

Buy-sell agreement summary

Effective date: March 1, 2021 **Governing law:** State of Ohio

The agreement governs how ownership of Ironwood Mechanical Contractors, LLC transfers in the event of an owner's death or disability. This summary is for planning purposes only and is not a substitute for legal review.

1. Death of an owner

- **Trigger + transfer structure:** Mandatory buyout after death, at least 90 days after the date of death. Cross-purchase: surviving Member must buy the interest. No fallback buyer is named.
- **Valuation methodology:** Combination of methods (fixed price, determined by an independent Appraiser holding the ASA or ABV credential, selected jointly by the members (or, if they fail to agree, designated by Fairbanks Lowell & Co., CPAs). For the Fiscal Year ended December 31, 2025, Lauren M. Petrakis, ASA, of Harmon Brook Valuation Partners, LLC).
- **Funding source:** Primarily funded by life insurance proceeds (\$2,100,000 policy on Michael R. Brennan and \$1,400,000 policy on David A. Okafor). If proceeds are insufficient, the Purchasing Member pays the funded portion at closing and signs a promissory note for the unpaid balance, payable over 60 months. The insurance does not cap the purchase price or the Purchasing Member's obligation to close. Policies follow a cross-purchase structure.

2. Disability of an owner

- **Trigger + transfer structure:** Mandatory buyout after permanent disability, no later than 120 days after the disability determination. Disability is judged on an own-occupation standard. The elimination period is 365 consecutive days. Temporary and permanent disability are treated differently. Cross-purchase: the other Member must buy the interest. No fallback buyer is named.
- **Valuation methodology:** Combination of methods (fixed price, determined by an independent Appraiser holding the ASA or ABV credential, selected jointly by the members (or, if they fail to agree, designated by Fairbanks Lowell & Co., CPAs). For the Fiscal Year ended December 31, 2025, Lauren M. Petrakis, ASA, of Harmon Brook Valuation Partners, LLC).
- **Funding source:** Primarily funded by owner cash and promissory note. If funding falls short, the Purchasing Member pays the unpaid balance in 84 monthly installments. Policies follow a cross-purchase structure.

Valuation terms

- **Current value:** \$5,000,000 as of March 9, 2026 (may not reflect current value)
- **Fallback method:** If the most recent Certificate of Value is dated more than 24 months before the Triggering Event, the Purchase Price is the Appraised Value determined by an independent Appraiser as of the applicable Valuation Date.

Additional terms

- **Transfer restrictions:** Transfers are restricted by a right of first offer, spousal consent requirements, and ownership eligibility restrictions.
- **Payment default:** Each Note shall provide that the entire unpaid principal balance, together with accrued interest, shall, at the option of the holder, become immediately due and payable upon (a) the failure of the maker to pay any installment within fifteen (15) days after written notice of nonpayment from the holder... After maturity or acceleration, the unpaid balance shall bear interest at the Note rate plus four percent (4%) per annum.
- **Amendment requirements:** This Agreement may be amended only by a writing signed by all of the Members and Ironwood Mechanical Contractors, LLC, except that Schedule A is replaced by each Certificate of Value delivered under Section 10.2 and Schedule B may be amended by a writing signed by both Members.

Disclosures

Client acknowledges that RISR is not a business broker or financial advisor and that the valuations and other reports generated by the services are necessarily subjective in nature. The information provided by RISR, including any reports or deliverables, does not constitute a certified valuation report. Client acknowledges that the quality and accuracy of the client materials will impact the accuracy of any valuations performed by RISR and client hereby releases RISR from all liability associated with, and will hold RISR harmless from any claims resulting from, the client materials and any inaccuracies contained therein.

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