Communicating policy changes to Location Leaders
- Providing clarification and support when questions arise

Location Leader owns

- Follow all current Sunwave policies
- Communicate policies clearly to their team
- Hold their team accountable to company standards
- Ask questions when a policy is unclear
- Bring potential issues or concerns to Corporate
- Identify opportunities where a policy may need to be improved

Location Leaders are encouraged to provide feedback, ideas, and recommendations. Because they work directly with customers, technicians, and local teams, they may identify challenges or opportunities Corporate does not see. Corporate will consider that feedback when reviewing policies, and retains final decision-making authority over whether a policy is created, changed, or removed.

WHY IT WORKS THIS WAY As Sunwave grows, we need consistency across locations while still allowing the people closest to the work to contribute to how we improve.

> **Corporate sets the standard. Locations provide the insight. Together, we continually improve the way Sunwave operates.**

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CHAPTER NINE

Hiring & Team Building

LOCATION LEADER LED

Location Leader owns

- Identifying when additional team members are needed
- Recruiting, interviewing, and selecting candidates
- Making hiring decisions
- Onboarding and developing new team members
- Creating and maintaining each team member's Level Up App
- Keeping development and progression information up to date
- Ensuring team members are informed of and offered Corporate benefits
- Providing feedback and coaching, and managing performance
- Creating and tracking KPIs for their team
- Establishing clear performance expectations
- Addressing performance issues and making termination decisions when necessary
- Creating the structure, expectations, and accountability systems for their team

Corporate owns

- Hiring best practices and interviewing guidance
- Recruiting resources
- Onboarding systems and processes
- Employment-related questions
- Support on difficult personnel situations
- Coaching and advice when a Location Leader needs support
- Providing and communicating available company-wide benefits

Location Leaders are responsible for creating the structure that allows their team to succeed, including establishing expectations, tracking performance, developing team members, and creating accountability. Corporate is available to advise, coach, and support, but Location Leaders should not feel they need approval for every hiring, personnel, or performance-management decision. With ownership comes trust.

WHY IT WORKS THIS WAY The people within a location ultimately determine the culture, customer experience, and performance of that location. Creating a strong team requires more than hiring good people. It requires clear expectations, development, accountability, and consistent leadership.

> **Corporate provides the tools and support. The Location Leader owns the team and its performance.**

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CHAPTER TEN

Local Permitting & Regulations

LOCATION LEADER LED

Location Leader owns

- Creating any required profiles or accounts with local permitting offices
- Establishing relationships with local permitting departments
- Learning how the local permitting process works
- Determining which types of plumbing work require permits
- Understanding local inspection requirements
- Asking permitting offices and inspectors about regulations and requirements
- Staying current on changes to local permitting regulations
- Obtaining and maintaining required local permitting credentials or access
- Communicating local permitting requirements to their team
- Ensuring work performed follows applicable local permitting requirements

Corporate owns

- Providing recommended questions for Location Leaders to ask local permitting offices
- Helping Location Leaders understand what information to seek from local authorities
- Providing support when a Location Leader encounters an unfamiliar permitting situation

Location Leaders should take ownership of developing a working relationship with their local permitting offices and inspectors. They are encouraged to ask questions, seek clarification, and build relationships that help their location better understand and navigate local regulations.

WHY IT WORKS THIS WAY Permitting requirements can vary significantly from one location to another. Giving Location Leaders ownership of local permitting allows each location to build direct relationships with the authorities who oversee their market.

> **Corporate provides the questions and support. The Location Leader owns knowing the local requirements.**

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CHAPTER ELEVEN

Recommended Services & Local Contacts

LOCATION LEADER LED

Location Leader owns

- Identifying reputable local service providers
- Building and maintaining professional relationships with local vendors
- Understanding what services each vendor provides
- Creating a simple process for connecting customers with trusted providers
- Maintaining accurate contact information and service details
- Regularly evaluating vendor relationships against Sunwave's standards
- Ensuring all recommended vendors have appropriate insurance and business documentation

Corporate owns

- Providing guidance on what to look for in a local vendor
- Providing recommendations and best practices for managing vendor relationships
- Supporting Location Leaders when questions arise regarding vendor documentation or requirements

Before a vendor is added to Sunwave's recommended services or referred to a customer, Location Leaders are responsible for ensuring the appropriate documentation is on file, including a current Certificate of Insurance and a current W-9 where applicable. They are also responsible for ensuring that documentation remains current and for addressing any gaps before continuing to recommend that vendor.

WHY IT WORKS THIS WAY When we connect a customer with another company, that recommendation reflects on Sunwave. Location Leaders should use good judgment when deciding which companies are appropriate to recommend.

> **We don't provide that service, but we know someone we trust who can help.**

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CHAPTER TWELVE

Plumbing Suppliers & Inventory

LOCATION LEADER LED

Location Leader owns

- Identifying local plumbing suppliers
- Establishing and maintaining supplier relationships
- Understanding supplier pricing, availability, and delivery options
- Determining which suppliers best support their location
- Determining what products, parts, and materials to stock
- Establishing appropriate stocking levels
- Creating an organized and efficient inventory system
- Monitoring inventory and identifying when adjustments are needed
- Making thoughtful purchasing decisions based on the needs of their location

Corporate owns

- Advising on local supplier relationships
- Helping evaluate supplier options
- Sharing knowledge and best practices from other Sunwave locations
- Advising on what products and materials may be beneficial to stock
- Helping develop an effective inventory strategy
- Supporting decisions around stocking levels and inventory management

Each market may have different suppliers, availability, pricing, and customer needs. Corporate will not make every supplier or inventory decision for the location. Instead, we provide guidance, experience, and support to help Location Leaders make informed decisions.

WHY IT WORKS THIS WAY Strong supplier relationships and an effective inventory system allow technicians to get what they need, reduce unnecessary delays, and ultimately provide a better experience for our customers.

> **Corporate provides the experience and guidance. The Location Leader builds the local supplier network and owns the inventory strategy.**

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CHAPTER THIRTEEN

Van Maintenance

LOCATION LEADER LED

Location Leader owns

- Scheduling routine maintenance
- Tracking maintenance and service history
- Ensuring vans receive necessary repairs in a timely manner
- Coordinating repairs with local service providers
- Managing the financial responsibility for repairs and maintenance
- Monitoring the overall condition of each van
- Addressing damage or maintenance issues as they arise
- Ensuring vans remain safe, reliable, and presentable

Corporate owns

- Handling vehicle registrations for all vans assigned to the location
- Providing a replacement van when extended repairs are required, when available
- Coordinating with the Location Leader when a replacement van is needed
- Determining whether Corporate will cover the cost of a van rewrap, based on the circumstances and responsibility surrounding the incident
- Supporting Location Leaders with questions or issues related to van maintenance

Location Leaders are responsible for communicating any damage to a van wrap and coordinating the necessary repairs. Depending on the circumstances and where responsibility lies, Corporate may cover the cost of rewrapping. When a rewrap or other significant work is completed at the Corporate location, the Location Leader coordinates drop-off and pick-up. When a van requires extended work that would significantly impact the location's ability to operate, Corporate will offer a replacement van when available.

WHY IT WORKS THIS WAY Our vans are essential to the ability of each location to serve customers and generate revenue. Keeping them maintained and on the road is a critical part of Location Leader ownership.

> **The Location Leader owns keeping their vans on the road. Corporate provides support when significant repairs threaten the location's ability to operate.**