FRANCHISE DISCLOSURE DOCUMENT

TWO MEN AND A TRUCK SPE LLC
A Delaware Limited Liability Company
One Glenlake Parkway, 14th Floor,
Atlanta, Georgia 30328
800-756-5656
info@twomenandajunktrunk.com
www.twomenandajunktrunk.com

A Two Men and a Junk Truck® franchise (a "**Franchised Business**") provides junk removal and related services. You may purchase a Metro Market Franchise or a Mod Market Franchise (as each are defined in Item 1).

The total investment necessary to begin operations of a Franchised Business ranges from $131,110 to $349,275 for a Metro Market Franchise and $83,210 to $198,225 for a Mod Market Franchise. This includes $50,000 to $130,000 for a Metro Market Franchise and $30,000 to $40,000 for a Mod Market Franchise that must be paid to the franchisor or its affiliates.

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive this disclosure document at least 14 calendar-days before you sign a binding agreement with, or make any payment to, the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no governmental agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in a different format, contact the Franchise Sales office at One Glenlake Parkway, 14th Floor, Atlanta, Georgia 30328 or at 800-756-5656.

The terms of your contract will govern your franchise relationship. Don't rely on the disclosure document alone to understand your contract. Read all of your contract carefully. Show your contract and this disclosure document to an advisor, like a lawyer or an accountant.

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as "A Consumer's Guide to Buying a Franchise," which can help you understand how to use this disclosure document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTCHELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, DC 20580. You can also visit the FTC's home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising.

There may also be laws on franchising in your state. Ask your state agencies about them.

The issuance date: May 12, 2025, as amended on November 3, 2025

How to Use This Franchise Disclosure Document

Here are some questions you may be asking about buying a franchise and tips on how to find more information:

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibits J and K.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit L includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only Two Men and a Junk Truck business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be a Two Men and a Junk Truck franchisee?	Item 20 or Exhibits J and K lists current and former franchisees. You can contact them to ask about their experiences
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

Continuing responsibility to pay fees. You may have to pay royalties and other fees even if you are losing money.

Business model can change. The franchise agreement may allow the franchisor to change its manuals and business model without your consent. These changes may require you to make additional investments in your Franchised Business or may harm your Franchised Business.

Supplier restrictions. You may have to buy or lease items from the franchisor or a limited group of suppliers the franchisor designates. These items may be more expensive than similar items you could buy on your own.

Operating restrictions. The franchise agreement may prohibit you from operating a similar business during the term of the franchise. There are usually other restrictions. Some examples may include controlling your location, your access to customers, what you sell, how you market, and your hours of operation.

Competition from franchisor. Even if the franchise agreement grants you a territory, the franchisor may have the right to compete with you in your territory.

Renewal. Your franchise agreement may not permit you to renew. Even if it does, you may have to sign a new agreement with different terms and conditions in order to continue to operate your Franchised Business.

When your franchise ends. The franchise agreement may prohibit you from operating a similar business after your franchise ends even if you still have obligations to your landlord or other creditors.

Some States Require Registration

Your state may have a franchise law, or other law, that requires franchisors to register before offering or selling franchises in the state. Registration does not mean that the state recommends the franchise or has verified the information in this document. To find out if your state has a registration requirement, or to contact your state, use the agency information in Exhibit A.

Your state also may have laws that require special disclosures or amendments be made to your franchise agreement. If so, you should check the State Specific Addenda. See Table of Contents for the location of the State Specific Addenda.

Special Risks to Consider About *This* Franchise

Certain states require that the following risk(s) be highlighted:

1. **<u>Out-of-State Dispute Resolution</u>**. The franchise agreement requires you to resolve disputes with the franchisor by arbitration or litigation only in Georgia. Out-of-state arbitration or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to arbitrate or litigate with the franchisor in Georgia than in your own state.

2. **<u>Sales Performance Required</u>**. You must maintain minimum sales performance levels. Your inability to maintain these levels may result in loss of any territorial rights you are granted, termination of your franchise, and loss of your investment.

3. **<u>Mandatory Minimum Payments</u>**. You must make minimum royalty or advertising fund payments, regardless of your sales levels. Your inability to make the payments, may result in termination of your franchise and loss of your investment.

4. **<u>Short Operating History</u>**. The franchisor is at an early stage of development and has a limited operating history. This franchise is likely to be a riskier investment than a franchise in a system with a longer operating history.

5. **<u>Unopened Franchises</u>**. The franchisor has signed a significant number of franchise agreements with franchisees who have not yet opened their outlets. If other franchisees are experiencing delays in opening their outlets, you also may experience delays in opening your own outlet.

6. **<u>Inventory/Supplier Control</u>**. You must purchase all or nearly all of the inventory or supplies that are necessary to operate your business from the franchisor, its affiliates, or suppliers that the franchisor designates, at prices the franchisor or they set. These prices may be higher than prices you could obtain elsewhere for the same or similar goods. This may reduce the anticipated profit of your franchised business.

Certain states may require other risks to be highlighted. Check the “State Specific Addenda” (if any) to see whether your state requires other risks to be highlighted.

THE FOLLOWING APPLY TO TRANSACTIONS GOVERNED BY THE MICHIGAN FRANCHISE INVESTMENT LAW ONLY

NOTICE UNDER MICHIGAN'S FRANCHISE INVESTMENT LAW

THE STATE OF MICHIGAN PROHIBITS CERTAIN UNFAIR PROVISIONS THAT ARE SOMETIMES IN FRANCHISE DOCUMENTS. SEE MCL 445.1501, ET SEQ. IF ANY OF THE FOLLOWING PROVISIONS ARE IN THESE FRANCHISE DOCUMENTS, THE PROVISIONS ARE VOID AND CANNOT BE ENFORCED AGAINST YOU.

1. A prohibition on the right of a franchisee to join an association of franchisees.

2. A requirement that a franchisee assent to a release, assignment, novation, waiver or estoppel which deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.

3. A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than thirty (30) days, to cure such failure.

4. A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the Franchised Business are not subject to compensation. This subsection applies only if: (1) the term of the franchise is less than five (5) years and (2) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logo-type, advertising or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least six (6) months advance notice of franchisor's intent not to renew the franchise.

5. A provision that permits a franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.

6. A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.

7. A provision which permits a franchisor to refuse to permit a transfer of a franchise agreement, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:

   a. the failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards;

   b. the fact that the proposed transferee is a competitor of the franchisor or sub-franchisor;

c. the unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations; and

d. the failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.

8. A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor the right of first refusal to purchase the assets of a franchisee on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants a franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subsection 3.

9. A provision which permits a franchisor to directly or indirectly convey, assign or otherwise transfer its obligations to fulfill contractual obligations to a franchisee unless provision has been made for providing the required contractual services.

If a franchisor's most recent unaudited financial statement shows a net worth of less than One Hundred Thousand ($100,000) Dollars, you have the right to request the escrow of the initial investment and other funds paid until obligations to provide real estate, improvements, equipment inventory, training or other items included in the franchise offering are fulfilled.

THE FACT THAT THERE IS A NOTICE OF THIS OFFERING ON FILE WITH THE ATTORNEY GENERAL DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE ATTORNEY GENERAL.

ANY QUESTIONS REGARDING THIS NOTICE MAY BE DIRECTED TO THE STATE OF MICHIGAN, DEPARTMENT OF ATTORNEY GENERAL, CONSUMER PROTECTION DIVISION, ATTN: FRANCHISE SECTION, G. MENNEN WILLIAMS BUILDING, 525 W. OTTAWA ST., LANSING, MICHIGAN 48909, TELEPHONE (517) 373-7567.

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Item 1–FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES

This Disclosure Document describes Two Men and a Junk Trunk® franchises. The name of the franchisor is Two Men and a Truck SPE LLC ("**Franchisor**"). In this Disclosure Document, the Franchisor may also be referred to as "**we**" or "**us**" and the person being granted a license to operate a franchise will be referred to as "**Franchisee**" or "**you**." If you are a corporation, partnership, limited liability company or other entity, "Franchisee" or "you" will mean the entity and the owners of the entity.

THE FRANCHISOR

We are a Delaware limited liability company organized on June 24, 2021. We operate under our corporate name, the "Two Men and a Junk Truck" name, and the "Two Men and a Truck" name. Our principal business address is One Glenlake Parkway, 14th Floor, Atlanta, Georgia 30328. Our agents for service of process are listed on Exhibit B.

Our business is limited to offering and supporting Franchised Businesses and Two Men and a Truck® franchises ("**Moving Franchises**"). We or our affiliates also may lease or sell some items to our franchisees. We have offered Franchised Businesses since June 2023. We have offered Moving Franchises since August 2021. As of December 31, 2024, there were 339 franchised and three company-owned Two Men and a Truck businesses in the United States. We have never offered franchises of any type other than the Franchised Businesses and Moving Franchises, nor do we engage in any other line of business. We have never operated a business similar to the Franchised Businesses.

PARENTS

We are a direct subsidiary of ServiceMaster Systems LLC ("**SM Systems**"), a Delaware limited liability company with a principal address at One Glenlake Parkway, 14th Floor, Atlanta, Georgia 30328. SM Systems guarantees the performance of our obligations under our Franchise Agreements.

We are an indirect subsidiary of ServiceMaster Opco Holdings LLC ("**SM Manager**"), a Delaware limited liability company with a principal business address at One Glenlake Parkway, 14th Floor, Atlanta, Georgia, 30328. SM Manager provides management and support services to us and our franchisees through a management agreement with us.

SM Manager is a direct subsidiary of RW Purchaser LLC ("**RW Purchaser**"), a Delaware limited liability company, with a principal business at 1180 Peachtree Street, N.E., Suite 2500, Atlanta, Georgia 30309. RW Purchaser became an indirect parent company of TMTI (as defined below) in an acquisition that occurred on August 3, 2021.

RW Purchaser is indirectly owned by RW Parent LLC ("**RW Parent**"), a Delaware limited liability company with a principal business address at 1180 Peachtree Street, N.E., Suite 2500, Atlanta, Georgia, 30309, which is our ultimate parent. RW Parent is owned by private equity funds managed by Roark Capital Management LLC, an Atlanta-based private equity fund, which became the owner at or about the time RW Purchaser acquired the ServiceMaster brands on August 3, 2021.

PREDECESSOR

Two Men and a Truck/International, LLC, a Michigan limited liability company ("**TMTI**"), is our predecessor and one of our affiliates. TMTI was incorporated on January 17, 1989, under the name Two Men and a Truck/USA, Inc. and changed its name to Two Men and a Truck/International, Inc. on August

5, 1994. TMTI converted to a Michigan limited liability company on July 30, 2021. TMTI offered Moving Franchises from February 1989 to August 2021. TMTI's principal business address is 3400 Belle Chase Way, Lansing, Michigan 48911-4251. TMTI has not offered franchises in any other line of business, but it currently operates Two Men and a Truck® businesses that offer junk removal services and are similar to the Franchised Businesses. TMTI provides certain management and support services to us and our franchisees.

AFFILIATES UNDER THE CONTROL OF RW PARENT

Our affiliates under the control of RW Parent that currently offer other franchises include:

Merry Maids SPE LLC ("**Merry Maids**"), a Delaware limited liability company, franchises residential house cleaning businesses under the Merry Maids® mark. The principal address for Merry Maids is One Glenlake Parkway, 14th Floor, Atlanta, Georgia 30328. Merry Maids and its predecessors began business and started offering franchises in 1980. As of December 31, 2024, Merry Maids had 796 franchises in the United States.

ServiceMaster Clean/Restore SPE LLC ("**ServiceMaster**"), a Delaware limited liability company, franchises (i) businesses that provide disaster restoration and heavy-duty cleaning services to residential and commercial customers under the ServiceMaster Restore® mark and (ii) businesses that provide contracted janitorial services and other cleaning and maintenance services under the ServiceMaster Clean® mark. The principal address for ServiceMaster is One Glenlake Parkway, 14th Floor, Atlanta, Georgia 30328. ServiceMaster and its predecessors began offering franchises in 1952. As of December 31, 2024, ServiceMaster had 585 ServiceMaster Clean franchises and 1,995 ServiceMaster Restore franchises operating in the United States.

ServiceMaster of Canada Limited ("**SM Canada**") offers ServiceMaster Clean®, ServiceMaster Restore®, Two Men and a Truck®, Two Men and a Junk Truck®, and Merry Maids® franchises in Canada. The principal address for SM Canada is One Glenlake Parkway, 14th Floor, Atlanta, Georgia 30328. As of December 31, 2024, there were approximately 308 franchises in Canada under the ServiceMaster Clean®, ServiceMaster Restore®, Two Men and a Truck®, and Merry Maids® trade names and trademarks serving residential and commercial customers throughout Canada.

ServiceMaster Limited ("**SM UK**") offers ServiceMaster Clean®, ServiceMaster Restore®, Merry Maids®, TruGreen®, and Rosemary Bookkeeping® franchises in Great Britain. The principal address for SM UK is ServiceMaster House, Tigers Road, Wigston, Leicester, The United Kingdom. As of December 31, 2024, there were approximately 458 franchises in Great Britain that operate using the ServiceMaster Clean®, ServiceMaster Restore®, Merry Maids®, Furniture Medic®, TruGreen®, and Rosemary Bookkeeping® trade names and trademarks.

Merry Maids, ServiceMaster, SM Canada, and SM UK have never offered franchises in any line of business (except as provided above), have never conducted a business of the type you will operate, and do not provide products or services to our franchisees, although they may sell products to our franchisees.

In this Disclosure Document, we refer to Merry Maids, ServiceMaster, and us collectively as the "**SM Franchisors**."

<u>OTHER AFFILIATED PROGRAMS</u>

Through control with private equity funds managed by Roark Capital Management, LLC, an Atlanta-based private equity firm, we are affiliated with the following franchise programs ("**Affiliated Programs**"). None of these affiliates operate a Two Men and a Junk Truck franchise.

GoTo Foods Inc. ("**GoTo Foods**") is the indirect parent company to seven franchisors, including: Auntie Anne's Franchisor SPV LLC ("**Auntie Anne's**"), Carvel Franchisor SPV LLC ("**Carvel**"), Cinnabon Franchisor SPV LLC ("**Cinnabon**"), Jamba Juice Franchisor SPV LLC ("**Jamba**"), McAlister's Franchisor SPV LLC ("**McAlister's**"), Moe's Franchisor SPV LLC ("**Moe's**"), and Schlotzsky's Franchisor SPV LLC ("**Schlotzsky's**"). All seven GoTo Foods franchisors have a principal place of business at 5620 Glenridge Drive NE, Atlanta, GA 30342 and have not offered franchises in any other line of business.

Auntie Anne's franchises Auntie Anne's® shops that offer soft pretzels, lemonade, frozen drinks, and related foods and beverages. In November 2010, the Auntie Anne's system became affiliated with GoTo Foods through an acquisition. Auntie Anne's predecessor began offering franchises in January 1991. As of December 31, 2024, there were 1,182 franchised and 11 affiliate-owned Auntie Anne's shops in the United States and 815 franchised Auntie Anne's shops outside the United States.

Carvel franchises Carvel® ice cream shoppes and is a leading retailer of branded ice cream cakes in the United States and a producer of premium soft-serve ice cream. The Carvel system became an Affiliated Program in October 2001 and became affiliated with GoTo Foods in November 2004. Carvel's predecessor began franchising retail ice cream shoppes in 1947. As of December 31, 2024, there were 336 franchised Carvel shoppes in the United States and 39 franchised Carvel shoppes outside the United States.

Cinnabon franchises Cinnabon® bakeries that feature oven-hot cinnamon rolls, as well as other baked treats and specialty beverages. It also licenses independent third parties to operate domestic and international franchised Cinnabon® bakeries and Seattle's Best Coffee® franchises on military bases in the United States and in certain international countries, and to use the Cinnabon trademarks on products dissimilar to those offered in Cinnabon bakeries. In November 2004, the Cinnabon system became affiliated with GoTo Foods through an acquisition. Cinnabon's predecessor began franchising in 1990. As of December 31, 2024, there were 1,002 franchised and 28 affiliate-owned Cinnabon bakeries in the United States, 1,040 franchised Cinnabon bakeries outside the United States, and 193 franchised Seattle's Best Coffee units outside the United States.

Jamba franchises Jamba® stores that feature a wide variety of fresh blended-to-order smoothies and other cold or hot beverages and offer fresh squeezed juices and portable food items to customers who come for snacks and light meals. Jamba has offered JAMBA® franchises since October 2018. In October 2018, Jamba became affiliated with GoTo Foods through an acquisition. Jamba's predecessor began franchising in 1991. As of December 31, 2024, there were 726 franchised Jamba stores and one affiliate-owned Jamba store in the United States and 61 franchised Jamba stores outside the United States.

McAlister's franchises McAlister's Deli® restaurants that feature deli foods, including hot and cold deli sandwiches, baked potatoes, salads, soups, desserts, iced tea and other food and beverage products. The McAlister's system became an Affiliated Program through an acquisition in July 2005 and became affiliated with GoTo Foods in October 2013. McAlister's or its predecessor have been franchising since 1999. As of December 31, 2024, there were 524 franchised and 36 affiliate-owned McAlister's restaurants in the United States.

Moe's franchises Moe's Southwest Grill® fast casual restaurants which feature fresh-mex and southwestern food. In August 2007, the Moe's system became affiliated with GoTo Foods through an acquisition. Moe's predecessor began offering Moe's Southwest Grill franchises in 2001. As of December 31, 2024, there were 591 franchised and five affiliate-owned Moe's Southwest Grill restaurants in the United States.

Schlotzsky's franchises Schlotzsky's® quick-casual restaurants that feature sandwiches, pizza, soups, and salads. Schlotzsky's signature items are its "fresh-from-scratch" sandwich buns and pizza crusts that are baked on-site every day. In November 2006, the Schlotzsky's system became affiliated with GoTo Foods through an acquisition. Schlotzsky's restaurant franchises have been offered since 1976. As of December 31, 2024, there were 280 franchised and 28 affiliate-owned Schlotzsky's restaurants in the United States.

Inspire Brands, Inc. ("**Inspire Brands**") is a global multi-brand restaurant company, launched in February 2018 upon completion of the merger of the Arby's and Buffalo Wild Wings brands. Inspire Brands is a parent company to six franchisors offering and selling franchises in the United States, including: Arby's Franchisor, LLC ("**Arby's**"), Baskin-Robbins Franchising LLC ("**Baskin-Robbins**"), Buffalo Wild Wings International, Inc. ("**Buffalo Wild Wings**"), Dunkin' Donuts Franchising LLC ("**Dunkin'**"), Jimmy John's Franchisor SPV, LLC ("**Jimmy John's**"), and Sonic Franchising LLC ("**Sonic**"). Inspire Brands is also a parent company to the following franchisors offering and selling franchises internationally: Inspire International, Inc. ("**Inspire International**"), DB Canadian Franchising ULC ("**DB Canada**"), DDBR International LLC ("**DB China**"), DD Brasil Franchising Ltda. ("**DB Brasil**"), DB Mexican Franchising LLC ("**DB Mexico**"), and BR UK Franchising LLC ("**BR UK**"). All of Inspire Brands' franchisors have a principal place of business at Three Glenlake Parkway NE, Atlanta, Georgia 30328 and, other than as described below for Arby's, have not offered franchises in any other line of business.

Arby's is a franchisor of quick-serve restaurants operating under the Arby's® trade name and business system that feature slow-roasted, freshly sliced roasted beef and other deli-style sandwiches. In July 2011, Arby's became an Affiliated Program through an acquisition. Arby's has been franchising since 1965. Predecessors and former affiliates of Arby's have, in the past, offered franchises for other restaurant concepts including T.J. Cinnamons® stores that served gourmet baked goods. All of the T.J. Cinnamons locations have closed. As of December 29, 2024, there were 3,365 Arby's restaurants operating in the United States (2,286 franchised and 1,079 company-owned), including one multi-brand location. Additionally, as of December 29, 2024, there were 231 single-branded franchised Arby's restaurants operating internationally.

Baskin-Robbins is a franchisor of Baskin-Robbins® restaurants that offer ice cream, ice cream cakes and related frozen products, beverages and other products and services. Baskin-Robbins became an Affiliated Program through an acquisition in December 2020. Baskin-Robbins has offered franchises in the United States and certain international markets for Baskin-Robbins restaurants since March 2006. As of December 29, 2024, there were 2,245 franchised Baskin-Robbins restaurants operating in the United States. Of those 2,245 restaurants, 974 were single-branded Baskin-Robbins restaurants, two were Baskin-Robbins restaurants operating at a multi-brand location, and 1,269 were Dunkin' and Baskin-Robbins combo restaurants. Additionally, as of December 29, 2024, there were 5,651 single-branded franchised Baskin-Robbins restaurants operating internationally and in Puerto Rico.

Buffalo Wild Wings is a franchisor of sports entertainment-oriented casual sports bars that feature chicken wings, sandwiches, and other products, alcoholic and other beverages, and related services under Buffalo Wild Wings® name ("**Buffalo Wild Wings Sports Bars**") and restaurants that feature chicken wings and other food and beverage products primarily for off-premises consumption under the Buffalo Wild Wings GO name ("**BWW-GO Restaurants**"). Buffalo Wild Wings has offered franchises for Buffalo Wild Wings Sports Bars since April 1991 and for BWW-GO Restaurants since December 2020. As of December 29, 2024, there were 1,183 Buffalo Wild Wings Sports Bars operating in the United States (538 franchised and 645 company-owned) and 65 franchised Buffalo Wild Wings or B-Dubs restaurants operating outside the United States. As of December 29, 2024, there were 140 BWW-GO Restaurants operating in the United States (90 franchised and 50 company-owned).

Dunkin' is a franchisor of Dunkin'® restaurants that offer doughnuts, coffee, espresso, breakfast sandwiches, bagels, muffins, compatible bakery products, croissants, snacks, sandwiches and beverages. Dunkin' became an Affiliated Program through an acquisition in December 2020. Dunkin' has offered franchises in the United States and certain international markets for Dunkin' restaurants since March 2006. As of December 29, 2024, there were 9,768 Dunkin' restaurants operating in the United States (9,734 franchised and 34 company-owned). Of those 9,768 restaurants, 8,480 were single-branded Dunkin' restaurants, 19 were Dunkin' restaurants operating at multi-brand locations, and 1,269 were franchised Dunkin' and Baskin-Robbins combo restaurants. Additionally, as of December 29, 2024, there were 4,328 single-branded franchised Dunkin' restaurants operating internationally.

Jimmy John's is a franchisor of restaurants operating under the Jimmy John's® trade name and business system that feature high-quality deli sandwiches, fresh baked breads, and other food and beverage products. Jimmy John's became an Affiliated Program through an acquisition in October 2016 and became part of Inspire Brands by merger in 2019. As of December 29, 2024, there were 2,689 Jimmy John's restaurants operating in the United States (2,647 franchised and 42 affiliate-owned). Of those 2,689 restaurants, 2,668 were singled-branded Jimmy John's restaurants and 21 were Jimmy John's restaurants operating at multi-brand locations. Additionally, as of December 29, 2024, there were five franchised Jimmy John's restaurants operating internationally.

Sonic is the franchisor of Sonic Drive-In® restaurants, which serve hot dogs, hamburgers and other sandwiches, tater tots and other sides, a full breakfast menu and frozen treats and other drinks. Sonic became an Affiliated Program through an acquisition in December 2018. Sonic has offered franchises for Sonic restaurants since May 2011. As of December 29, 2024, there were 3,461 Sonic Drive-Ins operating in the United States (3,144 franchised and 317 company-owned), including one multi-brand location.

Inspire International has, directly or through its predecessors, offered and sold franchises outside the United States for the following brands: Arby's restaurants (since May 2016), Buffalo Wild Wings sports bars (since October 2019), Jimmy John's restaurants (since November 2022), and Sonic restaurants (since November 2019). **DB Canada** was formed in May 2006 and has, directly or through its predecessors, offered and sold Baskin-Robbins franchises in Canada since January 1972. **DB China** has offered and sold Baskin-Robbins franchises in China since its formation in March 2006. **DB Brasil** has offered and sold Dunkin' and Baskin-Robbins franchises in Brazil since its formation in May 2014. **DB Mexico** has offered and sold Dunkin' franchises in Mexico since its formation in October 2006. **BR UK** has offered and sold Baskin-Robbins franchises in the UK since its formation in December 2014. The restaurants franchised by the international franchisors are included in the brand-specific disclosures above.

Primrose School Franchising SPE, LLC (**"Primrose"**) is a franchisor that offers franchises for the establishment, development and operation of educational childcare facilities serving families with children from 6 weeks to 12 years old operating under the Primrose® name. Primrose's principal place of business is 3200 Windy Hill Road SE, Suite 1200E, Atlanta GA 30339. Primrose became an Affiliated Program through an acquisition in June 2008. Primrose and its affiliates have been franchising since 1988. As of December 31, 2024, there were 525 franchised Primrose facilities in the United States. Primrose has not offered franchises in any other line of business.

ME SPE Franchising, LLC (**"Massage Envy"**) is a franchisor of businesses that offer professional therapeutic massage services, facial services, and related goods and services under the name "Massage Envy®" since 2019. Massage Envy's principal place of business is 14350 North 87th Street, Suite 200, Scottsdale, Arizona 85260. Massage Envy's predecessor began operation in 2003, commenced franchising in 2010, and became an Affiliated Program through an acquisition in 2012. As of December 31, 2024, there were 1,009 Massage Envy locations operating in the United States, including 1,000 operated as total body care Massage Envy businesses and 9 operated as traditional Massage Envy businesses. Additionally, Massage Envy's predecessor previously sold franchises for regional developers, who acquired a license for a defined region in which they were required to open and operate a designated number of Massage Envy locations either by themselves or through franchisees that they would solicit. As of December 31, 2024, there were nine regional developers operating 11 regions in the United States. Massage Envy has not offered franchises in any other line of business.

CKE Inc. ("**CKE**"), through two indirect wholly-owned subsidiaries (Carl's Jr. Restaurants LLC and Hardee's Restaurants LLC), owns, operates and franchises quick serve restaurants operating under the Carl's Jr.® and Hardee's® trade names and business systems. Carl's Jr. restaurants and Hardee's restaurants offer a limited menu of breakfast, lunch and dinner products featuring charbroiled 100% Black Angus Thickburger® sandwiches, Hand-Breaded Chicken Tenders, Made from Scratch Biscuits and other related quick serve menu items. A small number of Hardee's Restaurants offer Red Burrito® Mexican food products through a Dual Concept Restaurant. A small number of Carl's Jr. Restaurants offer Green Burrito® Mexican food products through a Dual Concept Restaurant. CKE Inc.'s principal place of business is 6700 Tower Circle, Suite 1000, Franklin, Tennessee. In December 2013, CKE Inc. became an Affiliated Program through an acquisition. Hardee's restaurants have been franchised since 1961. As of January 27, 2025, there were 202 company-operated Hardee's restaurants and there were 1,369 domestic franchised Hardee's restaurants, including 129 Hardee's/Red Burrito Dual Concept restaurants. Additionally, there were 473 franchised Hardee's restaurants operating outside the United States. Carl's Jr. restaurants have been franchised since 1984. As of January 27, 2025, there were 50 company-operated Carl's Jr. restaurants, and there were 982 domestic franchised Carl's Jr. restaurants, including 218 Carl's Jr./Green Burrito Dual Concept restaurants. In addition, there were 687 franchised Carl's Jr. restaurants operating outside the United States. Neither CKE nor its subsidiaries that operate the above-described franchise systems have offered franchises in any other line of business.

Driven Holdings, LLC ("**Driven Holdings**") is the indirect parent company to nine franchisors, including Meineke Franchisor SPV LLC ("**Meineke**"), Maaco Franchisor SPV LLC ("**Maaco**"), Merlin Franchisor SPV LLC ("**Merlin**"), Econo Lube Franchisor SPV LLC ("**Econo Lube**"), 1-800-Radiator Franchisor SPV LLC ("**1-800-Radiator**"), CARSTAR Franchisor SPV LLC ("**CARSTAR**"), Take 5 Franchisor SPV LLC ("**Take 5**"), ABRA Franchisor SPV LLC ("**ABRA**") and FUSA Franchisor SPV LLC ("**FUSA**"). In April 2015, Driven Holdings and its franchised brands at the time (which included Meineke, Maaco, Merlin and Econo Lube) became Affiliated Programs through an acquisition. Subsequently, through acquisitions in June 2015, October 2015, March 2016, September 2019, and April 2020, respectively, the 1-800-Radiator, CARSTAR, Take 5, ABRA and FUSA brands became Affiliated Programs. The principal business address of Meineke, Maaco, Econo Lube, Merlin, CARSTAR, Take 5, Abra and FUSA is 440 South Church Street, Suite 700, Charlotte, North Carolina 28202. 1-800-Radiator's principal business address is 4401 Park Road, Benicia, California 94510. None of these franchise systems have offered franchises in any other line of business.

Meineke franchises automotive centers that offer to the general public automotive repair and maintenance services that it authorizes periodically. These services currently include repair and replacement of exhaust system components, brake system components, steering and suspension components (including alignment), belts (V and serpentine), cooling system service, CV joints and boots, wiper blades, universal joints, lift supports, motor and transmission mounts, trailer hitches, air conditioning, state inspections, tire sales, tune ups and related services, transmission fluid changes and batteries. Meineke and its predecessors have offered Meineke center franchises since September 1972, and Meineke's affiliate has owned and operated Meineke centers on and off since March 1991. As of December 28, 2024, there were 714 franchised Meineke centers, 18 franchised Meineke centers co-branded with Econo Lube, and no company-owned Meineke centers or company-owned Meineke centers co-branded with Econo Lube operating in the United States.

Maaco and its predecessors have offered Maaco center franchises since February 1972 providing automotive collision and paint refinishing. As of December 28, 2024, there were 363 franchised Maaco centers and no company-owned Maaco centers in the United States.

Merlin franchises shops that provide automotive repair services specializing in vehicle longevity, including the repair and replacement of automotive exhaust, brake parts, ride and steering control system and tires. Merlin and its predecessors offered franchises from July 1990 to February 2006 under the name "Merlin Muffler and Brake Shops," and have offered franchises under the name "Merlin Shops" since February 2006. As of December 28, 2024, there were 14 Merlin franchises and no company-owned Merlin shops located in the United States.

Econo Lube offers franchises that provide oil change services and other automotive services including brakes, but not including exhaust systems. Econo Lube's predecessor began offering franchises in 1980 under the name "Muffler Crafters" and began offering franchises under the name "Econo Lube N' Tune" in 1985. As of December 28, 2024, there were eight Econo Lube N' Tune franchises and nine Econo Lube N' Tune franchises co-branded with Meineke centers in the United States, which are predominately in the western part of the United States, including California, Arizona, and Texas, and no company-owned Econo Lube N' Tune locations in the United States.

1-800-Radiator franchises distribution warehouses selling radiators, condensers, air conditioning compressors, fan assemblies and other automotive parts to automotive shops, chain accounts and retail consumers. 1-800-Radiator and its predecessor have offered 1-800-Radiator franchises since 2004. As of December 28, 2024, there were 193 1-800-Radiator franchises in operation in the United States. 1-800-Radiator's affiliate has owned and operated 1-800-Radiator warehouses since 2001 and, as of December 28, 2024, owned and operated 1 1-800-Radiator warehouse in the United States.

CARSTAR offers franchises for full-service automobile collision repair facilities providing repair and repainting services for automobiles and trucks that suffered damage in collisions. CARSTAR's business model focuses on insurance-related collision repair work arising out of relationships it has established with insurance company providers. CARSTAR and its affiliates first offered conversion franchises to existing automobile collision repair facilities in August 1989 and began offering franchises for new automobile repair facilities in October 1995. As of December 28, 2024, there were 471 franchised CARSTAR facilities and no company-owned facilities operating in the United States.

Take 5 franchises motor vehicle centers that offer quick service, customer-oriented oil changes, lubrication and related motor vehicle services and products. Take 5 commenced offering franchises in March 2017, although the Take 5 concept started in 1984 in Metairie, Louisiana. As of December

28, 2024, there were 432 franchised Take 5 outlets and 710 affiliate-owned Take 5 outlets operating in the United States.

Abra franchises repair and refinishing centers that offer high quality auto body repair and refinishing and auto glass repair and replacement services at competitive prices. Abra and its predecessor have offered Abra franchises since 1987. As of December 28, 2024, there were 55 franchised Abra repair centers and no company-owned repair centers operating in the United States.

FUSA franchises collision repair shops specializing in auto body repair work and after-collision services. FUSA has offered Fix Auto shop franchises since July 2020, although its predecessors have offered franchise and license arrangements for Fix Auto shops on and off from April 1998 to June 2020. As of December 28, 2024, there were 212 franchised Fix Auto repair shops operating in the United States.

Driven Holdings is also the indirect parent company to the following franchisors that offer franchises in Canada: (1) **Meineke Canada SPV LP** and its predecessors have offered Meineke center franchises in Canada since August 2004; (2) **Maaco Canada SPV LP** and its predecessors have offered Maaco center franchises in Canada since 1983; (3) **1-800-Radiator Canada, Co.** has offered 1-800-Radiator warehouse franchises in Canada since April 2007; (4) **Carstar Canada SPV LP** and its predecessors have offered CARSTAR franchises in Canada since September 2000; (5) **Take 5 Canada SPV LP** and its predecessor have offered Take 5 franchises in Canada since November 2019; (6) **Driven Brands Canada Funding Corporation** and its predecessors have offered UniglassPlus and Uniglass Express franchises in Canada since 1985 and 2015, respectively, Vitro Plus and Vitro Express franchises in Canada since 2002, and Docteur du Pare Brise franchises in Canada since 1998; (7) **Go Glass Franchisor SPV LP** and its predecessors have offered Go! Glass & Accessories franchises since 2006 and Go! Glass franchises since 2017 in Canada; and (8) **Star Auto Glass Franchisor SPV LP** and its predecessors have offered Star Auto Glass franchises in Canada since approximately 2012.

As of December 28, 2024, there were: (i) 14 franchised Meineke centers and no company-owned Meineke centers in Canada; (ii) 17 franchised Maaco centers and no company-owned Maaco centers in Canada; (iii) 10 1-800-Radiator franchises and no company-owned 1-800-Radiator locations in Canada; (iv) 317 franchised CARSTAR facilities and one company-owned CARSTAR facility in Canada; (v) 32 franchised Take 5 outlets and seven company-owned Take 5 outlets in Canada; (vi) 71 franchised UniglassPlus businesses, 27 franchised UniglassPlus/Ziebart businesses, and five franchised Uniglass Express businesses in Canada, and one company-owned UniglassPlus business and one company-owned UniglassPlus/Ziebart business in Canada; (vii) 10 franchised VitroPlus businesses, 56 franchised VitroPlus/Ziebart businesses and three franchised Vitro Express businesses in Canada, and one company-owned VitroPlus business and one company-owned VitroPlus/Ziebart business in Canada; (viii) 31 franchised Docteur du Pare Brise businesses and two company-owned Docteur du Pare Brise businesses in Canada; (ix) 11 franchised Go! Glass & Accessories businesses and no franchised Go! Glass business in Canada, and 8 company-owned Go! Glass & Accessories businesses and no company-owned Go! Glass businesses in Canada; and (x) 8 franchised Star Auto Glass businesses and no company-owned Star Auto Glass businesses in Canada.

In January 2022, Driven Brands acquired Auto Glass Now's repair locations. As of December 28, 2024, there were more than 224 repair locations operating under the AUTOGLASSNOW® name in the United States ("**AGN Repair Locations**"). AGN Repair Locations offer auto glass calibration and windshield repair and replacement services. In the future, AGN Repair Locations may offer products and services to Driven Brands' affiliates and their franchisees in the United

States, and/or Driven Brands may decide to offer franchises for AGN Repair Locations in the United States.

NBC Franchisor LLC ("**NBC**") franchises gourmet bakeries that offer and sell specialty bundt cakes, other food items and retail merchandise under the Nothing Bundt Cakes® mark. NBC's predecessor began offering franchises in May 2006. NBC became an Affiliated Program through an acquisition in May 2021. NBC has a principal place of business at 4560 Belt Line Road, Suite 350, Addison, Texas 75001. As of December 31, 2024, there were 643 Northing Bundt Cake franchises and 17 company-owned locations operating in the United States. NBC has never offered franchises in any other line of business.

Mathnasium Center Licensing, LLC (**"Mathnasium"**) franchises learning centers that provide math instruction using the Mathnasium® system of learning. Mathnasium began offering franchises in late 2003. Mathnasium became an Affiliated Program through an acquisition in November 2022. Mathnasium has a principal place of business at 5120 West Goldleaf Circle, Suite 400, Los Angeles, California 90056. As of December 31, 2024, there were 995 franchised and 4 affiliate-owned Mathnasium centers operating in the United States. Mathnasium has never offered franchises in any other line of business. Affiliates of Mathnasium Center Licensing, LLC also offer franchises for operation outside the United States.

Mathnasium Center Licensing Canada, Inc. has offered franchises for Mathnasium centers in Canada since May 2014. As of December 31, 2024, there were 100 franchised Mathnasium centers in Canada. **Mathnasium International Franchising, LLC** has offered franchises outside the United States and Canada since May 2015. As of December 31, 2024, there were 91 franchised Mathnasium centers outside the United States and Canada. Mathnasium Center Licensing, LLC, Mathnasium Center Licensing Canada, Inc. and Mathnasium International Franchising, LLC each have their principal place of business at 5120 West Goldleaf Circle, Suite 400, Los Angeles, California 90056 and none of them has ever offered franchises in any other line of business.

Youth Enrichment Brands, LLC is the direct parent company to three franchisors operating in the United States: i9 Sports, LLC (**"i9"**), SafeSplash Brands, LLC also known as "**Streamline Brands**"**)**, and School of Rock Franchising LLC ("**School of Rock**"). i9 became an Affiliated Program through an acquisition in September 2021. Streamline Brands became an Affiliated Program through an acquisition in June 2022. School of Rock became an Affiliated Program through an acquisition in September 2023. The three franchisors have never offered franchises in any other line of business.

i9 franchises businesses that operate, market, sell, and provide amateur sports leagues, camps, tournaments, clinics, training, development, social activities, special events, products, and related services under the i9 Sports® mark. i9 began offering franchises in November 2003. i9 has its principal place of business at 9410 Camden Field Parkway, Riverview, Florida 33578. As of December 31, 2024, there were 264 i9 Sports franchises in the United States.

Streamline Brands offers franchises under the SafeSplash Swim School® brand and operates under the SwimLabs® and Swimtastic® brands, all of which provide "learn to swim" programs for children and adults, birthday parties, summer camps, and other swimming-related activities. Streamline Brands has offered swim school franchises under the SafeSplash Swim School brand since August 2014. Streamline Brands offered franchises under the Swimtastic brand since August 2015 through March 2023 and under the SwimLabs brand from February 2017 through March 2023. Streamline Brands became an Affiliated Program through an acquisition in June 2022 and has its principal place of business at 12240 Lioness Way, Parker, Colorado 80134. As of December 31, 2024, there were 102 franchised and 29 affiliate-owned SafeSplash Swim School outlets (including 12 outlets that are dual-branded with SwimLabs), 11 franchised and licensed SwimLabs swim schools, 11 franchised Swimtastic swim schools, and one dual-branded Swimtastic and SwimLabs swim school operating in the United States.

School of Rock franchises businesses that operate performance-based music schools with a rock music program under the School of Rock® mark. School of Rock began offering franchises in September 2005. School of Rock has a principal place of business at 1 Wattles Street, Canton, MA 02021. As of December 31, 2024, there were 254 franchised and 49 affiliate-owned School of Rock schools in the United States and 92 franchised School of Rock schools outside the United States.

Doctor's Associates LLC ("**Subway**") franchises retail eating establishments which sell foot-long and other sandwiches, salads and other food items under the Subway® mark. Subway began offering franchises in 1974. Subway became an Affiliated Program through an acquisition in April 2024. Subway has its principal place of business at 1 Corporate Drive, Suite 1000, Shelton, Connecticut 06484. As of December 31, 2024, there were 19,502 Subway franchises and no company-owned locations operating in the United States and an estimated 16,120 franchises operating outside the United States. Subway has never offered franchises in any other line of business.

None of the affiliated franchisors are obligated to provide products or services to you; however, you may purchase products or services from these franchisors if you choose to do so.

Except as described above, we have no other parents, predecessors, or affiliates that must be included in this Item.

THE TWO MEN AND A JUNK TRUCK FRANCHISE

We franchise a system for the development and operation of a business that provides junk removal services and related products and services. The distinguishing characteristics of the system include tradenames, trademarks, training, operational procedures, promotional techniques and materials, signs, layouts, methods of operation, and manuals covering business practices and policies. We may further define, update, and revise the system in the future. The system that we specify and authorize our franchisees to use is referred to as the "**System**." A business operated under the System and Trademarks, whether operated by us, an affiliate, or a person authorized by us, will sometimes be referred to as a "**Unit**." We own or have rights to certain logos, names, trademarks, and service marks, including the trademark "Two Men and a Junk Truck**®,**" which are used to identify the System and Units. We may revise these logos, names, trademarks, and service marks in the future. The logos, names, trademarks, and service marks that we specify and authorize our franchisees to use are referred to as the "**Trademarks**."

Franchised Businesses must operate under our Trademarks and in accordance with our System. The System includes the operating procedures and policies contained in the Two Men and a Junk Truck Manuals ("**Manuals**"). All written, electronic, video, and audio recorded policies, procedures, techniques, memos, bulletins, newsletter, forms, guidelines, and other materials prepared by us in connection with the System or to assist you in the operation of your Franchised Business.

You are granted the right to operate a Franchised Business by signing our standard Franchise Agreement and supplemental documents attached to the Franchise Agreement (see Exhibit C). Your Franchise Agreement will grant you a marketing area in which we will not locate other Franchised Businesses operating under the System and Trademarks ("**Marketing Area**").

We currently offer two types of Franchised Businesses: (1) a metro market franchise that will typically have a Marketing Area that includes a population of approximately 420,000 to 600,000 people (except in densely populated metropolitan areas) (a "**Metro Market Franchise**") and (2) a Mod Market

Franchise that will typically have a Marketing Area that includes a population of approximately 100,000 to 250,000 people (a "**Mod Market Franchise**"). The Mod Market Franchise is the same as our Metro Market Franchise, except, because of the smaller population of the Marketing Area, the initial fee is lower and the minimum performance requirements are different. There may also be some differences in equipment requirements, fee requirements, our right to re-purchase the franchise, hours of operation, and office staffing requirements. If you purchase a Mod Market Franchise, you will sign our current Metro Market Franchise Agreement as well as an Addendum to Franchise Agreement—Mod Market Franchise ("**Mod Market Addendum**") in the form attached as Exhibit I. The Mod Market Franchise is only available for new franchise marketing areas. An existing Marketing Area cannot be converted to a Mod Market Franchise during the term of the applicable Franchise Agreement or on renewal or transfer of the franchise for the Marketing Area. The information in this Disclosure Document relating to the Franchised Businesses applies to both our Metro Market Franchise and our Mod Market Franchise, unless otherwise noted.

In some cases, we may enter into a Preliminary Approval Agreement with you (see Exhibit D) (the "**Preliminary Approval Agreement**") before signing a Franchise Agreement. The Preliminary Approval Agreement reserves a Marketing Area for you for a limited period of time in which you can decide whether you want to enter into a Franchise Agreement with us. The Preliminary Approval Agreement may be used in situations where the applicant wants to deal with certain start-up issues before signing a Franchise Agreement; for example, determining if they can obtain financing or the necessary licensing from the applicable state agency. If you are renewing your franchise, you will sign our current standard Franchise Agreement as well as an Addendum to Franchise Agreement—Renewal ("**Renewal Addendum**") (see Exhibit E). The Renewal Addendum modifies some of the provisions of the standard Franchise Agreement to reflect your status as an existing franchisee.

Currently, the services that we have approved include junk removal services, Resale Services, and other products and services that we may designate from time to time (the "**Approved Services**"). "**Resale Services**" include reselling items that you pick-up from customers to third parties. We may expand or modify the services and products that are a required or optional part of the System.

We also have the exclusive right to coordinate and administer National Accounts and National Programs. A "**National Account**" is manufacturer, supplier, transport company, or other customer or prospective customer that desires to obtain services provided by the Two Men and a Junk Truck franchise system that may require services from more than one Two Men and a Junk Truck franchisee. A "**National Program**" is a program specified by us that involves services to customers that require participation by more than one Two Men and a Junk Truck franchisee and possibly a third party. If you are approached by a prospective National Account or National Program, you must promptly notify us and allow us to coordinate activities relating to the prospective National Account or National Program. We may enter into arrangements with National Accounts and in connection with National Programs to have the Two Men and a Junk Truck franchise system provide delivery or other services on a national or regional basis. These arrangements may include set pricing, service standards, and other rules of participation.

We may offer you the opportunity to, or require you to, participate in an arrangement with a National Account or in a National Program. If you are eligible and elect to participate or if we require you to participate in an arrangement with a National Account or in a National Program, you must agree to abide by the terms of our arrangement with the National Account as well as our policies and procedures relating to the National Account or the National Program. We may provide centralized dispatch, billing and collection services, insurance, tools, and/or other goods and services in connection with National Accounts and National Programs. We may charge fees for administering National Accounts and National Programs and providing these goods and services, which may be collected as a mark-up on customer payments or directly from franchisees. These fees may be used to cover our costs for administering National Accounts and National Programs (including overhead and out-of-pocket costs for goods and services provided) and/or to create a fund to be used for expenses incurred by us in our discretion in connection with National Accounts and National Programs or to market to prospective National Accounts and National Programs.

<u>MARKET AND COMPETITION</u>

Your franchise will offer commercial and junk removal services and related products and services to the public. The market for the products and services the franchise will offer is well developed and highly competitive. Your competitors will include other local and national junk removal or related services companies.

<u>INDUSTRY-SPECIFIC REGULATIONS</u>

Junk removal service companies are regulated by federal, state, and local law. The U.S. Department of Transportation's Federal Motor Carrier Safety Administration (FMCSA) administers the federal laws. The state and local laws can vary significantly from jurisdiction to jurisdiction. There may be other laws and regulations applicable to the operation of a Franchised Business within a particular state, city, or county, and we urge you to ask your attorney or state agencies about the described laws, regulations, and any other laws or regulations that can impact the operation of a Franchised Business within the specific area licensed to you.

Item 2–BUSINESS EXPERIENCE

<u>Chief Executive Officer: Jon Nobis</u>

Mr. Nobis has been the Chief Executive Officer for us, each of the other SM Franchisors, SM Manager, RW Purchaser, and a number of other related entities since September 2024. He has also been a Manager of RW Parent since September 2024. From November 2021 to September 2024, Mr. Nobis served as the Chief Information Officer for SM Manager in Atlanta, Georgia. From March 2018 to April 2022, he was the Chief Executive Officer for TMTI in Lansing, Michigan. Mr. Nobis serves in his present capacities in Atlanta, Georgia.

<u>Chief Financial Officer & Treasurer: Sunil Doshi</u>

Mr. Doshi has been the Chief Financial Officer & Treasurer for us, each of the other SM Franchisors, SM Manager, RW Parent, RW Purchaser, and a number of other related entities since August 2024. From March June 2020 to July 2024, he served in a variety of roles for Fossil Group, Inc. in Richardson, Texas, including Executive Vice President, Chief Financial Officer and Treasurer from March 2021 to June 2024 and Senior Vice President, Global Finance and Accounting and Chief Accounting Officer from June 2020 to March 2021. From February 2019 to May 2020, Mr. Doshi was the Chief Financial Officer for Mitra QSR KNE, LLC. Mr. Doshi serves in his present capacities in Atlanta, Georgia.

<u>Chief Franchise Development Officer: Jeff Todd</u>

Mr. Todd has served as Chief Franchise Development Officer for us and each of the other SM Franchisors since September 2025. He served as Chief Development Officer from March 2024 to September 2025 and Senior Vice President Business Development from June 2022 to March 2024 for Launch Franchising, LLC in Warwick, Rhode Island. From March 2020 to March 2022, he served as Vice President Development for Driven Brands, Inc. in Charlotte, North Carolina. Mr. Todd serves in his present capacities in Charlotte, North Carolina.

General Counsel and Chief Human Resources Officer: Josh Burnette

Mr. Burnette has been our General Counsel since July 2023. He has been the General Counsel for each of the other SM Franchisors, SM Manager, RW Parent, RW Purchaser, and a number of other related entities since July 2023. Since June 2024, he has served as the Chief Human Resources Officer for us, each of the other SM Franchisors, SM Manager, RW Parent, RW Purchaser, and a number of other related entities. From May 2018 to July 2023, he served as General Counsel for North America for DS Smith Plc in Atlanta, Georgia. Mr. Burnette serves in his present capacities in Atlanta, Georgia.

President of TMTI: Randy Shacka

Mr. Shacka has served as President of TMTI since August 2012. From August 2021 to March 2023, he also served as President of AmeriSpec SPE LLC and Furniture Medic SPE LLC. Mr. Shacka serves in his present capacities in Lansing, Michigan.

Senior Brand Director of TMTI: Jason Galey

Mr. Galey has served as Senior Brand Director of TMTI since September 2023. From April 2023 to September 2023, he was in between positions. From October 2021 to April 2023, he was a Senior Business Development Manager for Shyft Group, Inc. in Charlotte, Michigan. From June 20118 to October 2021, he was a Service Operations Manager for Shyft Group, Inc. in Charlotte, Michigan. Mr. Galey serves in his present capacity in Lansing, Michigan.

Senior Compliance Director of TMTI: Pamela Batten

Ms. Batten has served as Senior Compliance Director of TMTI since January 2016. From January 2016 to January 2025, she served as Compliance Director of TMTI. Ms. Batten serves in her present capacities in Lansing, Michigan.

Senior Director of Sales of TMTI: Ashley Skaggs

Ms. Skaggs has served as Senior Director of Sales of TMTI since January 2015. From October 2016 to January 2025, she served as Director of Sales of TMTI. Ms. Skaggs serves in her present capacities in Lansing, Michigan.

Franchise Development Specialist of TMTI: Cheryl Ackley

Ms. Ackley has served as a Franchise Development Specialist of TMTI since April 2018. Ms. Ackley serves in her present capacities in Lansing, Michigan.

Item 3–LITIGATION

PRIOR ACTIONS RELATED TO AFFILIATED PROGRAMS

The following affiliates who offer franchises resolved actions brought against them with settlements that involved their becoming subject to currently effective injunctive or restrictive orders or decrees. None of these actions have any impact on us or our brand nor allege any unlawful conduct by us.

The People of the State of California v. Arby's Restaurant Group, Inc. California Superior Court, Los Angeles County, Case No. 19STCV09397, filed March 19, 2019.

On March 11, 2019, our affiliate, Arby's Restaurant Group, Inc. ("**ARG**"), entered into a settlement agreement with the states of California, Illinois, Iowa, Maryland, Massachusetts, Minnesota, New Jersey, New York, North Carolina, Oregon, and Pennsylvania. The Attorney Generals in these states sought information from ARG on its use of franchise agreement provisions prohibiting the franchisor and franchisees from soliciting or employing each other's employees. The states alleged that the use of these provisions violated the states' antitrust, unfair competition, unfair or deceptive acts or practices, consumer protection and other state laws. ARG expressly denied these conclusions but entered into a settlement agreement to avoid litigation with the states. Under the settlement agreement ARG paid no money but agreed (a) to remove the disputed provision from its franchise agreements (which it had already done); (b) not to enforce the disputed provision in existing agreements or to intervene in any action by the Attorneys General if a franchisee seeks to enforce the provision; (c) to seek amendments of the existing franchise agreements in the applicable states to remove the disputed provision from the agreements; and (d) to post a notice and ask franchisees to post a notice to employees about the disputed provision. The applicable states instituted actions in their courts to enforce the settlement agreement through Final Judgments and Orders, Assurances of Discontinuance, Assurances of Voluntary Compliance, and similar methods.

The People of the State of California v. Dunkin' Brands, Inc., California Superior Court, Los Angeles County, Case No. 19STCV09597, filed on March 19, 2019.

On March 14, 2019, our affiliate, Dunkin Brands, Inc. ("**DBI**"), entered into a settlement agreement with the Attorney Generals of 13 states and jurisdictions concerning the inclusion of "no-poaching" provisions in Dunkin' restaurant franchise agreements. The settling states and jurisdictions included California, Illinois, Iowa, Maryland, Massachusetts, New Jersey, New York, North Carolina, Pennsylvania, Rhode Island, Vermont, and the District of Columbia. A small number of franchise agreements in the Dunkin' system prohibited Dunkin' franchisees from hiring the employees of other Dunkin' franchisees and/or DBI's employees. A larger number of franchise agreements in the Dunkin' system contained a no-poaching provision that prevented Dunkin' franchisees and DBI from hiring each other's employees. Under the terms of the settlement, (a) DBI agreed not to enforce either version of the no-poaching provision or assist Dunkin's franchisees in enforcing that provision, (b) DBI agreed to seek the amendment of 128 franchise agreements that contain a no-poaching provision that bars a franchisee from hiring the employees of another Dunkin' franchisee (the effect of the amendment would be to remove the no-poaching provision), and (c) DBI expressly denied in the settlement agreement that it had engaged in any conduct that had violated state or federal law, and, furthermore, the settlement agreement stated that such agreement should not be construed as an admission of law, fact, liability, misconduct, or wrongdoing on the part of DBI. The Attorney General of the State of California filed the above-reference lawsuit in order to place the settlement agreement in the public record, and the action was closed after the Court approved the parties' stipulation of judgment.

New York v. Dunkin' Brands, Inc., N.Y. Supreme Court for New York County, Case No. 451787/2019, filed September 26, 2019.

The New York Attorney General ("**NYAG**") filed a lawsuit against our affiliate, DBI, related to credential-stuffing cyberattacks during 2015 and 2018. The NYAG alleged that the cyber attackers used individuals' credentials obtained from elsewhere on the Internet to gain access to certain information for DD Perks customers and others who had registered a Dunkin' gift card. The NYAG further alleged that DBI failed to adequately notify customers and to adequately investigate and disclose the security breaches, which the NYAG alleged violated the New York laws concerning data privacy as well as unfair trade practices. On September 21, 2020, without admitting or denying the NYAG's allegations, DBI and the

NYAG entered into a consent agreement to resolve the State's complaint. Under consent order, DBI agreed to pay $650,000 in penalties and costs, issue certain notices and other types of communications to New York customers, and maintain a comprehensive information security program through September 2026, including precautions and response measures for credential-stuffing attacks.

Except for the actions described above, no litigation is required to be disclosed in this Item.

Item 4–BANKRUPTCY

No bankruptcy is required to be disclosed in this Item.

Item 5–INITIAL FEES

FRANCHISE AGREEMENT

INITIAL FRANCHISE FEE

METRO MARKET FRANCHISE

The initial franchise fee is $50,000 for a Marketing Area for a Metro Market Franchise. The initial franchise fee grants you the right to operate within a specified Marketing Area that will generally have a population of approximately 400,000 to 600,000 for a Metro Market Franchise. In some circumstances, we may approve a Marketing Area that will have a population of between 600,000 to 1,000,000. In those cases, we may charge an additional initial franchise fee based on a formula equal to $10,000 multiplied by (the actual additional population over 600,000 ÷ 50,000). For a Marketing Area with 1,000,000 people, the initial franchise fee will be $130,000 (calculated as $50,000 + ($10,000 x (400,000 ÷ 50,000)).

MOD MARKET FRANCHISE

The initial franchise fee is $30,000 for a Mod Market Franchise. The initial franchise fee grants you the right to operate within a specified Marketing Area that will generally have a population of approximately 100,000 to 250,000 people for a Mod Market Franchise. In some circumstances, we may approve a Marketing Area that will have a population of between 250,000 to 300,000. In those cases, we may charge an additional initial franchise fee based on a formula equal to $10,000 multiplied by (the actual additional population over 250,000 ÷ 50,000). For a Marketing Area with 300,000 people, the initial franchise fee will be $40,000 (calculated as $30,000 + ($10,000 x (50,000÷ 50,000))).

The initial franchise fee is payable in a lump sum at the time you sign the Franchise Agreement. The initial fee is fully earned and non-refundable when paid, in consideration of administrative and other expenses incurred by us in entering into the Franchise Agreement, and for our lost or deferred opportunity to enter into a Franchise Agreement with another franchisee.

INCENTIVE PROGRAMS AND DISCOUNTS

You may be eligible for certain discounts to the initial franchise fee if one or more individuals that will own 51% or more of the interests in your Franchised Business (or in the entity that owns your Franchised Businesses): (a) meet our qualifications for purchasing a Franchised Business, (b) have full operational control of the Franchised Business, and (c) meet one of the following qualifications:

Discount and Qualifications	% Discount
Industry Experience Discount – must have at least two years' experience owning or being employed by any business offering the services franchised by us	5%
Military Discount – must be honorably discharged from the United States Armed Forces	20%
Affiliate Discount – must be an (a) existing franchisee or owner of a franchisee in the ServiceMaster Clean® or ServiceMaster Restore®, Merry Maids®, Two Men and a Truck®, or Two Men and a Junk Truck® systems, (b) an existing employee of ServiceMaster, Merry Maids, or us, or (c) an existing employee of a Two Men and a Junk Truck® franchisee who has been referred to us by their employing franchisee (the employing franchisee will receive a $5,000 referral fee if you purchase a franchise within six months of the referral).	15%
Conversion Franchise Discount – must be a Conversion Franchise	15%

You may only take advantage of one of the above discounts, even if you qualify for multiple discounts. The availability of each incentive may be subject to a time limit. We reserve the right to offer, change, or cancel an incentive at any time.

In 2024, we collected initial franchise fees ranging from $0 to $50,000 for Metro Market Franchises and did not sell any Mod Market Franchises.

PRELIMINARY APPROVAL AGREEMENT

If we enter into a Preliminary Approval Agreement with you before you sign a Franchise Agreement, you must pay a franchise reservation fee of $10,000 for a Metro Market Franchise, and $5,000 for a Mod Market Franchise in a lump sum at the time you sign the Preliminary Approval Agreement. If you enter into a Franchise Agreement with us, the franchise reservation fee will be applied to the initial franchise fee due under the Franchise Agreement. If the Preliminary Approval Agreement expires or terminates for any reason other than the signing of a Franchise Agreement, we will retain the franchise reservation fee.

REFUNDABILITY OF INITIAL FEES

The initial fees described in this Item 5 are not refundable. The fees must be paid by credit card, check, or ACH.

Item 6–OTHER FEES

Type of Fee (See Note 1)	Amount	Due Date	Remarks
Royalty Fee	7% of all Gross Sales.	Monthly on the 15th	See Note 2 for the definition of "**Gross Sales**."
Minimum Royalty Fee for Metro Market Franchises	An amount equal to the difference between (a) $5,250 in the 1st year of operation, $8,750 in the 2nd year of operation, $12,250 in the 3rd year of operation, $15,750 in the 4th year of operation,	Upon demand	Payable if you fail to meet the sales-related Minimum Performance Requirements (as defined and described in Item 12) in any year, in addition to any other remedies we may exercise.

Type of Fee (See Note 1)	Amount	Due Date	Remarks
	and $21,000 in subsequent calendar years and (b) the actual Royalties paid by you to us during such year.		
Minimum Royalty Fee for MOD Market Franchises	An amount equal to the difference between (a) $3,500 in the 1st year of operation, $5,040 in the 2nd year of operation, $7,000 in the 3rd year of operation, $8,750 in the 4th year of operation, and $8,750 in subsequent calendar years and (b) the actual Royalties paid by you to us during such year.	Upon demand	Payable if you fail to meet the sales-related Minimum Performance Requirements (as defined and described in Item 12) in any year, in addition to any other remedies we may exercise.
Contributions to Advertising Fund	7% of Gross Sales.	Monthly on the 15th	You must contribute to the Advertising Fund (as defined in Item 11), which is administered and controlled by us.
Local Digital Advertising Fees	100% of digital advertising spend billed to us by all managed ad platforms, plus an administrative fee of 15% to 20% of the media spend.	Last business day of month incurred	If you would like to conduct digital advertising, you must obtain digital advertising services from us and must sign an agreement in the form attached as Exhibit F. While we may recommend a budget for digital advertising, it is solely your responsibility to determine how much you would like to spend on digital advertising. We will place digital ads for you based on the budget that you set.
Cooperative Advertising	Up to 1% of annual Gross Sales, unless all members agree to a higher rate. Currently, fees range from approximately $100 to $400 per month.	As assessed	We may require you to participate in an advertising cooperative, which may require you to contribute a monthly amount, or to participate in joint or cooperative advertising, which may require you to pay a pro rata share of such advertising conducted in your market. We may, in our sole discretion, agree to assist in the accounting or administration of cooperative advertising, but we will have the right to charge a fee for those services, provided such fee shall be no greater than $100 per month per Unit participating in such cooperative.
Minimum Local Marketing Spend Deficiency	The difference between the required Minimum Local Marketing Spend and your actual spending on Eligible Marketing, plus late fees and interest.	As incurred	If you fail to spend the required Minimum Local Marketing Spend on Eligible Marketing (as both terms are defined in Item 11), we may require you to contribute to the Advertising Fund the difference between the amount spent and the required amount, plus late fees and interest.

Type of Fee (See Note 1)	Amount	Due Date	Remarks
Technology and Support Fee	1% of Gross Sales per month.	Monthly on the 15th	Currently, this fee covers our services relating to components of our Automation Systems (as defined and described in Item 11). We may modify this fee from time to time or change the products and services covered by this fee, provided that the fee will be no more than 2% of Gross Sales per month.
Fees for Sales Support Services	Currently, not charged.	Last business day of month incurred	We may require you to obtain customer sales support services from us or a third-party we designate, including call answering, sales support, and other customer service and communication services during and after business hours. Currently, we do not provide these services or require you to purchase these services from us. If we, in the future, require you to obtain such services from us, the fee for such services will not exceed 5% of Gross Sales for all jobs booked through us.
Records and Bookkeeping Fees	Currently, $95 per hour, which we may increase up to $120 per hour.	Last business day of month incurred	Payable if you obtain optional records and bookkeeping services from us. Typically, franchisees require approximately five to 15 hours of services per month. If you obtain these services from us, you must sign an agreement in the form attached as Exhibit F.
Registration Fees for Meetings or Additional Training Programs	Currently, $75 to $1,200 per attendee (which may be increased up to $1,500 per attendee) for meeting or training program registration fees.	Before additional training	We may charge a reasonable registration fee for each of your representatives that attends meetings or additional training programs. We may permit or require you to attend virtual training sessions. You are also responsible for the wages and travel and living expenses of your representatives during any training.
Additional Assistance Fees	Currently, $75 to $1,200 per day per franchisor representative (which may be increased up to a maximum of $1,500 per day per representative) plus travel and living expenses of our representatives.	On receipt of our invoice	Payable if (a) you request additional assistance, (b) if we determine, in our sole discretion, that you need additional assistance due to performance issues, or (c) we provide additional training programs that do not require a per attendee registration fee. We may provide such training or assistance remotely or in-person. We typically will provide up to three days of assistance to you in the commencement and operation of your franchise at no charge (which may be provided virtually).
Fees for Administering National Accounts	Currently, fixed fees of $20 to $100 for each service or 3% to 10% of the revenue from the National Account.	On receipt of payment from the National Account	We may charge fees for administering National Accounts and providing related administrative services. These fees may be charged as flat fees or as a percentage of revenue and may be collected from the customer as a mark-up to the charge paid by the customer or may be collected directly from you. We will provide notice of any fees charged for each National Account and any changes to such fees, provided that the fixed fees will not exceed

Type of Fee (See Note 1)	Amount	Due Date	Remarks
			$200 for each service or 10% of the revenue from the National Account.
Vendor Product Testing Fee	Actual out-of-pocket cost plus $125 per hour for evaluation.	On receipt of our invoice	Payable if you request our approval of a proposed supplier or product to cover our costs of testing or investigating such proposal.
Products and Services	The actual costs of any products and services that we provide or procure, plus a mark-up or administrative fee that will not exceed 20% of the actual costs of such products or services.	Last business day of month incurred	If you acquire products or services from us or we acquire products or services for you from a third party, you must pay us for the products and services and any mark-up or administrative fees we charge in connection with those products and services.
Late Fees and Interest	For fees: 2% per month in interest compounded daily or the maximum permitted by law, whichever is less. For fees, reports, and other information or materials: $200 weekly late fee for first four late weeks and $500 weekly late fee thereafter; and all other costs incurred by us (including bank charges and attorneys' fees).	When overdue amount is paid	Payable if you are late making any payments or providing any sales reports or other documents or information required to be provided to us. Payable on, and in addition to, any overdue amounts from the date that the payment was originally due.
Audit	$5,000 plus the cost of audit, the amount of the underpayment, and interest on the underpayment.	Upon demand	Payable only if an audit shows an understatement of at least 1% of Gross Sales for any given month.
Inspection Fee	$500 per representative per day, plus our actual costs and expenses, which include travel and living expenses for our representatives.	Upon demand	Payable if we conduct a follow-up inspection to confirm that you have corrected any deficiencies identified in another inspection.
Indemnification	Varies by nature of claims.	On demand	You must indemnify us and our affiliates in connection with your operation of the Franchised Business, as well as our litigation costs in defending these claims.

Type of Fee (See Note 1)	Amount	Due Date	Remarks
Insurance Procurement Fee	Up to 150% of any costs and expenses that we and our affiliates incur to obtain and maintain insurance	As incurred	If you fail to obtain or maintain the required insurance coverage, we may, in our sole discretion, procure insurance coverage on your behalf and charge you this fee.
Customer Complaint Management Fee	Up to $1,000 plus any costs and expenses that we and our affiliates incur to attempt to resolve such complaint	As incurred	If we, in our sole discretion, intervene in a customer complaint or dispute to protect the brand or because you have not adequately or promptly resolved the complaint, we may manage or settle the dispute on your behalf and charge you this fee.
Performance After Default	Up to 120% of any costs and expenses that we and our affiliates incur to perform such obligation	As incurred	If you fail to perform any obligation under the Franchise Agreement, we may, in our sole discretion, undertake or perform such obligation and charge you this fee.
Enforcement Expenses	Our and our affiliates' costs and expenses.	On invoice	You must pay us or our related parties any attorneys' fees and other related costs and expenses we and our related parties incur (a) to enforce the terms of the Franchise Agreement or any other agreement (whether or not we initiate a legal proceeding, unless we or our related parties fail to prevail in such a legal proceeding) or (b) in the defense of any claim you or your related parties brings against us or our related parties on which we or our related parties substantially prevail in such legal proceedings related to you, your Owners, or your related parties (other than those we incur in response to your efforts to enforce the Franchise Agreement or in the defense of any claim we assert against you on which you substantially prevail in court or other formal legal proceedings).
Tax Reimbursement Fees	Will vary under circumstances.	As incurred	These fees will be paid to us to reimburse us for certain sales, use, personal property, and other taxes we or our affiliates incur related to the goods, services, and licenses that we provide to you.
Renewal Fee	25% of the franchise fee charged to new franchisees at the time of renewal (the fee is 50% of the then-current franchise fee if you do not timely renew).	Paid by ACH on the date of renewal	This fee must be paid if you renew your Franchise Agreement.

Type of Fee (See Note 1)	Amount	Due Date	Remarks
Fee for Adding a Person as a Franchisee or as a Principal of the Franchisee	20% of the franchise fee charged to new franchisees at the time of the addition, plus our and our affiliates' costs and expenses incurred related to the addition (including attorneys' fees).	Before person is added and before training has started for that person	This fee must be paid for each person you add as a franchisee or principal of your franchise.
Transfer/ Marketing Area Division Fee	40% of the franchise fee charged to new franchisees at the time of transfer, plus our and our affiliates' costs and expenses incurred related to the transfer (including attorneys' fees).	Before transfer and before training of proposed transferee	This fee must be paid if you transfer your franchise or divide your Marketing Area. This fee is subject to applicable state laws. If we pay a referral fee or commission related to the transferee, you must reimburse us for such fees prior to the transfer in addition to the Transfer Fee.
Temporary Management Fee	Reasonable fee not to exceed 5% of Gross Sales.	As incurred	Payable if, after the termination or expiration of the Franchise Agreement, we elect to temporarily manage the Franchised Business in the period in which we evaluate whether to exercise our option to purchase the assets of the Franchised Business and, if we exercise the option, the period that extends to the closing.
Non-compliance Fee	$5 to $4,000 per violation per day.	As incurred	Payable if you fail to comply with your Franchise Agreement or any standards. The fees: (a) shall be specified in the Manual or otherwise in writing (provided that they may not exceed $4,000 per single violation per day), (b) may be modified from time to time, (c) may be charged repeatedly (as frequently as daily) if the non-compliance is ongoing, and (d) may vary based on the severity of the defaults, the number of the defaults, and whether the defaults have been repeated. See Note 3 for current fees.
Liquidated Damages	Present value of the Royalty Fee that you would have paid us for the remainder of the term of the Franchise Agreement.	As incurred	Payable if the Franchise Agreement is terminated prior to its expiration (other than termination by you for cause). The damages will be calculated by multiplying the annual Gross Sales of the Franchised Business for the two years prior to termination (or lesser period if the business operated for less than two years) by the amount of time remaining in the term.

Type of Fee (See Note 1)	Amount	Due Date	Remarks
Holdback Amount for Customer Claims	An amount determined by us based on your customer damage history for previous two years and any known current damage issues.	Paid by ACH 5 days before expiration or termination	You must pay this amount if your franchise is expiring or terminating. This amount will be held by us for six months and used to resolve any customer disputes. The balance will be returned to you.
Appraiser's Fee	50% of appraiser's fee for the first appraiser; 100% of appraiser's fee for the second and third appraiser.	On invoice	Payable to us or third-party appraiser. You must pay this fee only if we elect to purchase your assets on termination or expiration of the Franchise Agreement, and we cannot agree with you on the purchase price.

Notes to Item 6 Table

1. Payment Due Dates and Payment Method. All of the listed fees are payable to us or our affiliates. All fees paid to us or our affiliates are non-refundable. Except as otherwise noted, the fees are uniformly imposed. All payments of fees and charges must be made to us in the manner and at the times specified by us, which are subject to change. Currently we specify that: (a) the Royalty Fee, Advertising Fund contribution, and Technology and Support Fee (the "**Operating Fees**") and other fees due to us must be paid to us on the day of the month specified by us (currently, the 15th of the month) following the month the revenue was generated (Royalty Fees and Advertising Fees contribution) and/or the fees were charged (Technology and Support Fees); (b) miscellaneous fees and charges must be paid to us on the day of the month specified by us (currently, the last business day of the month) in which they are incurred, except as noted below for liquidated damages; and (c) liquidated damages assessed against you must be paid on the 5th business day following the date the liquidated damages are invoiced. Sometimes it may be necessary to electronically debit funds for miscellaneous fees before the last day of the month. In that case, the amount and date of deduction will be communicated to you.

   You must make all payments to us by the method or methods that we specify from time to time in the Manual, which may include payment via wire transfer or electronic debit from your bank account (the "**Account**"). You must provide us and our bank with all authorizations necessary to effect payment by the specified methods and must take all steps necessary to ensure that such authorizations remain valid. Currently, you must make all payments due under the Franchise Agreement (including payments for products or services purchased from us or our affiliates) by electronic debit from the Account, which we may initiate by auto draft. You must sign an electronic funds transfer authorization form and maintain sufficient funds in the Account.

   If you have not reported Gross Sales for any reporting period, we will be authorized to debit your Account in an amount equal to the greater of the non-reported payment (if we can reasonably estimate or determine the owed amount) or 120% of the Operating Fees transferred from such Account for the last reporting period for which a report of Gross Sales was provided to us. If at any time we determine that you have underreported Gross Sales or underpaid any fees due to us under the Franchise Agreement, we will be authorized to immediately initiate a debit to the Account in the appropriate amount, including interest as provided for in the Franchise Agreement. An overpayment will be credited to the Account through a credit effective as of the first reporting date after we and you determine that such credit is due.

2. Definition of Gross Sales. "**Gross Sales**" means the total gross revenues from whatever source (whether in the form of cash, credit, agreements to pay, barter, trade credits, good will or other consideration) that arise, directly or indirectly, from or in connection with the operation of your franchise, including, but not limited to: (a) the sale of goods and/or services offered by or through the franchise; (b) the sale of goods and/or services by you or a third-party selling products and/or services on your behalf that are sold or that are required to be sold under the terms of the Franchise Agreement, no matter from what location or business the income is generated; (c)the proceeds from any business interruption insurance and/or damages or settlement amounts received to compensate you for lost revenue of the franchise; (d) any revenue generated from commissions, rebates or affiliated programs; (e) except for certain charity services (as described in the Franchise Agreement), the value of any goods and/or services provided without compensation to you; and (f) if you have missing or incomplete sales orders, missing sales order sheet income in an amount reasonably determined in accordance with the methods specified in the Manuals. The following rules will apply in the in the calculation of Gross Sales: (i) Gross Sales will be based on your normal rate at that time the products or services are provided, whether or not payment is received at the time of sale or any amounts prove uncollectible; (ii) Gross Sales will not be reduced by any invoice adjustment or set off made by you unless approved in writing by us; (iii) discounts given by you will not reduce Gross Sales unless the discount is based on a standard program approved by us; and (iv) Gross Sales are deemed received by you at the time the goods or services from which they derive are delivered or rendered or at the time the relevant sale takes place, whichever occurs first. Gross Sales and related rules may be further defined in our Manuals.

3. Non-Compliance Fee. The Non-Compliance Fees currently include: (i) $5 per piece of spam or unsolicited bulk e-mail transmitted under your accounts; (ii) $100 per day for violations of our franchise smart phone and mobile device access, user account assignment and termination, vehicle and office appearance, trailer, financial document submission, insurance coverage requirements, and PCI compliance policies; (iii) $100 to $500 per violation of our customer care policy; (iv) $200 per violation of our sales order/use of forms, drug testing, and uniform and appearance policies; (v) $1,000 per violation of our emergency reporting, building signage, and secondary office policies; (vi) $2,000 to $4,000 per violation of our marketing policy; (vii) $2,500 per violation of our truck de-identification policy; and (viii) $1,000 per violation per day for any other violations, defaults, or instances of non-compliance. We may modify the Non-Compliance Fees from time to time, provided that they will not exceed $4,000 per violation per day.

Item 7–ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT – METRO MARKET FRANCHISE

TYPE OF EXPENDITURE	AMOUNT		METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
	Low	High			
Initial Franchise Fee (1)	$50,000	$130,000	Lump Sum	On signing the Franchise Agreement	Us
Lease Security Deposit (2)	$4,500	$12,000	Lump Sum	As specified in lease	Landlord
Leasehold Improvements (3)	$0	$5,000	As Incurred	As Incurred	Third-Party

TYPE OF EXPENDITURE	AMOUNT		METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
	Low	High			
Miscellaneous Start-up Expenses (4)	$2,500	$6,000	As Incurred	As Incurred	Third Parties
Insurance (5)	$3,750	$6,250	As Incurred	As Incurred	Third Parties
Licensing Requirements (6)	$60	$6,925	As Incurred	As Incurred	Third Parties, Regulatory Agencies
Legal and Accounting Fees (7)	$2,500	$7,500	As Incurred	As Incurred	Third-Party
Trucks and Containers (8)	$23,300	$59,600	As Incurred	As Incurred	Third-Party
Office/Mobile Technology Costs (9)	$2,000	$10,000	As Incurred	As Incurred	Third-Party
Pre-Opening Training Costs (10)	$2,500	$6,000	As Incurred	As Incurred	Third-Party
Initial Marketing Expenses (10)	$20,000	$40,000	As Incurred	As Incurred	Third-Party
Additional Funds – 3 Months (11)	$20,000	$60,000	As Incurred	As Incurred	Us and Third-Party
TOTAL ESTIMATED INITIAL INVESTMENT (12)	**$131,110**	**$349,275**			

YOUR ESTIMATED INITIAL INVESTMENT – MOD MARKET

TYPE OF EXPENDITURE	AMOUNT		METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
	Low	High			
Initial Franchise Fee (1)	$30,000	$40,000	Lump Sum	On signing the Franchise Agreement	Us
Lease Security Deposit (2)	$4,500	$12,000	Lump Sum	As specified in lease	Landlord
Leasehold Improvements (3)	$0	$5,000	As Incurred	As Incurred	Third-Party
Miscellaneous Start-up Expenses (4)	$2,500	$6,000	As Incurred	As Incurred	Third Parties
Insurance (5)	$2,500	$5,000	As Incurred	As Incurred	Third Parties
Licensing Requirements (6)	$60	$6,925	As Incurred	As Incurred	Third Parties, Regulatory Agencies
Legal and Accounting Fees (7)	$2,500	$7,500	As Incurred	As Incurred	Third-Party

TYPE OF EXPENDITURE	AMOUNT		METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
	Low	High			
Trucks and Containers (8)	$11,650	$29,800	As Incurred	As Incurred	Third-Party
Office/Mobile Technology Costs (9)	$2,000	$5,000	As Incurred	As Incurred	Third-Party
Initial Marketing Expenses (10)	$5,000	$15,000	As Incurred	As Incurred	Third-Party
Pre-Opening Training Costs (11)	$2,500	$6,000	As Incurred	As Incurred	Third-Party
Additional Funds – 3 Months (12)	$20,000	$60,000	As Incurred	As Incurred	Us and Third-Party
TOTAL ESTIMATED INITIAL INVESTMENT (13)	**$83,210**	**$198,225**			

Notes to Table:

1. Initial Franchise Fee. The initial franchise fee is $50,000 for a Metro Market Franchise. If your Marketing Area has more than 600,000 people, your initial franchise fee may be higher. The initial franchise fee is $30,000 for a Mod Market Franchise. If your Marketing Area has more than 250,000 people, your initial franchise fee may be higher. These estimates do not include any discounts, such as the 20% Military Discount that we offer to veterans. See Item 5 for additional details.

2. Lease Security Deposit. You will need office space to operate your Franchised Business. In addition, you will need to have space available to park your trucks and store items for resale, which may be located at the same site as your office or within a reasonable proximity to such site, as approved by us.

   The estimate assumes you will lease 1,200 to 2,500 square feet of space (which is what we estimate you will need to operate your Franchised Business) but we will be more flexible on the type and size of the office for a Mod Market Franchise. This estimate includes your first and last month's rental payment (including any applicable taxes and common area maintenance fees) and we estimate that your security deposit will be equal to one or two months' rent. Your rent will depend on the site's size, condition, accessibility, and location, local market conditions, and demand for the premises among prospective lessees. If you would like a larger warehouse space, you may need to rent additional space and may incur higher rental costs. You should consult with a local commercial real estate broker to get a more accurate estimate of costs in your market.

3. Leasehold Improvements. You may elect to make some leasehold improvements to your office space, such as painting, installing bulletin or white boards, changing flooring and lighting, and adding office partitions.

4. Miscellaneous Start-Up Expenses. This estimate includes the cost of purchasing copiers, an initial inventory of boxes, supplies, furniture, fixtures, equipment (other than computer equipment), telephone service, uniforms, and other miscellaneous items and expenses.

5. Insurance. You must obtain and maintain insurance for your Franchised Business with the coverages and amounts specified by us. See Item 8 for our current requirements. This figure is an estimate of the cost of three months of the annual premium payments necessary to maintain the insurance required by the Franchise Agreement. We estimate that the annual premium payments necessary to maintain the insurance required by the Franchise Agreement will range from $15,000 to $25,000 for a Metro Market Franchise and $10,000 to $20,000 for a Mod Market Franchise. Your cost of coverage will vary based on your claims history, market, service offerings, and number and type of trucks.

6. Licensing Requirements. You must satisfy all requirements of applicable law for operating a Franchised Business within the state and area for which you intend to operate. The requirements for legally operating a junk removal company vary greatly from state to state. These requirements may include obtaining a business license from local authorities and/or an authority from the applicable state or federal agency. You may incur legal fees to acquire your authority. You should review the legal requirements of operating in the area in which you anticipate you will be licensed and obtain an estimate of the costs you will incur before you enter into the Franchise Agreement.

7. Legal and Accounting Fees. You should have your attorney and accountant review all of the franchise documents and advise you on the purchase, development, and operation of the franchise and the formation of your entity.

8. Trucks and Containers. Before you begin operating, you will be required to own one truck and two containers for a Mod Market Franchise and one to two trucks and two to four containers for a Metro Market Franchise (at least two containers per truck). A single junk truck is estimated to cost approximately $80,000 to $120,000 and a single container is estimated to cost approximately $5,000 to $6,000. Trucks and containers must meet our specifications, and you may be required to use our approved vendor for truck and container purchases. If you finance the trucks, we estimate that you will be required to pay approximately 10% down ($8,000 to $12,000 per truck) and should be able to finance the balance over a four to six-year period with monthly payments of between $1,300 to $1,800 per truck. Your monthly payments will vary depending on the cost of the trucks, the time period of the financing, and the interest rate. In addition, once you purchase the trucks, it will cost approximately $4,000 to paint and install the required signage on each truck, depending on your market.

   The low estimate assumes you purchase one junk truck (and includes the first months' payment and the down payment) with two containers and the high estimate assumes you purchase two junk trucks (and includes the first months' payment and the down payment) and four containers.

9. Office/Mobile Technology Costs. This estimate includes the cost of purchasing the Automation Systems we require (as described in Item 11), including a computer system for your office and handheld devices to be used in your service vehicle. We may impose additional computer hardware requirements for some franchisees depending on the franchisee's experience, the demographics of the Marketing Area, the density of the population, whether the area is a metro area, and other reasonable factors determined by us. The cost of these additional requirements is reflected in the high end of the estimate.

10. Initial Marketing Expenses. You must prepare an initial sales and marketing plan and, if specified by us, a corresponding budget for your business. The budget is an estimate of the expenses you will incur in connection with the initial sales and marketing plan. Your initial sales and marketing plan must be approved by us. You must implement the initial sales and marketing plan and a failure to do so is a material default under your Franchise Agreement.

11. Pre-Opening Training Costs. This is an estimate of the expenses you will incur for travel, food, lodging, and employee expenses in connection with attending our initial training program. In states that charge a sales tax on our training services, these expenses will include the sales taxes we incur.

12. Additional Funds – 3 Months. This is an estimate of the expenses you will incur during the 3-month initial phase of operations based on the experience of franchisees (as reported to us) in developing and owning franchises. These expenses include Royalty Fee, Advertising Fund, and Technology and Support Fee payments, credit card processing fees, telephone/Internet and utility bills, local advertising, additional supplies, rent (including applicable taxes and common area maintenance charges), payroll costs, including wages and benefits, and vehicle lease or loan payments. Your costs will vary depending on how rapidly your business grows.

13. Total Estimated Initial Investment. In developing these estimates, we have relied on our experience in offering and launching Franchised Businesses and the experience of franchisees (as reported to us) in developing and owning Franchised Businesses, as well as our management's business acumen and experience, including estimates from contractors and vendors. If you choose to purchase additional equipment, products, supplies, and vehicles, your expenses may be higher.

    The initial investment described in this Item relates to the development of a new franchise. If you are renewing your existing franchise, you will not incur most of the expenses referenced in this Item. However, you may be responsible for upgrading your franchise and any related expenses. You will not pay an initial franchise fee on renewal, but you will pay a renewal fee. If you are acquiring an existing franchise by transfer, in addition to the price you negotiate for the purchase of the franchise, you will be responsible for the transfer fee and you may be responsible for upgrading the franchise and any related expenses. If you are converting an existing junk removal business to become a Franchised Business, your costs may be different.

    We do not offer financing for your initial investment.

Except as may be noted, none of the payments to us are refundable. The refundability of payments to other parties are determined by your agreements with those parties.

Item 8–RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

GENERAL

We have the right to require you to purchase any goods or services that are used in the operation or development of your franchise (such as equipment, parts, inventory, supplies, components of the Automation System, insurance, consulting services, and other goods and services) in accordance with our specifications or from suppliers that we designate or approve. We will specify any required specifications or sourcing requirements in the Manuals or via our Automation Systems.

OBLIGATIONS TO PURCHASE FROM DESIGNATED OR APPROVED SUPPLIERS

We may designate certain products and services used in the development and operation of the franchise ("**Designated Supplier Products**") that must be purchased only from a supplier designated by us (which may be us or an affiliate) (a "**Designated Supplier**"). You will have no right to request approval of alternative suppliers for Designated Supplier Products.

Unless otherwise specified by us, all products and services used in the development and operation of the franchise, other than Designated Supplier Products, must be obtained only from a supplier that has been approved by us (an "**Approved Supplier**"). We provide lists of our Designated and Approved Suppliers via our Automation Systems.

We will not have any liability to you for any claims, damages, or losses suffered by you as a result of or arising from the products or services provided by or the acts or omissions of any Designated or Approved Supplier or other provider of products or services designated or approved by us.

OBLIGATIONS TO PURCHASE UNDER SPECIFICATIONS

If we have not specified a Designated or Approved Supplier for a product or service, you may obtain that product or service from any supplier, as long as the product or service meets our specifications, to the extent that we have issued them. If we later specify a Designated or Approved Supplier for the product or service, you must purchase any additional products or services from the Designated or Approved Supplier for that product or service. Our specifications for equipment, computer hardware and software, inventory, supplies, services, and suppliers may include minimum standards for quality, performance, uniformity, reporting of shipments, and other relevant standards that we establish. We do not issue these specifications and standards to our franchisees, but we issue lists of the items you must obtain and use in your business in our Manuals or otherwise via our Automations Systems. We will formulate and revise our specifications based on our knowledge and experience in the industry.

APPROVAL OF PRODUCTS, SERVICES, AND SUPPLIERS

We approve products and services sold through our franchise system based on the ability of the products to meet or exceed our specifications. We approve suppliers based on the ability of the suppliers to consistently furnish products, services, equipment, inventory, and supplies that meet or exceed our specifications. Our criteria for approving suppliers are not available to our franchises. You may request that we approve a supplier for products and services other than Designated Supplier Products. Your request should be in writing and must include a description of the supplier and its products and/or services. You must also submit any additional information we request. We will attempt to notify you of our decision within 90 days of the date of your request. We have the right to charge you a reasonable fee to cover the cost of testing, if it is necessary to test the supplier's products. We will issue approval or disapproval or notification of revocation of approval of products or suppliers to you in memos, bulletins, or our Manuals.

OBLIGATIONS RELATING TO INSURANCE

You must, at your expense, purchase and keep in force, the minimum insurance coverage that we specify from time to time. We may adjust the amounts of coverage required under such policies at any time and require different or additional kinds of insurance based upon our business judgment. We currently specify the following insurance coverages:

(i) Commercial general liability insurance coverage in the amount of $2,000,000, per person/per occurrence for bodily injury and property damage; this insurance must also have products/completed operations coverage with an aggregate limit of $1,000,000, personal and advertising insurance with a limit of $1,000,000, fire damage coverage with a limit for any one fire of $50,000, medical expense coverage with a limit for any one person of $5,000;

(ii) Motor vehicle liability coverage, which must include bodily injury and property damage, on all leased, owned, rented, hired, or borrowed motor vehicles having a combined single limit of at least $2,000,000 resulting from each occurrence;

(iii) Umbrella policy (covering general liability, auto, and employer's liability) with a limit of $1,000,000, if you operate more than five trucks. No umbrella policy is required if you operate one to five trucks;

(iv) Worker's Compensation coverage as mandated by applicable law. Worker's Compensation coverage must be provided as a benefit to your employees whether or not it is required by applicable laws and must include employer's liability insurance in the amount of $1,000,000; and

(v) All other insurance coverage required by applicable laws or that we otherwise require from time to time.

The liability policies must provide coverage for your contractual indemnity obligations to us. We may create a policy that requires franchisees exceeding a specified revenue threshold or operating more than five trucks to maintain additional insurance policies.

In connection with the required insurance: (a) the required insurance coverage and limits will not necessarily be adequate to protect you for all events, nor will it be deemed as a limitation on your liability to us; (b) you may meet the required insurance coverages and limits with any combination of primary and umbrella/excess liability insurance; (c) you are solely responsible for any deductible or self-insured retention; and (d) if we receive any proceeds from any claim under your policies, we may retain any such amount to offset any monies you owe to us or any of our affiliates.

Each required insurance policy must properly name us and our affiliates that we designate as additional insureds. Each insurance policy must be endorsed to provide us with a minimum 30 days advance written notice of cancellation or nonrenewal for any statutorily permitted reason other than nonpayment of premium, in which case the notice must be at least 10 days. Original or duplicated copies of all required insurance policies, certificates of insurance, or other proof of insurance we accept must be promptly furnished to us before you open your franchise and at least 14 days after the renewal date of your current policy. You must ensure that the required insurance does not lapse during the renewal period. If you fail to obtain or maintain any of the required insurances, we may obtain that insurance on your behalf, and you must reimburse us for 150% of the actual costs and expenses we incur to procure such insurance.

You should check the cost of Worker's Compensation and all other insurances within the state in which you intend to operate before signing the Franchise Agreement. We strongly recommend that you meet with your insurance agent at least annually to review the coverage required under the Franchise Agreement and also to consider additional optional coverage that protects you, such as: (1) business personal property insurance (2) employee dishonesty insurance and third-party dishonesty bond insurance; (3) cyber-liability (4) directors and officers liability coverage and (5) employment practices liability insurance and third-party discrimination liability coverage (including sexual harassment, wrongful termination and discrimination coverage), including coverage for wage and hour defense costs.

You must not satisfy your insurance obligations through the use of self-insurance, retroactive insurance, high-deductible insurance, insurance through a captive insurance program, or other non-traditional insurance without our prior written approval. If we, in our sole discretion, approve any non-traditional coverage, we may specify the broker or any providers that may be used and any other requirements and standards for such coverage.

OBLIGATIONS RELATING TO ADVERTISING MATERIALS

Any advertising or marketing materials you desire to use that we have not produced must be approved by us before their use. If you choose to conduct local digital advertising, you must obtain digital advertising services from us by entering into the Agreement to Provide Optional Services that is attached as Exhibit F and paying us the local digital advertising fees described in Item 6.

OBLIGATIONS RELATING TO FRANCHISE LOCATION

Your franchise location must be constructed or improved in accordance with our specifications for décor, signage, equipment layout, space, etc. You must purchase certain equipment, computer hardware and software, inventory, supplies, insurance, and other goods and services for the development and ongoing operation of your business in accordance with our specifications and only from a Designated or Approved Supplier.

OBLIGATIONS TO PURCHASE FROM THE FRANCHISOR OR ITS AFFILIATES

We are currently the only Approved Supplier to our franchisees of certain computer software and updates. We are also an Approved Supplier to our franchisees of records and bookkeeping services, but we are not the only Approved Supplier and you are not required to use us for those services. We and our affiliates are not currently a Designated or Approved Supplier of any other goods, services or real estate relating to your franchise.

OFFICER INTERESTS

Our officers own indirect ownership interests in us, and we are an Approved Supplier. Other than these interests, our officers do not have any ownership in any Approved Suppliers.

REVENUE FROM PURCHASES

We reserve the right for us and our affiliates to receive rebates or other fees or revenue from Designated and Approved Suppliers based on sales of products or services to our franchisees and to earn revenue from the sale of products and services directly to you. We reserve the right to use those rebates, fees, and revenue for any purpose in our sole discretion.

During its fiscal year ended December 31, 2024, TMTI received payments from suppliers ranging from $8,500 to $25,000 for the opportunity to participate in the Two Men and a Truck and the Two Men and a Junk Truck annual conventions, which totaled $221,250. These payments are used to fund costs of hosting the annual conventions and cover only a small portion of the expenses incurred in connection with the annual conventions. The payment of expenses for the annual conventions allows us to charge lower franchisee registration fees. In 2024, we and our affiliates did not earn any other revenue from Designated or Approved Suppliers.

We collect revenue from franchisees as the exclusive supplier of digital advertising services, but the revenue is passed through to our affiliate, SM Manager, which provides such services to us and, indirectly, our franchisees. During its fiscal year ended December 31, 2024, SM Manager's total revenue from providing such services for the benefit of the Franchised Businesses was $768,407.

During its fiscal year ended December 31, 2024, TMTI's total revenue from the sale of products and services to Franchised Businesses was $57,671.

Except as otherwise provided in this section, we and our affiliates did not earn any other revenue in connection with the sale of products and services to our franchisees.

PERCENTAGE OF PURCHASES

Your purchases from us or Designated and Approved Suppliers and your purchases that must be made in accordance with our specifications represent approximately 90% to 100% of your total purchases in the establishment of your franchise and 90% to 100% of your total purchases in the ongoing operation of your franchise.

COOPERATIVES; MATERIAL BENEFITS TO FRANCHISEES

We do not have any formal purchasing or distribution cooperatives. We do negotiate purchase arrangements with our suppliers, including price terms, for the benefit of our franchisees. We do not provide material benefits (for example, renewal or granting additional franchises) to our franchisees based on a franchisee's use of Designated or Approved Suppliers but doing so is one of your obligations under the Franchise Agreement.

USE OF AFFILIATED ENTITIES BY FRANCHISEE

Your use of affiliated entities in connection with your franchise may interfere with our reporting systems and analysis of your franchise. Consequently, you must not use affiliated entities in connection with your franchise (including, but not limited to, use of affiliated entities to sell, lease, or loan personal property or services to the franchise) without our prior written consent. For example, you must not have an affiliated entity own the vehicles used in your franchise without our prior written consent. We may withhold our consent to use affiliated entities in our sole discretion. As a condition to obtaining our consent, we may require your affiliates to guaranty your obligations to us. We may also condition our consent on preparation of a business plan and periodic reporting of financial and other information by the affiliate.

Item 9–FRANCHISEE'S OBLIGATIONS

This table lists your principal obligations under the Franchise Agreement and other agreements. It will help you find more detailed information about your obligations in these agreements and in other items of this disclosure document.

Obligation	Section in Franchise Agreement	Section in Mod Market Addendum	Section in Renewal Addendum	Section in Preliminary Agreement	Disclosure Document Item
a. Site Selection & Acquisition/Lease	1.1	Not Applicable	Not Applicable	Not Applicable	7 and 11

Obligation	Section in Franchise Agreement	Section in Mod Market Addendum	Section in Renewal Addendum	Section in Preliminary Agreement	Disclosure Document Item
b. Pre-opening Purchases and Leases	2.3 and 2.4	E	Not Applicable	Not Applicable	7 and 8
c. Site development and other pre-opening requirements	2.3, 2.5, 2.7, 2.10, and 2.12	Not Applicable	Not Applicable	Not Applicable	5 and 7
d. Initial and on-going training	1.5, 1.6, 1.7, 7.2(b)(v), 7.4, and 7.5	C	D	4	11
e. Opening	2.3 and 5.6(a)	Not Applicable	E	Not Applicable	7, 11, and 17
f. Fees	4 and 6.1	D and H	C	3	5, 6, and 7
g. Compliance with standards and policies/operating manual	2.8, 5.5, and 5.6	Not Applicable	F	Not Applicable	11 and 14
h. Trademarks and proprietary Information	1.2, 1.3, 1.4, and 3	Not Applicable	Not Applicable	7	8, 13, and 14
i. Restrictions on products/ services offered	2.4	Not Applicable	Not Applicable	Not Applicable	8 and 16
j. Warranty and customer service requirements	2.3, 2.8, and 2.17	Not Applicable	Not Applicable	Not Applicable	11
k. Marketing Area development and sales quotas	2.3 and 2.20	G	Not Applicable	Not Applicable	12
l. On-going product/service purchases	2.4 and 2.5	Not Applicable	Not Applicable	Not Applicable	8 and 16
m. Maintenance, appearance and remodeling requirements	2.6	Not Applicable	F	Not Applicable	11 and 17
n. Insurance	2.7	Not Applicable	Not Applicable	Not Applicable	6, 7, and 8
o. Advertising	2.12	Not Applicable	Not Applicable	Not Applicable	6, 7, 8, and 11
p. Indemnification	9.4	Not Applicable	Not Applicable	Not Applicable	Not Applicable
q. Owner's participation/management/ staffing restrictions/operating other businesses	2.3, 2.9, 2.13, and 2.22	Not Applicable	Not Applicable	Not Applicable	15
r. Records/reports	2.2, 2.14, 2.15, and 2.16	D	Not Applicable	Not Applicable	Not Applicable
s. Inspections/audits	2.2, 2.15, 6.1, and 8.1(d)	Not Applicable	Not Applicable	Not Applicable	6 and 17
t. Transfer	7	Not Applicable	Not Applicable	Not Applicable	17
u. Renewal	5.1 and 5.2	Not Applicable	All	Not Applicable	17
v. Post-termination obligations	6	Not Applicable	G	Not Applicable	17
w. Non-competition covenants	8.2	Not Applicable	Not Applicable	Not Applicable	17

Obligation	Section in Franchise Agreement	Section in Mod Market Addendum	Section in Renewal Addendum	Section in Preliminary Agreement	Disclosure Document Item
x. Dispute resolution	2.17 and 10	Not Applicable	Not Applicable	Not Applicable	6 and 17
y. Computers and telephone system	2.10 and 4.4	Not Applicable	Not Applicable	Not Applicable	6 and 11

Item 10–FINANCING

We do not offer direct or indirect financing for your franchise. We do not guaranty any of your notes, leases, or other obligations. At your request, we may provide information and advice to assist you in seeking financing.

Item 11–FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING

FRANCHISE AGREEMENT OBLIGATIONS

As noted in item 1, we are party to a management agreement with SM Manager for the provision of support and services to Franchised Businesses. SM Manager may provide the training, support, marketing, and other services described in this Item 11 to you on our behalf and will have the authority to exercise many of our rights and perform many of our obligations under the Franchise Agreement or other agreements with us. It is anticipated that SM Manager will delegate certain of these responsibilities to TMTI. Though we may delegate any of our rights and responsibilities to SM Manger, we remain ultimately responsible for all of the support and services required under our agreement or agreements with you.

Except as listed below, we are not required to provide you with any assistance.

ASSISTANCE BEFORE OPENING

Before opening your franchise, we will:

1. If we enter into a Preliminary Approval Agreement with you, continue to analyze your qualifications for the granting or denying of final approval and promptly determine whether you qualify for final approval once you have submitted all documentation and information. (Section 5 of Preliminary Approval Agreement).

2. Designate your Marketing Area in which you may operate your franchise. (Section 1.1 of Franchise Agreement).

3. Review for approval any location within your Marketing Area proposed by you. (Section 1.1 of Franchise Agreement). We do not provide any assistance with conforming the premises to local ordinances and building codes, or with obtaining any necessary permits, or constructing, remodeling, or decorating the premises. We do not own the premises or lease the premises to our franchisees.

4. Train you to operate the franchise. (Section 1.5 of Franchise Agreement). Our training program is described in more detail below. Except for our training program, we do not provide any assistance in hiring or training your employees.

5. Provide you with reasonable assistance and advice as we determine in our sole discretion for the commencement and operation of your franchise. We may charge a reasonable per diem fee for the assistance plus travel and living expenses of staff members or third-party vendors providing the assistance (Section 1.8 of Franchise Agreement). You will not typically be charged any fees for our assistance in the commencement and operations of your franchise. We generally provide up to 3 days of assistance at the time of opening of your franchise without any charge to you (start-up process). We may charge fees if it is necessary for us to provide more than 3 days of assistance. Our current fees for this assistance are $500 to $1,200 per representative per day (which shall not exceed $1,500 per representative per day) plus travel and living expenses of training personnel.

6. Provide you with our specifications for initial equipment, phones, computer hardware and software, fixtures, signs, inventory, supplies, and other goods or services necessary for the development of your franchise and provide you with lists of Designated or Approved Suppliers. (Section 2.3 and 2.5 of Franchise Agreement). Other than providing our specifications and lists of suppliers, we do not provide any assistance in providing for necessary equipment, signs, fixtures, opening inventory, and supplies for your franchise. We do not provide these items directly or install these items.

7. Provide you with our specifications for exterior design, materials, interior layout, equipment, fixtures, furniture, signs and decorating for the Franchised Business. You must prepare and submit to us for approval a site and building plan. We will review all drawings, plans and specifications relating to the design, construction and/or improvement of the Franchised Business. You must obtain our approval before construction and/or remodeling of the site may begin. (Section 2.3 of Franchise Agreement).

8. Provide you with our specifications for the operation of your franchise and give you access to our Manuals. (Section 2.8 of Franchise Agreement). We will also provide you with modifications to the Manuals. You will be given access to the Manuals and modifications to the Manuals via our Automations Systems (described below) and/or in another manner specified by us. Our Manuals, and modifications to them, are confidential and remain our property. You are offered the opportunity to view the Manuals before buying a franchise. Before you view the Manuals, you must sign a Non-Disclosure and Confidentiality Agreement in the form attached as Exhibit G.

9. Review and, if acceptable to us, approve your initial sales and marketing plan and budget. (Section 2.12(a) of Franchise Agreement).

<u>ASSISTANCE DURING OPERATION</u>

During the operation of your franchise, we will, among other things:

1. At your request, we will provide the services of appropriate staff personnel to assist and counsel you during the operation of the franchise. (Section 1.7 of Franchise Agreement).

2. Provide you reasonable assistance and advice as we determine in our sole judgment for the commencement and operation of your franchise. We may charge you a reasonable per diem fee for the assistance plus travel and living expenses of staff members or third-party vendors providing the assistance (Section 1.8 of Franchise Agreement). You will not typically be charged any fees for our assistance in the commencement and operations of your franchise. If, during the operation of your franchise, you have sales, marketing, or performance issues, we may charge you for assistance we provide. Our current fees for this assistance are $75 to $1,200 per representative per day (which shall not exceed $1,500 per representative per day) plus travel and living expenses of training personnel.

3. In our discretion we may perform or employ a third-party company to perform audits, inspections, and investigations of all aspects of your business, including operations, internal controls and processes, training records and logs, business locations, vehicles, employees, books, records, tax returns, DOT driver log records, CSA pin or login numbers, call recordings, loss ratios, compliance safety and accountability records and assessments, motor vehicle records, other safety records, and any other records (Section 2.2 of Franchise Agreement).

4. At your request, review for approval any supplier for products or services other than Designated Supplier Products. (Section 2.5 of Franchise Agreement).

5. Give you access to updates in our Manuals and specifications relating to the franchise. (Section 2.8 of Franchise Agreement). We can change our specifications and Manuals at any time, and you must comply with those changes, except those changes cannot modify the terms of the Franchise Agreement.

6. Review and, if acceptable to us, approve your annual sales and marketing plan and budget. (Section 2.12(a) of Franchise Agreement).

7. Review for approval advertising materials proposed by you (Section 2.12 of Franchise Agreement).

8. Administer the Advertising Fund (Section 4.3 of Franchise Agreement). Additional information about the Advertising Fund is provided below.

9. In our discretion, assist you in resolving disputes with customers or resolve the dispute directly at your expense (Section 2.17 of Franchise Agreement).

10. Review proposed transferees of your franchise for approval of any proposed transfers and train approved transferees after payment of the transfer fee (Section 7.2 of Franchise Agreement).

SITE SELECTION

You are responsible for selecting the site where you wish to operate your franchise and for giving us notice of the proposed site. Your site must have sufficient office and warehouse space to operate your business including space to temporarily hold items that may be resold or recycled. We estimate that you will need a range of 1,200 to 2,500 square feet to start your business. You may need additional space as your business grows.

You must obtain our written approval of the site you select, and we will act timely to give you notice if we disapprove of the site. The Franchise Agreement does not establish a time limit for us to approve or disapprove of a site. If you propose a site, we can usually give our approval or disapproval within 30 days. Among the factors we consider before approving franchise sites are population density, general location within the Marketing Area, neighborhood, traffic patterns, parking, size, physical characteristics of the lot and building, neighboring buildings, lease terms, zoning restrictions, and the location of our franchisees that are adjacent to you. If we cannot agree on a site and your franchise is not opened within four months of the date of your Franchise Agreement, the Franchise Agreement may be terminated without a refund of any fees.

You cannot operate from more than one location within your Marketing Area, unless you receive written approval from us to do so. We can approve you to operate from more than one location within your Marketing Area if we decide there is a sound business reason for doing so, and we approve the site of the additional location.

TIME OF OPENING

Franchises are typically open for business one to three months after signing a Franchise Agreement or paying consideration to us. This time period is generally determined by how long it takes you to complete training and obtain your first trucks. You are required to open your franchise within four months of signing the Franchise Agreement. You must not open the Franchised Business until we have inspected and approved the development of your franchise location.

PRICING

We are not obligated to assist you in establishing pricing for services, but we may specify in our Manuals recommended or required pricing policies to the extent permitted by law.

ADVERTISING

ADVERTISING FUND

We will, in our discretion, establish, administer, and control an advertising fund ("**Advertising Fund**"), which will be funded through advertising fees contributed by franchisees. You must pay 7% of your Gross Sales to us as an advertising fee. All franchises, including franchises licensed to our affiliates, pay an advertising fee, although not all franchises pay at the same rate.

We may use the Advertising Fund to meet any and all costs of maintaining, administering, directing, and preparing advertising (media and production), branding, marketing, public relations, promotional programs and materials, and/or any other activities that we believe would benefit the brand and Franchised Businesses and/or will promote the programs, products, and services offered by Franchised Businesses, including, without limitation, the cost to: (i) prepare and conduct digital and social marketing activities, television, radio, magazine, direct mail, and newspaper advertising campaigns and other sales, marketing, sponsorships, promotional, and public relations activities; (ii) produce and maintain marketing systems and tools; (iii) employ advertising agencies and public relations firms; (iv) pay for salaries, benefits, and related payroll costs for our and our affiliates' employees that devote time to and render services related to the Advertising Fund; (v) solicit the granting of franchises to expand the franchise system; (vi) produce advertising and sales support materials for use by franchisees; (vii) conduct programs that are meant to promote positive customer experiences, including programs to incentivize franchisees and/or their frontline personnel to achieve high customer satisfaction/referral rates; (viii) provide certain phone services, such as purchasing call tracking lines, creating a toll-free number maintained by us and used in advertising and marketing campaigns, and producing on-hold marketing messages; (ix) make promotional goods available for franchisees to purchase; (x) develop websites for us and our franchises; (xi) develop and place online display and retargeting advertising; (xii) develop dashboards for interactive marketing, planning, customer service analysis and sales/marketing decision-making; (xiii) pay the expenses of the Advertising Fund; (xiv) monitor and/or manage social media relating to the brand; (xv) conduct market research and surveys related to marketing and branding; (xvi) purchase naming rights and sponsorships; (xvii) participate in trade shows and similar industry events; (xviii) establishing and administering gift-card programs and customer loyalty programs; and (xix) such other costs and expenses as we, in our sole discretion, deem appropriate and in the best interests of all or any of franchisees.

The Advertising Fund shall not be used to defray any of our general operating expenses, except for such reasonable administrative costs and overhead, if any, as we may incur in activities reasonably related to the administration or direction of the Advertising Fund and advertising programs including conducting market research, preparing marketing, promotional and advertising materials, and collecting and accounting for assessments for the Advertising Fund. The proportionate compensation of our and our affiliates' employees who devote time and render services in the formulation, development and production of such marketing and promotion programs or the administration of the Advertising Fund, will be paid from the Advertising Fund.

We are not required to spend, or cause our affiliate to spend, your Advertising Fund contributions or any other amounts to place advertising within the local area licensed to you or in any specific media.

There is no specific advertising council composed of franchisees that advises us on our advertising policies.

As part of the advertising program, we, at our sole discretion, may provide, or cause to be provided, an ad design process for franchisees to request the development of marketing materials using pre-approved images and messaging that follows our brand standards. Television spots are produced in conjunction with outside advertising agencies, which are available for franchisee use. Radio scripts and social videos are also produced and available for franchisee use. You may choose a third-party vendor to assist you in producing radio spots and social video; however, all scripts and story boards must be approved by our Marketing Department before production, and you must follow the Marketing Department's guidelines and our policies.

We or an affiliate directs, administers, and/or controls the Advertising Fund in the manner we deem appropriate. The Advertising Fund is not independently audited. Advertising fees are accounted for separately on our or an affiliate's books. A financial review of the operation of the Advertising Fund will be prepared annually by us, and the cost of preparing such a financial review will be paid by the Advertising Fund. Upon your written reasonable request, a copy of the financial review will be sent to you.

In the fiscal year ending December 31, 2024, we spent Advertising Fund monies in the following manner: (a) 44.77% for advertising placement (including 43.10% for Internet advertising, 1.51% for email campaigns, and 0.16% for trade shows), (b) 11.80% for contracted services relating to advertising (including 5.06% for public relations services, 3.06% for multi-media production, 3.0% for website development for franchises, and 0.68% for general contract service, creative design, and research), (c) 42.99% for administrative expenses (including 5% allocated to personnel overhead for soliciting new franchise sales), and (d) 0.44% for other expenses (including franchise training expense, and supplies expense). A portion of the Advertising Funds may be principally used to solicit new franchise sales.

If fees paid into the Advertising Fund are not expended during the fiscal year in which they are received, they will be used in the following years.

LOCAL ADVERTISING

You must provide us with an annual marketing plan and budget (the "**Marketing Plan**") and obtain our written approval of such Marketing Plan, which must be revised to incorporate any changes that we require. You must diligently implement the approved Marketing Plan. The Marketing Plan must contain the information specified by us, which may include initial and ongoing marketing, webpage, the type and number of employees, use of the "Truckie" mascot, cooperative advertising arrangements, participation in our programs, media buys, use of our endorsed referral programs, grass roots marketing, and other sales and marketing efforts. You are required to implement your Marketing Plan and a failure to do so is a material default under your Franchise Agreement.

If specified by us, you must execute a public relations launch for your franchise. We do not currently require a public relations launch.

Each of your trucks and other business vehicles must display the Two Men and a Junk Truck service mark and any other of our Trademarks we specify. You are prohibited from displaying any other information on your vehicles except as specified by us in the Manuals or otherwise.

Any advertising or marketing materials you desire to use, which have not been prepared by us or through our ad design process, must be approved by our Marketing Department. The Franchise Agreement provides that you must submit proposed advertising to us as specified in our policies. Except for advertising displayed on your trucks and other business vehicles and except as otherwise approved by us, you must describe your franchise location in all advertising by indicating, at a minimum, the city, township, or other municipal unit in which your franchise location is located and the state, if necessary to avoid confusion.

Your advertising must comply with any advertising policies regarding the methods and manner of advertising in various media that we specify from time to time. Our advertising policies include general guidelines and cover Internet marketing, social media, broadcast advertising, print advertising, phone books, telephone numbers, publisher errors, use of approved mascots, marketing in unawarded marketing areas, formal co-operative marketing, local advertising requirements, advertising and marketing methods, marketing programs, and liquidated damages. Our existing and/or future advertising policies may limit or eliminate your right to (a) use telephone numbers and/or Internet website addresses in advertising placed on your vehicles and/or elsewhere or (b) advertise in a particular manner. If we specify, your advertising must contain notices of: (a) our website domain name, social media, or other internet tools specified by us; (b) our toll-free telephone number; and/or (c) a statement regarding the availability of Franchised Businesses. Also, if we specify, you must display signs or literature regarding the availability of Franchised Businesses at your franchise location.

You must, at your sole cost and expense, (a) participate in and offer all System coupons, loyalty cards, gift cards, discounts, and other promotions in accordance with marketing programs we establish and (b) honor the coupons, loyalty cards, gift cards, discounts and other promotions issued by us, our affiliates, our franchisees, or our designees under any such program.

DIGITAL ADVERTISING

We or our affiliates may, in our or their sole discretion, establish, operate, and/or participate in websites, social media accounts (such as Facebook, X, Instagram, Pinterest, etc.), applications, keyword or adword purchasing programs, accounts with websites featuring gift certificates or discounted coupons, mobile applications, podcasts, blogs, vlogs, video and photo-sharing sites (such as TikTok, YouTube, etc.), chat rooms, virtual worlds, review sites, or other means of digital advertising on the Internet or any electronic communications medium or network that may be used to promote the Marks, Franchised Businesses, and/or the entire network (collectively, "**Digital Marketing**"). We will have the sole right to control all aspects of any form of Digital Marketing, including those related to your Franchised Business. Unless we consent otherwise in writing, you, your employees, and your agents may not, directly or indirectly, (a) conduct or be involved in any Digital Marketing that use the Marks or that relate to any Franchised Business or the network, (b) use the Marks, or any words or designations similar to the Marks, in any domain name, search engine keyword, social media account, or metatag, or (c) use a form of Digital Marketing to conduct commerce or directly or indirectly offer or sell any products or services in connection with your Franchised Business. If we permit you or your representatives to conduct any Digital Marketing, you and your representatives must comply with any policies, standards, guidelines, or content requirements that we establish periodically and must immediately modify or delete any Digital Marketing that we determine, in our sole discretion, is not compliant with such policies, standards, guidelines, or requirements. If you or your representatives conduct any Digital Marketing, we will have the right to retain full control over all websites, social media accounts, mobile applications, or other means of digital advertising that are used. We may withdraw our approval for any Digital Marketing or suspend or terminate your use of any Digital Marketing platforms at any time.

If you choose to conduct local digital advertising, you must obtain digital advertising services from us by entering into the Agreement to Provide Optional Services that is attached as Exhibit F and paying us the local digital advertising fees described in Item 6.

MINIMUM LOCAL MARKETING SPEND

In addition to the advertising fees you must contribute to the Advertising Fund, you must spend a minimum amount on Eligible Marketing in certain periods (the "**Minimum Local Marketing Spend**"). "**Eligible Marketing**" means advertising and marketing materials or initiatives that (a) are intended to advertise and promote the Franchised Business in the Marketing Area and (b) are designated by us, in our sole discretion, in the Manual or our advertising/marketing policies, as categories of advertising and marketing that will count towards satisfying the Minimum Local Marketing Spend. We may change the Eligible Marketing from time to time and shall determine, in our sole discretion, whether any particular advertising and marketing meets our then-current qualifications for Eligible Marketing.

If you are operating a new franchise (rather than acquiring or renewing an existing franchise), the Minimum Local Marketing Spend shall be determined in accordance with the following chart:

	Minimum Local Marketing Spend that Must be Spent on Eligible Marketing in Each Specified Time Period		
	First Six Months of Operation	**Remainder of Calendar Year after Six Months of Operation**	**Next Full Calendar Year of Operation and Thereafter (the "Standard Minimum Expenditure")**
Metro Market Franchise	$18,000	$2,000 times the number of months in such remaining year	The greater of (a) 5% of Gross Sales in the previous calendar year or (b) $24,000
Mod Market Franchise	$15,000	$2,000 times the number of months in such remaining year	The greater of (a) 2% of Gross Sales in the previous calendar year or (b) $12,000

For example, a new Metro Market Franchise that completed its first job on March 1st must spend $18,000 on Eligible Marketing between March 1 and August 31 (the first six months of operation). For the remainder of the year, from September 1 to December 31, the franchise must spend $8,000 ($2,000 x four months) on Eligible Marketing. Beginning in the next calendar year, they must spend the Minimum Local Marketing Spend. If the first job is completed on November 1, the franchisee must spend $18,000 on Eligible Marketing between November 1 and April 30 (the first six months of operation). For the remainder of the year, from May 1 to December 31, the franchisee must spend $16,000 ($2,000 x eight months) on Eligible Marketing. Beginning in the next calendar year, they must spend the Minimum Local Marketing Spend on Eligible Marketing.

If you are acquiring or renewing an existing franchise, the Minimum Local Marketing Spend shall be the Standard Minimum Expenditure based on the existing franchise's Gross Sales in the prior calendar year.

If you have negative growth for a calendar year or are in the bottom 10% of average growth for the franchise system in a calendar year, we may, in our sole discretion, increase the Minimum Local Marketing Spend to 6% of Gross Sales for a Metro Market Franchise and 3% of Gross Sales for a Mod Market Franchise.

You must provide us with proof of making such required expenditures on Eligible Marketing that we specify. If you fail to spend the required amounts for local advertising on Eligible Marketing, in addition to our other remedies, we may require you to contribute to the Advertising Fund the difference between the amount spent and the required amount, plus late fees and interest.

OUR ADVERTISING

We are not obligated to conduct any advertising campaigns or spend any amounts on advertising in your Marketing Area.

COOPERATIVES

We may require you to participate in joint or cooperative advertising with other franchisees in accordance with our advertising/marketing policies and to contribute to us or another franchisee the pro rata cost of any joint or cooperative advertising that we approve that is conducted in your market. Also, we have the power to require advertising cooperatives to be formed, changed, dissolved, and merged. We can require you to join, maintain a membership in and abide by the governing instrument and rules of an advertising cooperative if one is formed for an area that includes your franchise. The area or membership of a cooperative will be determined by us based on designated marketing areas. The structure of the cooperative as well as the original governing instrument of the cooperative and any changes to that instrument, must be approved by us. As we have not formed any cooperatives, there are no governing documents available for review.

The cooperative cannot modify the terms of the Franchise Agreement but may require you to make contributions to the cooperative in addition to any Advertising Fund contributions you will pay to us. Your contributions to any advertising cooperative or any joint or cooperative advertising may not exceed 1% of your annual Gross Sales (or the amount specified for a "new franchise" as described in Section 2.12(b) of the Franchise Agreement), unless all participants agree to a higher rate. Different cooperatives may impose different contribution rates. Each franchise in the cooperative will have one vote. Amounts spent for cooperative advertising or paid to advertising cooperatives will count toward your required local advertising/marketing expenditures. We may, in our sole discretion, agree to assist in accounting or administration of cooperative advertising, but we will have the right to charge a fee for those services, which shall not exceed $100 per month per Unit participating in such cooperative.

Cooperatives will be authorized to act upon the majority vote: (i) of its members attending a meeting, and/or (ii) by confirmed written communication of its members, and/or (iii) via telephone or electronic conferencing of its members, provided that at least a majority of the members of the cooperative vote on the action before the cooperative. Cooperatives may operate from written governing documents, in which case the franchisees in the cooperative will be able to review those documents. If we or an affiliate operates a franchise in the geographic area of the cooperative, we or our affiliate will participate in the cooperative and make contributions to the cooperative in the same manner as franchisees. We anticipate that cooperatives will prepare annual or periodic financial statements that will be available for review by the members of the cooperative. As we have not formed any cooperatives, there are no financial statements available for review.

<u>COMPUTER SYSTEMS</u>

You must use the business automation systems that we specify (the "**Automation Systems**") in the operation of your Franchised Business, which are integral for maintaining, monitoring, and ensuring quality and uniformity of services and high levels of customer satisfaction with the Two Men and a Junk Truck franchise system. The Automation Systems may include our specified or designated (i) computer systems, hardware, tablets, mobile devices, printers, software, apps, websites, network connections, and firewall services; (ii) proprietary scheduling and/or operating system, which provides and stores customer information, job estimates, job scheduling, customer communication templates, employee information, and numerous management reports; (iii) accounting applications, (iv) e-mail and communications systems; (v) extranet; (vi) customer satisfaction/referral survey apps; (vii) credit card systems; (viii) global positioning systems (GPS); (ix) applicant tracking systems (ATS); (x) learning management system (LMS) for training materials; (xi) marketing automation system; (xii) mobile technology solutions for automating processes in the field; (xiii) customer portal for assisting communications with customers; (xiv) estimate production system; and (xv) other or different components or systems that may be designated by us from time to time.

You must acquire computer hardware and devices with adequate memory, speed, storage, and internet connectivity to run the software and apps included in the Automation Systems. We reserve the right to require you to acquire all components of the Automation Systems from Approved or Designated Suppliers, which may include us or our affiliates, and/or in accordance with our specifications. We may also require you to obtain a license to use proprietary software developed by us or others and to pay related license fees.

Currently, you may acquire your computer hardware and devices from any source and must acquire certain other components of the Automation Systems from Approved or Designated Suppliers. You must obtain the approved computer software package and related software from us and must sign a Software License Addendum (see Exhibit 5 attached to the Franchise Agreement) to use it. We estimate that the cost for you to acquire the Automation Systems is approximately $2,000 to $10,000.

We may modify, update, upgrade, add, or delete components of the Automation Systems in the future. You must comply with those changes promptly after written notice from us. There are no contractual limitations on the frequency or cost of such upgrades. If we have not yet specified a particular system and/or Designated or Approved Supplier of a system as part of our required Automation Systems, you must obtain approval from us before obtaining the system or transitioning to a new system or supplier of the system. If we specify these or other systems as part of the Automation Systems in the future, you must use the systems and/or Designated or Approved Suppliers specified by us.

In consideration of the continued development, use, maintenance, and support that we will provide for the Automation Systems and computer systems, software, and/or other technology being developed for future use in the System, you must pay a monthly Technology and Support Fee in the amount determined by us based on the costs of providing these services. Currently, the Technology and Support Fee is 1% of Gross Sales per month.

We will provide technical support for any proprietary software that we provide, including assistance accessing the software and its upgrades and responding to questions related to its use, our e-mail system, our extranet. Otherwise, we are not required to provide ongoing maintenance, repairs, upgrades, or updates to the Automation Systems and computer systems. All other technical support is provided by third-party vendors. We do not guarantee, warrant, maintain, or support any computer hardware. You must maintain and repair your Automation Systems as necessary, at your expense. We do not currently require that you obtain a support contract for maintenance and repair of your Automation Systems. We estimate that the annual cost of any optional maintenance, updating, upgrading, or support contracts with third-party vendors will be $2,000 to $3,000.

We may require you to electronically upload or transmit information to us or the Automation Systems on a periodic basis (including daily). We have the right to independently access sales information, including customer information, and other data produced by and stored on the Automation Systems. There are no contractual limitations on our right to access and use any information and data on the Automation Systems, even if the data is maintained by a third party.

TRAINING

INITIAL TRAINING PROGRAM

Before you are allowed to operate your franchise, you must attend and successfully complete our training program at Stick Men University at our support center in Lansing, Michigan. This class is designed to get you started on the tasks that need to be done in order to get your business up and running. We may, in our sole discretion, require or permit you to attend a virtual option for these classes. If you acquire a Mod Market Franchise, you may also be required to complete three to five days of on-site training at a franchise location specified by us.

We provide the training program for up to two persons, which includes you and a designated general manager. You and/or the designated franchise representative (typically a general manager or manager), must attend and satisfactorily complete our initial training program to our satisfaction, which must occur within four months of signing the Franchise Agreement. However, we may waive the initial training or portions of it for some existing franchisees. Your employees must be covered by your workers compensation insurance before we start any training, and you must certify to us in writing that your employees are covered.

There is no separate charge for the training program, including if we, in our sole discretion, permit you to bring additional attendees to training. You must pay all wages and travel and living expenses of the training program enrollees.

The following table provides detailed information about our training program, which is intended for the franchisee and/or a designated general manager.

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Introduction and Overview of Two Men and a Junk Truck	2.5 to 3.5	0	Stick Men University, Lansing, Michigan
Finance	1 to 2	0	
Human Resources	2.5 to 3.5	0	
Safety/Risk	1 to 2	0	
Marketing	2 to 3	0	
Sales Philosophy	2 to 3	0	
Operations Overview	4.5 to 5.5	0	
IT Review	1.25 to 1.75	0	
DOT/Fleet Management	1 to 2	0	

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Brand Standards	1.75 to 2.75	0	
Customer Care	2 to 3	0	
Total Hours of Training	**21.5 to 32**	**0**	

All course subjects will be delivered using the resources and facilities of our Training and Development Department located in Lansing, Michigan, although some subjects may be taught or offered virtually. Classes are scheduled periodically as needed to accommodate new franchisees. The instructional materials consist primarily of instructor-led sessions with a training guidebook and handouts. Hands-on learning takes place with the operations software and operational techniques during the start-up process. Our training program is led by Lauren Ackley, our Training and Development Manager, who has worked in the junk removal industry since 2020. She has held various positions for us and our predecessor since 2014, has provided training to franchisees since 2020 (including franchisees that offered junk removal services through the Two Men and a Truck® franchise program), and has trained our franchisees since we began offering franchises in 2023. Some portions of training program may be provided by an outside vendor as we deem necessary.

As discussed above, our training program will include advice and modules that address suggested or recommended staffing for the efficient operation of the Franchised Businesses, and for delivering services in accordance with our customer service standards and other brand standards. Even though we may offer suggestions, advice, guidelines, or programs, you will have sole responsibility for all employment decisions and functions related to your Franchised Business, including hiring, firing, promoting, demoting, compensation, benefits, scheduling of employee work hours and shifts, work rules, record-keeping, supervision, and discipline of employees.

TRAINING AND PERFORMANCE IMPROVEMENT REQUIREMENTS

If your franchise is performing unsatisfactorily (as determined by us in our sole discretion), we can require you at your expense, to: (a) attend a training sessions specified by us; (b) visit other franchise locations for Performance Improvement Visits; (c) make Performance Improvement Visits to Franchisor; (d) receive Performance Improvement Visits from one of our staff members; (e) participate in an ongoing performance improvement program; and/or (f) receive visits from a third-party auditor or consultant. A "**Performance Improvement Visit**" is an in-person or virtual meeting or training session that may consist of additional training or assistance (as determined by Franchisor in its sole discretion).

If we require you to attend a training session, you must pay all travel and living expenses, as well as a fee to cover the cost of the training. You must attend the training session within three months of receiving notice from us.

If we require you to undertake one of the Performance Improvement Visit options, you will be responsible for all costs and expenses associated with the visit. You must complete the Performance Improvement Visit requirement in the time frame determined by us. If the Performance Improvement Visit results in an action plan to improve performance in one or more areas, you must diligently implement the action plan by the dates specified in the plan. If you fail to complete a Performance Improvement Visit or fail to timely implement the action plan, such failure will be deemed to be a default under the Franchise Agreement, which could lead to the imposition of various remedies, including the termination of the Franchise Agreement.

ONGOING TRAINING

We can require you and/or a representative designated by you and approved by us (typically a general manager or manager) to attend additional training, sales programs, or meetings that we specify. The registration fees for meetings or additional training programs are currently between $75 to $1,200 per attendee (and may be increased to up to $1,500 per attendee), plus you are responsible for the wages and travel and living expenses of your representatives. If (a) you request additional assistance, (b) we determine, in our sole discretion, that you need additional assistance due to performance issues, or (c) we provide additional training programs that do not require a per attendee registration fee, we may charge a per diem fee for each of our representatives that provide such assistance, which is currently $75 to $1,200 per day per representative (and may be increased up to $1,500 per day per representative) plus their wages and travel and living expenses.

A representative of franchisee must attend the Two Men and a Junk Truck Annual Conference at least once every two years unless we approve attendance at an alternative training program or other event. You are responsible for all travel and living expenses incurred in connection with the annual conferences and all other approved meetings, including registration fees, when applicable. The registration fees, when applicable, will not exceed $1,500 per attendee. In some instances, we may require or permit you to attend a virtual meeting.

VARIATIONS IN TRAINING

The initial and ongoing training that a franchisee may be required to attend may not be uniformly imposed on all franchisees. Differences in required initial and ongoing training may be based on the franchisee's experience, the demographics of the franchisee's Marketing Area, the density of the population, whether the area is a metro area and other reasonable factors.

If you sign an agreement for a second or subsequent franchise, you or a manager representative approved by us must attend and successfully complete an approved training class as specified by us within 12 months of signing the Franchise Agreement. If you or your manager representative, as applicable, is unable to attend the required training class specified by us within the 12-month period for a valid business reason approved by us, then we may, in our discretion, require you to attend different classes or training programs at your expense, in lieu of the required class. In addition, if you sign an agreement for a second or subsequent franchise, the individual who will be actively managing the new franchise must attend and successfully complete our Initial training program before the new franchise opens for business.

Item 12–TERRITORY

PRELIMINARY APPROVAL AGREEMENT

If we enter into a Preliminary Approval Agreement with you, we will reserve for you the area designated in the agreement. Consequently, during the term of the Preliminary Approval Agreement, we will not locate our own Units, or grant to any other person or entity the right to locate any Unit, within that area using the System or a similar system as that licensed by the Franchise Agreement. If you enter into a Franchise Agreement with us, the reserved area will become your Marketing Area under the Franchise Agreement.

FRANCHISE AGREEMENT

Purchasing a franchise enables you to have a protected territory (the Marketing Area) in which to locate your franchise and to perform certain types of direct marketing that other franchisees are not ordinarily permitted to do within your territory.

FRANCHISE LOCATION

Your franchise must be operated from a specific location within your Marketing Area, and we must approve your location. If you are authorized to provide off-site storage services, the location for those off-site services must also be approved by us. We may approve or require your operation of an additional location or locations in your Marketing Area if we determine that sound business reasons exist.

In some circumstances, if a franchisee (either alone or together with its affiliates) owns and operates multiple Franchised Businesses, we may authorize the franchisee to operate a Franchised Business in a Marketing Area from a physical business location in another Marketing Area. In that case, the franchisee will enter into an Addendum to Permit Operation without Office in Marketing Area, the current form of which is attached as Exhibit H. If you are authorized to operate in another Marketing Area, the average percentage growth rate of each of your Marketing Areas (calculated as the percentage difference between Gross Sales in the Performance Year and Gross Sales in the immediately preceding year) must equal or exceed the average percentage growth rate of the entire franchise system in each year. If such franchisee fails to maintain such minimum growth rates and minimum customer service standards in its Marketing Areas, we may terminate the Addendum and require the franchisee to establish a location within each Marketing Area or require the franchisee to spend additional amounts on marketing, recruiting, or training in such areas.

We will approve relocation of your franchise if your location becomes unusable or unavailable for your business or you request relocation and have other reasonable business reasons to relocate. The new location must be within your Marketing Area. You must obtain our advance approval for a new location. The factors we consider for approving relocations are the same factors we consider for approving initial locations, including population density, general location within the Marketing Area, neighborhood, traffic patterns, parking, size, physical characteristics of the lot and building, neighboring buildings, lease terms, zoning restrictions, population data, and the location of any franchisees that are adjacent to you.

MARKETING AREA

You will be granted a license to operate a franchise at a specific location within a defined Marketing Area. The Marketing Area will be designated in the Franchise Agreement. The Marketing Area licensed to you will be described in terms of zip codes. If any of the zip codes in your Marketing Area are subdivided by the United States Postal Service during the term of your Franchise Agreement, we will have the right to determine whether the new zip codes will become part of your Marketing Area. The size of the Marketing Area will depend on factors including population density and distribution of available advertising mediums. The Marketing Area for a Metro Market Franchise will generally include a population of approximately 420,000 to 600,000. However, this may vary significantly in densely populated metropolitan areas (e.g. New York and Los Angeles). The Marketing Area for a Mod Market Franchise will generally include a population that ranges from 100,000 to 250,000.

If your franchise is renewed or you transfer your franchise, we may change the Marketing Area granted in the new Franchise Agreement signed in connection with the renewal or transfer in order to comply with our then current manner of designating Marketing Areas, to make minor changes in the Marketing Area to correct overlap or other issues, and for other valid business reasons. In addition, if your

Marketing Area has or attains a population of 750,000 residents, or more, we reserve the right at the time of renewal or transfer of the franchise to divide the Marketing Area into two or more Marketing Areas in a manner we determine is reasonable in our sole discretion. In that case and provided that you are in compliance with your obligations, you (or the transferee, as applicable) may: (i) without payment of any additional initial franchise fee, operate each of the newly created Marketing Areas under separate Franchise Agreements, or (ii) transfer one or more of the newly created Marketing Areas in accordance with the Franchise Agreement, including but not limited to the obligation to pay us a transfer fee for each Marketing Area transferred. As an alternative to dividing your Marketing Area under these circumstances, we may require you to open and operate at an additional location in the Marketing Area.

PROTECTED RIGHTS

You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control. However, you will receive certain protected rights in the Marketing Area. Specifically, we will not locate our own Units or grant to any other person or entity the right to locate any Unit, within your Marketing Area using the System licensed by the Franchise Agreement.

Your protected territory rights do not prohibit another franchisee within our franchise system or any other person from performing the Approved Services in your Marketing Area. Your rights also do not prohibit us from using or continuing to develop our website or otherwise using the Internet to market to prospective customers the services offered by all our franchisees, even though prospective customers within your Marketing Area could see the website or other Internet marketing and decide to use a Franchised Business other than yours to provide his/her junk removal or other related services.

OUR RESERVED RIGHTS

Nothing in the Franchise Agreement prevents us from establishing or operating or granting any other person or entity the right to establish or operate businesses using the System or a similar system anywhere outside of your Marketing Area, or marketing services or products that are not a part of the System licensed by the Franchise Agreement under the Trademarks within your Marketing Area. The System licensed by the Franchise Agreement relates to the Approved Services and other services that we may designate as part of the System in the future.

We may develop other business systems that offer different products and services under the Trademarks. Those different products and services and the related business systems will not be included in the System licensed by the Franchise Agreement unless we specifically designate those products and services as included in the System or otherwise specifically authorize you to offer and sell those products and services. Those different products and services and the related business systems may be licensed or franchised separately from the System licensed by the Franchise Agreement. In that case, we will have the right to operate a business and/or authorize others to operate a business offering and selling those different products and services and the related business systems under the Trademarks in your Marketing Area. We reserve the right to merge with, acquire, establish or become associated with any businesses or locations of any kind under other systems and/or other trademarks, which businesses and locations may offer or sell items, products and services that are the same as or similar to the services and products offered by your Franchised Business and to engage in any other business activities not expressly prohibited by the Franchise Agreement, both within and outside the Marketing Area.

We reserve the right to permit another franchisee to park its trucks in your Marketing Area if an appropriate location within the other franchisee's Marketing Area cannot, in our sole discretion, be reasonably obtained. If we permit another franchisee to park its trucks in your Marketing Area, we will not permit the other franchisee to advertise on its trucks any telephone number, business location, or other information that would distinguish its business from yours unless such information is required by law.

In addition, we reserve the right to contract and/or require you to contract with one or more online marketing companies that offer products and/or services offered by our franchise system if the contract is reasonably likely to generate revenue for you at no cost or reasonable cost to you. For example, we may require you to contract with an online marketing company that sells boxes displaying our logo that would pay you a commission for boxes sold online to a customer residing within your Marketing Area.

Currently, we do not have any National Accounts, National Programs, or initiatives, but we reserve the right to develop such accounts, programs, or initiatives in the future. We reserve the right to operate or authorize another person to operate a storage facility in or near your Marketing Area if you decide not to invest in the storage necessary to support a National Account, National Program, or initiative that we determine, in our business judgment, will increase business for Franchised Businesses in that area. If you are not eligible or are unable to service a National Account or National Program in your Marketing Area, we may authorize or require another franchisee to perform the work in your Marketing Area.

Except as described in this Item, we reserve the right to use other channels of distribution, such as the Internet, catalog sales, telemarketing, or other direct marketing sales, to make sales within your Marketing Area using our principal Trademark or other trademarks. We are not required to pay you any compensation for soliciting or accepting orders from customers in your Marketing Area.

COMPETING BUSINESSES

We offer Two Men and a Truck® franchises under a separate disclosure document. Two Men and a Truck® franchises primarily offer moving and storage services, but some franchises also offer junk removal services that are identical the services you will offer. We do not intend to authorize additional Two Men and a Truck® franchisees to offer junk removal services and intend to encourage existing franchisees that offer such services to purchase a Franchised Business. Two Men and a Truck® franchisees may solicit and accept orders from customers in any area, including your Marketing Area. Thus, you may compete with Two Men and a Truck® franchises for business.

Except as stated in the prior paragraph, we and our affiliates currently do not operate or franchise or have any plans to operate or Franchised Businesses under a different trademark that will sell similar goods or services to those of our franchisees. However, our affiliates, including the affiliates described in Item 1 and other portfolio companies that currently are or in the future may be owned by private equity funds managed by Roark Capital Management, LLC, may operate and/or Franchised Businesses that sell similar goods or services to those that our franchisees sell.

Item 1 describes our current affiliates that offer franchises, their principal business addresses, the goods and services they sell, whether their businesses are franchised and/or company-owned, and their trademarks. All of these other brands maintain offices and training facilities that are physically separate from the offices and training facilities of our franchise network. Our affiliates are not direct competitors of our franchise network given the products or services they sell. All of the businesses that our affiliates and their franchisees operate may solicit and accept orders from customers near your business. Because they are separate companies, we do not expect any conflicts between our franchisees and our affiliates' franchisees regarding territory, customers and support, and we have no obligation to resolve any perceived conflicts that might arise.

RESTRICTIONS ON YOU

You are prohibited from marketing outside your Marketing Area as described in our policies. Additional requirements regarding advertising are described in Item 11. As with all other policies, we reserve the right to specify or change procedures and/or policies relating to advertising.

As noted above, you must restrict your advertising to your Marketing Area, to the extent possible, in accordance with our policies. However, if you follow our advertising policies, you are not restricted from accepting orders from customers outside your Marketing Area. You do not have the right to use other channels of distribution, such as Internet, catalog sales, telemarketing, or other direct marketing, to make sales outside your Marketing Area.

MINIMUM PERFORMANCE REQUIREMENTS

Currently, you must meet the following minimum performance requirements (the "**Minimum Performance Requirements**"):

1. For the 1st through 4th years of operation of a Franchised Business in the Marketing Area, you must achieve annual Gross Sales of at least the following amounts: (i) $75,000 for Metro Market Franchises and $50,000 for Mod Market Franchises for the 1st year of operation; (ii) $125,000 for Metro Market Franchises and $72,000 for Mod Market Franchises for the 2nd year of operation; (iii) $175,000 for Metro Market Franchises and $100,000 for Mod Market Franchises for the 3rd year of operation; and (iv) $225,000 for Metro Market Franchises and $125,000 for Mod Market Franchises for the 4th year of operation. For purposes of this provision, a year of operation is the 12-month period beginning on the first date of operation of a Franchised Business in the Marketing Area and each anniversary of that date. However, if the first date of operation of a Franchised Business in the Marketing Area is not the first day of the month, a year of operation will be the 12-month period beginning on the first day of the calendar month after the first day of operation and each anniversary of that date. After a Franchised Business has been operating in the Marketing Area for four years, the measurement period changes from a year of operation to the calendar year.

2. For each calendar year after the Franchised Business has been operating in the Marketing Area for four years, you must achieve all of the following: (A) Gross Sales of at least $300,000 for Metro Market Franchises and $150,000 for Mod Market Franchises in each calendar year; and (B) an annual growth percentage of Gross Sales that is in the top 90% of all Units in the applicable measuring group.

3. In each calendar year (beginning in your first full calendar year of operation), you must achieve (i) a customer satisfaction/referral rating that is not 3% or more below the average customer satisfaction/referral rating for all the franchises in the applicable measuring group; and (ii) satisfactory scores, as specified in the Manuals or otherwise in writing, in our Achievements in Excellence rankings or a similar ranking system (the Achievements in Excellence rankings is a balanced scorecard approach that we use to measure the overall success of the Franchised Business as a whole, including various areas within the customer experience, the franchise experience, and the employee experience).

4. As a condition for renewing the franchise, in addition to complying with the above requirements, you must (i) have achieved, at the time of renewal of the franchise, an average customer satisfaction/referral rating over the then-current term of the Franchise Agreement that is not 3% or more below the average customer satisfaction/referral rating for all the Franchised Businesses in the applicable measuring group during such period and (b) have achieved in the calendar year

immediately preceding the time of renewal of the franchise an annual growth percentage of number of sales orders (compared to the number of sales orders in the previous calendar year) that is in the top 90% of all franchises in the applicable measuring group.

We have the right, in our reasonable discretion, to specify and modify from time to time how the Minimum Performance Requirements are measured. We also have the right to specify the applicable measuring groups for the Minimum Performance Requirements based on reasonable material similarities or differences between franchises. The applicable measuring groups may be based on the type of franchise (e.g. franchises operating with less than one physical business location for each Marketing Area, Mod Market Franchises, category of franchises, new franchises, or experienced franchises) or geographical distinctions (e.g. nationwide, by state, or by region) and may exclude certain franchises (e.g. recent transfers or franchises in a particular state or region with materially different market or regulation metrics).

Except as provided in this paragraph, the time periods specified in the Minimum Performance Requirements begin on the date that a franchise was first operated in the Marketing Area, whether or not operated by you. If you acquire a franchise that includes all or a portion of a Marketing Area of an existing or former franchise (i.e. the Marketing Area is "transferred" to you by another franchisee or the Marketing Area granted to you had previously been the Marketing Area or part of the Marketing Area of a former franchise), but there was no franchise operating in that Marketing Area for a period of 6 months or more at the time that you acquired the franchise, then the time periods specified in the Minimum Performance Requirements will begin on the date that you begin operation of the franchise.

If you fail to achieve any of the Minimum Performance Requirements for a measuring year, in addition to any other remedies we may elect to exercise, you must pay us the Minimum Royalty Fees specified in Item 6.

If (a) you fail to achieve any of the Minimum Performance Requirements for two consecutive measuring years during the term of the Franchise Agreement (whether or not the failure relates to the same Minimum Performance Requirement in each year); (b) you are not in compliance with the Minimum Performance Requirements for the measuring year ending on or before the end of the term of the Franchise Agreement; or (c) you fail to meet any Minimum Performance Requirements that are required at the time of renewal of the franchise, then we may, by written notice to you, elect to: (i) require you to enter into a performance improvement plan; (ii) reduce your Marketing Area (the reduced Marketing Area will include your franchise location but will otherwise be determined by us in our sole discretion); (iii) offer to renew your Franchise Agreement at the end of its term based on a reduced-in-size Marketing Area as determined by us in our sole discretion; and/or (iv) refuse to renew your Franchise Agreement at the end of its term. If you fail to implement a performance improvement plan or to achieve any requirements specified in such plan, the other remedies in the previous sentence may be applied. These remedies are in addition to any other remedies we have under your Franchise Agreement, including the right to terminate the Franchise Agreement.

ADDITIONAL FRANCHISES

You will not have any options, rights of first refusal, or similar rights to acquire additional franchises within any specified territory or any contiguous territories. We may allow you to acquire additional franchises if you meet our qualifications in place at that time for acquiring a franchise and ownership of multiple franchises. These qualifications may include standards of character, business experience, financial strength, credit standing, reputation, business ability, experience, availability of management personnel, etc. If you or your affiliate requests an additional franchise, we may require you to provide a business plan that describes in substantial detail how you will maintain the operation of your existing franchise or franchises, while you or your affiliate will simultaneously operate an additional franchise. In determining whether to grant an additional franchise to you or your affiliate, we will consider all aspects of the operation of the existing franchise or franchises, including those items described as good cause for non-renewal in Section 5.1 of the Franchise Agreement.

Item 13–TRADEMARKS

All franchises must be operated under the Two Men and a Junk Truck Trademarks. Our principal Trademarks are the “Two Men and a Junk Truck” word mark and our logo that appears on the front of this Disclosure Document. We currently own the trademark listed in the table below, which is registered with the United States Patent and Trademark Office (“**PTO**”) on the Principal Register. All required affidavits and renewals have been filed for this Trademark:

Trademark	Registration Number	Registration Date
TWO MEN AND A JUNK TRUCK	7,259,702	January 2, 2024

We have filed an intent to use application with the PTO on the Principal Register for our principal logo:

Trademark	Application Number	Application Date
TWO MEN AND A JUNK TRUCK	98,164,535	September 5, 2023

At this time, we do not have a federal registration for our principal logo. Therefore, our logo does not have as many legal benefits and rights as a federally-registered trademark. If our right to use our Trademarks is challenged, you may have to change to an alternative trademark, which may increase your expenses.

There are presently no determinations of the PTO, the Trademark Trial and Appeal Board, the Trademark Administrator of any State or of any court involving our Trademarks. There are no pending infringement, opposition, or cancellation proceedings or any pending material litigation involving our Trademarks.

There are no agreements currently in effect that significantly limit our rights to use or license the use of our Trademarks in any manner material to the franchise.

You must use our Trademarks only in accordance with our rules. You must only use our Trademarks in connection with the sale of products and services authorized by us. You must not use our Trademarks in your corporate or partnership name or in any manner not approved by us.

You must promptly notify us, in writing, of any claim involving our Trademarks or of any attempt by any other person to use our Trademarks. We can, in our discretion, take any action necessary to protect our Trademarks. We have the right to control any actions involving the Trademarks although you must cooperate fully in those actions. You do not have the right to defend or prosecute on your own any actions involving our Trademarks. We are not required to defend you or indemnify you for expenses or damages if you are a party to an administrative or judicial proceeding involving our Trademarks or if you incur liability in the proceeding. However, we intend to defend or prosecute actions as necessary to protect our Trademarks.

Your right to use our Trademarks is subject to any existing use of the same or similar mark in the area in which you operate your franchise. We do not know of any superior prior rights or infringing uses that could materially affect your use of our Trademarks.

We can, in our sole and absolute discretion, change our Trademarks, but only in good faith and on a uniform basis for all similarly situated franchisees in a particular market. The Trademarks are of substantial importance in marketing the franchise system, and for that reason, we retain the sole and absolute right to retain or change our Trademarks. If we change our Trademarks, you must make those changes at your expense, and the Franchise Agreement provides you with no other rights or remedies related to the change.

Item 14–PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

We do not own any patents that would be material to your Franchise Agreement. We do not have any pending patent applications that are material to your franchise.

We claim copyright protection of our Manuals and similar materials, although these materials are not registered with the United States Registrar of Copyrights.

We will provide you with access to information relating to the System that we considered to be our proprietary information, including, without limitation, (a) Manuals, training methods, operations methods, techniques, processes, policies, procedures, systems, and data; (b) specifications and information about products or services: (c) marketing techniques, knowledge and experience, and marketing and advertising programs used in developing and operating Franchised Businesses, including (without limitation) websites and social media; (d) all information regarding the identities and business transactions of customers and suppliers; (e) the Automation Systems, computer software, and similar technology that is developed by or for Franchisor or our agents, which is proprietary to Franchisor, including, without limitation, digital passwords and identifications and any source code of, and data, reports, and other printed materials generated by, the software or similar technology; (f) knowledge of the operating results and financial performance of other Units; (g) all knowledge, information, reports, data, source code, and documents you acquire or have access to pertaining to services provided by third-party vendors, if any, in connection with any agreements between third-party vendors and us; (h) oral or written communications from us to you relating to the development and operation of the Franchised Business; (i) names, contact information, financial information and other personal information of or relating to the Franchised Business's customers and prospective customers; and (j) other property that we describe as being confidential information or trade secrets of the franchise system.

As part of our proprietary information, you must use the Manuals and other aspects of our System only as provided in the Franchise Agreement or otherwise authorized by us. You must adopt and implement reasonable procedures, including any that we designate, to prevent unauthorized use or disclosure of this information to others.

There are no currently effective material determinations of the copyright office or any court regarding any of our copyrighted or proprietary materials. There are no agreements currently in effect that limit our rights to use or license the copyrighted or proprietary materials or any of our confidential information. We do not know of any superior prior right or infringing uses of our copyrighted materials or our proprietary information that could materially affect your use of those materials or information. We are not required by any agreement to protect or defend our copyrights or proprietary information or you, although we intend to protect our System.

We are not required by any agreement to (a) protect or defend any patents, patent applications, copyrights, or proprietary information that we currently or in the future may own, (b) defend you against (or participate in your defense of) any claims relating to your use of patented or copyrighted items, including our proprietary information, (c) indemnify you for expenses or damages you incur in a proceeding involving a patent, patent application, copyright, or proprietary information licensed to you, or (d) take any action when notified of any infringement of patented or copyrighted items. As the owner of the intellectual property, we have the right to control any litigation related to patents, copyrights, and proprietary information.

If we require you to modify or discontinue using any patented or copyrighted materials, including our proprietary information, you must make such changes at your expense, and the Franchise Agreement provides you with no other rights or remedies related to the change.

Item 15–OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISED BUSINESS

You (or a representative approved in writing by us if you are a corporation, limited liability company, or another legal entity) must personally supervise the day-to-day operation of the franchise and personally exercise your best efforts to market the products and services of the franchise. Even if you have a manager, we recommend that you participate in the management and oversight of the Franchised Business. We reserve the right to approve any manager to whom you delegate any substantial portion of this responsibility. We have the right to require the manager to successfully complete our training program as a condition of approval. The on-premises manager is not required to have an equity interest in the franchise. You or your designated representative or approved manager must have a full-time presence at the franchise and must book all services from the franchise. You are responsible for restricting your managers from improperly using or disclosing our confidential information.

We will not provide any assistance in the hiring of any employees that you may hire. You are an independent owner and operator of the Franchised Business, and you are responsible for the day-to-day operations of the Franchised Business. You will have sole responsibility for all employment decisions and functions related to your Franchised Business, including hiring, firing, promoting, demoting, compensation, benefits, scheduling of employee work hours and shifts, work rules, record-keeping, supervision, and discipline of employees.

Unless we specify otherwise in writing, you must require anyone who may have access to the Confidential Information to execute non-disclosure agreements in a form satisfactory to us. If the franchisee is a corporation or other entity, the principals must agree to be personally bound by the terms of the Franchise Agreement and must personally guaranty the franchisee's obligations to us unless we consent otherwise (see the Obligations and Representations of Individual Interested Parties attached to the Franchise Agreement as Exhibit 2 and the Guaranty attached to the Franchise Agreement as Exhibit 3).

Item 16–RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You can only offer and sell junk removal services, Resale Services, and other products and services approved by us in writing by policy or otherwise. You must sell all products and provide all services that we specify for sale for Franchised Businesses. You must sell all products and provide all services in the manner specified by us and in accordance with our policies and procedures. You must not sell any products, provide any services or engage in any business other than those specified or approved by us. The products and services that we may approve or specify from time to time for Franchised Businesses are referred to as the Approved Services. We may designate any of the Approved Services as required services that you must offer.

We may add or delete Approved Services to be provided by Franchised Businesses. If we add any Approved Services, you must be qualified to provide the new Approved Service before we will authorize you to offer that Approved Service. If an Approved Service is deleted, you must cease offering that Approved Service immediately on written notice from us. We may change the designation of an Approved Service from optional to required or required to optional. We have the right to vary specifications for Approved Services to be offered by franchises (including varying whether it is required or optional) by geographic area, market, or type or size of location, personnel or other business issues experienced by the franchise, or other relevant distinctions between franchises and to vary the level or participation by franchises in providing an Approved Service based on the need for the Approved Service as part of a program approved or specified by us, or other applicable business reasons. Also, we have the right to authorize one or more franchises to test market products, services, suppliers, or other items on a non-uniform basis. We are not required to disclose or grant to you a like or similar variation in our policies and specifications.

If permitted by applicable law, we may require you to charge certain prices for goods or services, certain minimum prices for goods or services, or certain maximum prices for goods or services, as set forth in the Manual or otherwise in writing from time to time. If we set a suggested retail price for a good or service, we prohibit you from advertising any other prices for such goods or services. Where no price or maximum or minimum price has been specified or established by us, you may sell such goods or services at any reasonable price you choose. Advertised prices and specified maximum and minimum prices for goods or services may vary from market to market to the extent deemed necessary by us in order to reflect differences in costs and other factors applicable to such markets.

Item 17–RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION THE FRANCHISE RELATIONSHIP

PRELIMINARY APPROVAL AGREEMENT

This table lists important provisions of the Preliminary Approval Agreement. You should read these provisions in the agreements attached to this Franchise Disclosure Document.

Provision	Section in Preliminary Approval Agreement	Summary
a. Length of Term of the Preliminary Approval Agreement	6(a)	Generally, four months, but the term may vary depending on the estimated time to acquire a trucking authority in the state in which the Franchised Business will be operated.
b. Renewal or extension of term	None	Not applicable.
c. Requirements for you to renew or extend	None	Not applicable.
d. Termination by you	6(b)	You may withdraw your application and terminate the Preliminary Approval Agreement at any time.
e. Termination by us without cause	None	Not applicable.

Provision	Section in Preliminary Approval Agreement	Summary
f. Termination by us with cause	6(c)	If we deny final approval of your application (which may occur if your disclosures are not accurate, you do no obtain financing, your qualifications change, or you do not complete other start-up related tasks that we may specify), applicant or any of its principals die or become disabled, you have made misrepresentations, or your qualifications materially change.
g. “Cause” defined – defaults which can be cured	None	Not applicable.
h. “Cause” defined – defaults which cannot be cured	6(c)	If we deny final approval of your application, applicant or any of its principals die or become disabled, you have made misrepresentations, or your qualifications materially change.
i. Your obligations on termination/non-renewal	7 and 8	You must maintain the confidentiality of our confidential information and you agree not to compete with us.
j. Assignment of Contract by us	None	There are no restrictions on our right to assign the Preliminary Approval Agreement.
k. “Transfer” by you - definition	11	Your rights under the Preliminary Approval Agreement are not assignable without our consent.
l. Our approval of transfer by you	11	We generally will not approve any transfers of the Preliminary Approval Agreement.
m. Conditions for our approval of transfer	11	We generally will not approve a transfer of the Preliminary Approval Agreement.
n. Our right of first refusal to acquire your business	None	Not applicable.
o. Our option to purchase your business	None	Not applicable.
p. Your death or disability	6(c)	We may terminate the Preliminary Approval Agreement on your death or disability.
q. Non-competition covenants during the term of the franchise	8	No involvement with (a) a business that is identical to or similar to a business using the System; (b) any business that offers Competing Services; or (c) a business or entity that franchises, licenses, or otherwise grants to others the right to operate a business described in (a) or (b) (parts (a), (b), and (c) is collectively a “**Competing Business**”) within the reserved area or within the Marketing Area of any other franchises. “**Competing Services**” includes (i) junk removal services, (ii) Resale Services, or similar services or (iii) other products or services designated as part of the System. This provision may be subject to applicable state law.
r. Non-competition covenants after the franchise is terminated or expires	8	No involvement with a Competing Business for one year within the reserved area or within the Marketing Area of any other franchises. This prohibition applies to you, your affiliates, and the owners, employees, and family members of you and your affiliates. This provision may be subject to applicable state law.
s. Modification of Preliminary Approval Agreement	13	No modifications unless in writing.

Provision	Section in Preliminary Approval Agreement	Summary
t. Integration/merger clause	13	The Preliminary Approval Agreement is the entire agreement, and it supersedes all prior negotiations, commitments, representations, and undertakings; however, nothing in the Preliminary Approval Agreement or in any related agreement is intended to disclaim the representations we make in the Disclosure Document. Only the terms of the Preliminary Approval Agreement and other related written agreements are binding (subject to state law). Any representations or promises outside of the Disclosure Documents and the Preliminary Approval Agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	None	Not applicable.
v. Choice of forum	12	Subject to applicable state laws, all claims must be litigated in the city in which our principal place of business is located (currently, Atlanta, Georgia).
w. Choice of law	12	Subject to applicable state laws, Georgia law applies, without regard to Georgia conflict-of-laws rules.

FRANCHISE AGREEMENT

This table lists important provisions of the franchise and related agreements. You should read these provisions in the agreements attached to this Franchise Disclosure Document.

Provision	Section in Franchise Agreement	Summary
a. Length of Term of the Franchise Agreement	5.1(a)	10 years
b. Renewal or extension of term	5.1(b)	If you satisfy the renewal requirements (see c), you have the option of entering to a renewal agreement for one additional, consecutive 10-year term
c. Requirements for you to renew or extend	5.1(b)	You must (i) provide us with written notice of your election to renew not less than six months, nor more than nine months, prior to the end of the then-existing term of the Franchise Agreement; (ii) not be (and your affiliates and owners must not be) in default under the Franchise Agreement or any other agreement between you, your affiliates, or owners and us, our affiliates, and our vendors, relating to the Franchised Business or any other business or franchise (a "**Related Agreement**"), and have not received three or more default notices during the term; (iii) be in compliance with the Minimum Performance Requirement and may not have missed the requirement more than three times; (iv) have actively implemented the System and acted appropriately; (v) have consistently satisfied your monetary obligations; (vi) meet our then-current requirements for new franchisees and demonstrate financial ability; (vii) obtain our approval for a business plan; (viii) refurbish, renovate, and add equipment, furniture, and fixtures; (ix) conduct a renewal visit; (x) complete all required training; (xi) sign our then-current form of Franchise Agreement which may have materially different terms and conditions than your original agreement; (xii) sign (and have your owners sign) a general release; (xiii) pay the then-current renewal fee; and (xiv)

Provision	Section in Franchise Agreement	Summary
		satisfy any other reasonable conditions that we specify. We can refuse to allow you to renew or extend if you fail or refuse (or, in some cases, if during the term of the Franchise Agreement you have failed or refused) to meet each and every of these required conditions. This provision may be subject to applicable state law.
d. Termination by you	5.3	If we breach the Franchise Agreement and fail to cure after notice, subject to state law.
e. Termination by us without cause	None	Not Applicable.
f. Termination by us with cause	5.4 to 5.7	We may terminate the Franchise Agreement only if you fail to cure a curable default (see g.) or if there is a default which cannot be cured (see h.). This provision may be subject to applicable state law.
g. "Cause" defined – defaults which can be cured	5.6	Notice and cure period is 10 days for monetary defaults and 30 days for other defaults. Curable defaults include: (i) failure to timely open the Franchised Business, (ii) failure to pay us and third parties, (iii) negligent acts or omissions that cause material inaccuracies in accounting, (iv) any other breach by you, your affiliate, or your owner of the Franchise Agreement or any Related Agreement, (v) cancellation of a guaranty, (vi) failure to achieve minimum scores or acceptable status on compliance rankings or requirements, (vii) failure to cooperate in the use of our operating systems and tools, (viii) failure to regularly attend and participate in meetings and other events, (ix) failure to embrace programs developed for the enhancement of the performance of the Franchised Business, (x) regularly acting in a combative or confrontational manner, (xi) an excessive number of customer complaints, or (xii) a failure to act reasonably in resolving customer complaints.
h. "Cause" defined – defaults which cannot be cured	5.5	Defaults which cannot be cured include, (i) willful misrepresentations, (ii) unauthorized transfers, (iii) abandonment, (iv) failure to provide services for 10 or more days, (v) excessive customer complaints continue after notice, (vi) you, your owners, or your affiliates are convicted of or plea of guilty or no contest to certain crimes, (vii) repeated defaults by you, your owner, or an affiliate of the Franchise Agreement or Related Agreement, (viii) default by you, your owner, or your affiliates under a Related Agreement that would permit termination of such agreement, (ix) actions that prevent others from obtaining moving authority, (x) dishonest or unethical conduct, (xi) intentional conduct to allow use of our confidential information, (xii) material adverse conduct, (xiii) insolvency, bankruptcy, or grant of unauthorized security interest, or (xiv) entry of a judgment that results in suspension of your license.
i. Your obligations on termination/non-renewal	6	Cease using the Trademarks and System, payment of all amounts due, complete de-identification, delete and/or return all copies of proprietary software and Confidential Information and transfer certain data to us, cancel or transfer identifiers (including telephone numbers, Internet accounts, and related listings), permit final inspection of financial records, at our option sell us products identified with the Trademarks, and pay holdback amount to us.

Provision	Section in Franchise Agreement	Summary
j. Assignment of Contract by us	7.1	We can assign the Franchise Agreement if all obligations to you have been performed or are provided for.
k. "Transfer" by you - definition	7.2	Includes transfer of Franchise Agreement, the Franchised Business or substantially of its assets, or a change of any interests in franchise.
l. Our approval of transfer by you	7.2	We must approve all transfers but will not unreasonably withhold approval.
m. Conditions for our approval of transfer	7.2, 7.3, 7.4, and 7.5	Conditions for approval of your transfer relating to the transferee include (i) transferee must sign then current Franchise Agreement and (ii) transferee's owners must (a) guaranty the transferee's obligations, (b) have a satisfactory character, credit rating, and business experience, (c) complete our training program, (d) assume website hosting and maintenance, and (e) comply with current standards specified by us. If the transferee is an existing franchisee, the transferee must prepare a business plan, have satisfactory performance ratings, and comply with our multi-unit ownership requirements. Conditions for approval of your transfer relating to you include: (1) you must be in compliance with all obligations under the Franchise Agreement, (2) comply with current system standards specified by us, (3) pay a transfer fee, (4) sign a release of all claims against us (see Exhibit 8 to the Franchise Agreement, attached as Exhibit C to the Disclosure Document), (5) provide specified information to the new franchisee, (6) pay all amounts owed to us and third parties, (7) reimburse us for any referral fee or commission paid or payable by us with respect to the prospect, (8) comply with other standard transfer procedures, and (9) the proposed transfer must not place unreasonable burdens on the transferee. We may require you to place funds in an escrow account to cover your obligations to us and third parties.
n. Our right of first refusal to acquire your business	7.6	We can match any offer for the purchase of your business. You must give us a copy of the proposed offer and we will have 30 days to match such offer. If there are material changes in the terms of the sale, we will have additional rights of first refusal. Our rights under this provision are fully transferable. We will not exercise our right to acquire partial ownership in your business.
o. Our option to purchase your business	6.5	We have the option to purchase the assets of your franchise on expiration, termination, or non-renewal of your franchise. The purchase price will be the fair market value as agreed by the parties or as determined by appraisal.
p. Your death or disability	7.5	Heirs or executor must apply to us within 30 days of death to continue operation. If no acceptable successor is named within 180 days, the franchise will terminate.
q. Non-competition covenants during the term of the franchise	8.2	No involvement with a Competing Business in the United States. This prohibition applies to you, your affiliates and the owners, employees, and family members of you and your affiliates. This provision may be subject to applicable state law.

Provision	Section in Franchise Agreement	Summary
r. Non-competition covenants after the franchise is terminated or expires	8.2	No involvement with a Competing Business for two years within your Marketing Area or within 20 miles of your Marketing Area or within the Marketing Area or territory of any other franchise or within 20 miles of those Marketing Areas or territories. This prohibition applies to you, your affiliates and the owners, employees, and family members of you and your affiliates. This provision may be subject to applicable state law.
s. Modification of Franchise Agreement	11.11 and 11.15	No modifications unless in writing, but our specifications and Manuals are subject to change and all of your and your affiliates' existing franchise agreements are amended if you sign a Franchise Agreement for an additional franchise.
t. Integration/merger clause	11.11	The Franchise Agreement is the entire agreement and it supersedes all prior negotiations, commitments, representations, and undertakings; however, nothing in the Franchise Agreement or in any related agreement is intended to disclaim the representations we make in the Disclosure Document. Only the terms of the Franchise Agreement and other related written agreements are binding (subject to state law). Any representations or promises outside of the Disclosure Documents and the Franchise Agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	10.2	Disputes must be informally negotiated before being submitted to non-binding mediation. If mediation does not resolve the dispute, except for certain disputes listed in the Franchise Agreement and as may be prohibited by applicable state law, all disputes must be resolved by arbitration.
v. Choice of forum	10.2(c) and 10.3(c)	Subject to applicable state laws, all claims must be arbitrated or litigated in the city in which our principal place of business is located (currently, Atlanta, Georgia).
w. Choice of law	10.1	Subject to applicable state laws, Georgia law applies, without regard to Georgia conflict-of-laws rules.

Item 18–PUBLIC FIGURES

We do not use any public figures in our franchise name or symbol, nor do any public figures endorse or recommend our franchise to prospective franchisees.

Item 19–FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned businesses, if there is a reasonable basis for the information, and if the information is included in the disclosure document. Financial performance information that differs from that included in Item 19 may be given only if: (1) a franchisor provides the actual records of an existing Franchised Business you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

We do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Pamela Batten, 3400 Belle Chase Way, Lansing, Michigan 48911-4251, 800-756-5656, the Federal Trade Commission, and the appropriate state regulatory agencies.

Item 20–OUTLETS AND FRANCHISEE INFORMATION

Table 1
Systemwide Business Summary
For years 2022 to 2024

Business Type	Year	Businesses at the Start of the Year	Businesses at the End of the Year	Net Change
Franchised	**2022**	0	0	0
	2023	0	20	+20
	2024	20	62	+42
Company-Owned	**2022**	0	0	0
	2023	0	0	0
	2024	0	0	0
Total Units	**2022**	**0**	**0**	**0**
	2023	**0**	**20**	**+20**
	2024	**20**	**62**	**+42**

Table 2
Transfers of Franchised Businesses
For years 2022 to 2024

State	Year	Number of Transfers
Illinois	2022	0
	2023	0
	2024	6
Missouri	2022	0
	2023	0
	2024	1
South Dakota	2022	0
	2023	0
	2024	1
Total	**2022**	**0**
	2023	**0**
	2024	**8**

Table 3
Status of Franchised Businesses
For years 2022 to 2024

State	Year	Franchised Businesses at Start of Year	Franchised Businesses Opened	Termina-tions	Non-Renewals	Reacquired by Franchisor	Ceased Operations for Other Reasons	Franchised Businesses at End of Year
California	**2022**	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	2	0	0	0	0	2
Connecticut	**2022**	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
Delaware	**2022**	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
Florida	**2022**	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	3	0	0	0	0	3
Illinois	**2022**	0	0	0	0	0	0	0
	2023	0	5	0	0	0	0	5
	2024	5	4	0	0	0	0	9
Indiana	**2022**	0	0	0	0	0	0	0
	2023	0	3	0	0	0	0	3
	2024	3	3	0	0	0	0	6
Kansas	**2022**	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
Maryland	**2022**	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	5	0	0	0	0	5
Michigan	**2022**	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	2	0	0	0	0	2
Minnesota	**2022**	0	0	0	0	0	0	0
	2023	0	5	0	0	0	0	5
	2024	5	1	0	0	0	0	6

State	Year	Franchised Businesses at Start of Year	Franchised Businesses Opened	Termina-tions	Non-Renewals	Reacquired by Franchisor	Ceased Operations for Other Reasons	Franchised Businesses at End of Year
Missouri	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
	2024	1	1	0	0	0	0	2
Nebraska	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
New Mexico	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
North Carolina	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	2	0	0	0	0	2
North Dakota	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
Ohio	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Pennsylvania	2022	0	0	0	0	0	0	0
	2023	0	2	0	0	0	0	2
	2024	2	0	0	0	0	0	2
South Dakota	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
Tennessee	2022	0	0	0	0	0	0	0
	2023	0	2	0	0	0	0	2
	2024	2	0	0	0	0	0	2
Texas	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	5	0	0	0	0	5
Virginia	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	3	0	0	0	0	3

State	Year	Franchised Businesses at Start of Year	Franchised Businesses Opened	Termina-tions	Non-Renewals	Reacquired by Franchisor	Ceased Operations for Other Reasons	Franchised Businesses at End of Year
Wisconsin	**2022**	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
	2024	1	4	0	0	0	0	5
TOTAL	**2022**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
	2023	**0**	**20**	**0**	**0**	**0**	**0**	**20**
	2024	**20**	**42**	**0**	**0**	**0**	**0**	**62**

Table 4
Status of Company-Owned Businesses
For the years 2022 to 2024

State	Year	Businesses at Start of Year	Businesses Opened	Businesses Reacquired from Franchisee	Businesses Closed	Businesses Sold to Franchisee	Businesses at End of Year
Total	**2022**	0	0	0	0	0	0
	2023	0	0	0	0	0	0
	2024	0	0	0	0	0	0

Table 5
Projected Openings as of December 31, 2024
For Fiscal Year Ending on December 31, 2025

State	Franchise Agreements Signed but Franchised Business Not Opened	Projected New Franchised Businesses in the Next Fiscal Year (2025)	Projected New Company-Owned Businesses in the Next Fiscal Year (2025)
Alabama	0	1	0
Arizona	0	1	0
California	0	2	0
Delaware	0	1	0
Georgia	0	2	0
Florida	0	2	0
Illinois	1	4	0
Iowa	1	1	0
Maryland	1	1	0
Massachusetts	0	1	0
Michigan	0	2	1
Minnesota	0	1	0
Mississippi	0	1	0
Montana	0	1	0
Nevada	0	1	0
North Carolina	0	1	0
Ohio	0	1	0

State	Franchise Agreements Signed but Franchised Business Not Opened	Projected New Franchised Businesses in the Next Fiscal Year (2025)	Projected New Company-Owned Businesses in the Next Fiscal Year (2025)
Oklahoma	0	1	0
Pennsylvania	0	2	0
Texas	0	2	0
Virginia	0	2	0
Wisconsin	0	2	0
Total	**3**	**33**	**0**

For all charts presented in this Item 20, states not listed in a chart had no franchised, company-owned or affiliate-owned Units or activity during the relevant period.

CURRENT AND FORMER FRANCHISEES

Exhibit J lists the names of all current U.S. franchisees and the addresses and telephone numbers of their franchises as of December 31, 2024. Exhibit K lists the name, city and state and the current business telephone number (or if unknown, the last known home telephone number) of every U.S. franchisee who has had a Franchised Business terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under a Franchise Agreement during 2024, or who had not communicated with our predecessor within 10 weeks of the disclosure document issuance date.

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

CONFIDENTIALITY AGREEMENTS

In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with us. You may wish to speak with current and former franchisees but be aware that not all such franchisees will be able to communicate with you.

TRADEMARK-SPECIFIC FRANCHISE ORGANIZATIONS

As of the date of this Disclosure Document, there are no trademark-specific franchisee organizations associated with our franchise system.

Item 21–FINANCIAL STATEMENTS

Attached to this Disclosure Document as Exhibit L are (i) the audited financial statements of our direct parent, SM Systems, as of December 31, 2022, December 31, 2023, and December 31, 2024, and (ii) SM Systems' Guaranty of our obligations to you under the Franchise Agreement.

As reflected in Item 1, SM Manager will be providing required support and services to franchisees under a management agreement with us. Also attached to this Disclosure Document as Exhibit L are the audited financial statements of our indirect parent, SM Manager, as of December 31, 2022, December 31, 2023, and December 31, 2024. These financial statements are being provided for disclosure purposes only. SM Manager is not a party to the Franchise Agreement or other agreement we sign with franchisees nor does it guarantee our obligations under the Franchise Agreement or other agreements we sign with franchisees.

Also attached to this Disclosure Document as Exhibit L are the unaudited balance sheets and income statements of SM Systems and SM Manager as of March 31, 2025. These financial statements are unaudited and include, in the opinion of management, normal recurring adjustments necessary to fairly state each company's financial condition as of that date. These financial statements have not been reviewed by an accountant and do not contain any financial statement notes.

Item 22–CONTRACTS

The following contracts are attached to this Franchise Disclosure Document:

Agreement	Exhibit
Franchise Agreement	C
Franchise- Specific Terms	C-1
Obligations and Representations of Individual Interested Parties	C-2
Guaranty	C-3
Assignment of Telephone Numbers and Internet Tools	C-4
Software License Addendum	C-5
Automation Systems User Agreement Terms of Use	C-6
Electronic Funds Transfer Authorization Form	C-7
General Release	C-8
Preliminary Approval Agreement	D
Addendum to Franchise Agreement-Renewal	E
Agreement to Provide Optional Services	F
Non-Disclosure and Confidentiality Agreement—Prospective Franchisees	G
Addendum to Permit Operation without Office in Marketing Area	H
Addendum to Franchise Agreement – Mod Market Franchise	I
State-Specific Addenda to Agreements	M

Item 23–RECEIPTS

Two copies of a Receipt that acknowledges your receipt of this Franchise Disclosure Document, including all Exhibits, are attached as Exhibit. You must date and sign both copies of the Receipt and deliver one to us and keep the other for your records.

<u>Exhibit A to the FDD</u>

<u>LIST OF ADMINISTRATORS</u>

LIST OF STATE ADMINISTRATORS

CALIFORNIA
Department of Financial
Protection and Innovation
651 Bannon St., Suite 300
Sacramento, California 95811
(866) 275-2677

HAWAII
Commissioner of Securities
Business Registration Division
Department of Commerce
and Consumer Affairs
335 Merchant Street, Room 205
Honolulu, Hawaii 96813
(808) 586-2722

ILLINOIS
Franchise Bureau
Office of Attorney General
500 South Second Street
Springfield, Illinois 62706
(217) 782-4465

INDIANA
Indiana Secretary of State
Securities Division, Room E-111
302 West Washington Street
Indianapolis, Indiana 46204
(317) 232-6681

MARYLAND
Maryland Division of Securities
200 St. Paul Place
Baltimore, Maryland 21202-2020
(410) 576-6360

MICHIGAN
Michigan Attorney General's Office
Consumer Protection Division
Attn: Franchise Section
G. Mennen Williams Building
525 W. Ottawa St.
Lansing, Michigan 48909
(517) 335-7567

MINNESOTA
Minnesota Department of Commerce
85 7th Place East, Suite 280
Saint Paul, Minnesota 55101
(651) 539-1500

NEW YORK
NYS Department of Law
Investor Protection Bureau
28 Liberty St., 21st Floor
New York, New York 10005
(212) 416-8236

NORTH DAKOTA
North Dakota Securities Department
600 East Boulevard Avenue
State Capitol Fourteenth Floor Dept 414
Bismarck, North Dakota 58505-0510
(701) 328-4712

OREGON
Department of Consumer and Business Services
Division of Finance and Corporate Securities
Labor and Industries Building
Salem, Oregon 97310
(503) 378-4140

RHODE ISLAND
Division of Securities
Department of Business Regulation
1511 Pontiac Ave.
John O. Pastore Complex-Building 69-1
Cranston, Rhode Island 02920
(401) 462-9500

SOUTH DAKOTA
Division of Insurance
Securities Regulation
124 S. Euclid, Suite 104
Pierre, South Dakota 57501
(605) 773-3563

VIRGINIA
State Corporation Commission
Division of Securities and Retail Franchising
1300 E. Main Street, Ninth Floor
Richmond, Virginia 23219
(804) 371-9051

WASHINGTON
Department of Financial Institutions
Securities Division
P. O. Box 41200
Olympia, Washington 98504-1200
(360) 902-8760

WISCONSIN
Franchise Administrator
Division of Securities
Dept. of Financial Institutions
P.O. Box 1768
Madison, Wisconsin 53701
(608) 266-0448

Exhibit B to the FDD

LIST OF AGENTS FOR SERVICE OF PROCESS

LIST OF REGISTERED AGENTS FOR SERVICE OF PROCESS

CALIFORNIA

Sacramento

Commissioner of Department of Financial Protection and Innovation
651 Bannon St., Suite 300
Sacramento, California 95811
(866) 275-2677

Los Angeles

Suite 750
320 West 4th Street
Los Angeles, California 90013-2344
(213) 576-7500
(866) 275-2677

San Diego

1455 Frazee Road, Ste. 315
San Diego, California 92108
(619) 610-2093
(866) 275-2677

San Francisco

One Sansome Street, Suite 600
San Francisco, California 94104
(415) 972-8565
(866) 275-2677

HAWAII
Commissioner of Securities
Hawaii Department of Commerce and Consumer Affairs
Business Registration Division
335 Merchant St., Room 205
Honolulu, Hawaii 96813
(808) 586-2722

ILLINOIS
Office of Attorney General
500 South Second Street
Springfield, Illinois 62706
(217) 782-4465

INDIANA
Indiana Secretary of State
201 State House
200 West Washington Street
Indianapolis, Indiana 46204
(317) 232-6531

MARYLAND
Maryland Securities Commissioner
Securities Division
200 St. Paul Place
Baltimore, Maryland 21202
(410) 576-6360

MICHIGAN
Michigan Department of Commerce
Corporations and Securities Bureau
P.O. Box 30054
6546 Mercantile Way
Lansing, Michigan 48909

MINNESOTA
Minnesota Commissioner of Commerce
85 7th Place East, Suite 280
Saint Paul, Minnesota 55101
(651) 539-1500

NEW YORK
Secretary of the State of New York
New York Department of State
One Commerce Plaza,
99 Washington Avenue, 6th Floor
Albany, New York 12231-0001
(518) 473-2492

NORTH DAKOTA
Securities Commissioner
North Dakota Securities Department
600 East Boulevard Avenue
State Capital Fourteenth Floor Dept 414
Bismarck, North Dakota 58505-0510
(701) 328-4712

OREGON
Department of Consumer and Business Services
Division of Finance and Corporate Securities
Labor and Industries Building
Salem, Oregon 97310
(503) 378-4140

RHODE ISLAND
Division of Securities
Department of Business Regulation
1511 Pontiac Ave.
John O. Pastore Complex-Building 69-1
Cranston, Rhode Island 02920
(401) 462-9500

SOUTH DAKOTA
Division of Insurance
Securities Regulation
124 S. Euclid, Suite 104
Pierre, South Dakota 57501
(605) 773-3563

VIRGINIA
Clerk of State Corporation Commission
1300 E. Main Street, 1st Floor
Richmond, Virginia 23219
(804) 371-9051

WASHINGTON
Director of Department of Financial Institutions
Securities Division
150 Israel Road SW
Tumwater, Washington 98501

WISCONSIN
Wisconsin Department of Financial Institutions
Division of Securities
P.O. Box 1768
Madison, Wisconsin 53701
(608) 266-8559

Exhibit C to the FDD

FRANCHISE AGREEMENT

<u>FRANCHISE AGREEMENT</u>

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TWO MEN AND A JUNK TRUCK®
FRANCHISE AGREEMENT

THIS AGREEMENT, hereinafter referred to as this "**Agreement**" is entered into between **TWO MEN AND A TRUCK SPE LLC**, located at One Glenlake Parkway, 14th Floor, Atlanta, Georgia 30328 ("**Franchisor**") and the franchisee specified in Exhibit 1 ("**Franchisee**"). The effective date of this Agreement is specified in Exhibit 1 (the "**Effective Date**").

INTRODUCTION

A. Franchisor franchises a system for the development and operation of a business offering the approved products and services specified in Schedule A (the **"Approved Services"**) to the public (the "**System**"). The distinguishing characteristics of the System include tradenames, trademarks, training, operational procedures, promotional techniques and materials, signs, layouts, methods of operation, and Manual (defined in Section 2.8(a)) covering business practices and policies. The System may be further defined, updated, and revised by Franchisor from time to time. A business operated under the System, whether operated by Franchisor, an affiliate of Franchisor or a person authorized by Franchisor, will be referred to in this Agreement as a "**Unit**." The Unit that Franchisee is authorized to operate under this Agreement will be referred to in this Agreement as the "**Franchised Business**." In this Agreement, sometimes all Units, Franchisor and the Marks, as defined below, will together be referred to as the "**Franchise System**."

B. Franchisor uses and has rights to certain logos, names, trademarks, and service marks specified in Exhibit 1 (the "**Marks**"), including the primary trademark or service mark specified in Exhibit 1 (the **"Primary Mark"**), which are used to identify the Franchise System. Franchisor may, in the future, license or develop and register additional or different logos, names, trade dress, trademarks and service marks that it may make available for use by Franchisee, which also will be referred to in this Agreement as the "Marks." Franchisor may modify or discontinue any of the Marks from time to time.

C. Franchisee recognizes the advantages of operating under the Franchise System and Franchisee has applied for a franchise to own and operate Franchised Business, and such application has been approved by Franchisor in reliance upon all of the representations made therein.

D. Franchisee acknowledges that the terms, conditions and covenants contained in this Agreement are necessary to maintain Franchisor's high standards of quality and service and the uniformity of those standards at each Franchised Business.

E. In this Agreement, Franchisee, its Owners (as defined in Section 2.13(a) (Ownership)), and its Affiliates (as defined in Section 11.14 (Construction)) are referred to, collectively or individually, as "**Franchisee Parties**."

Based upon their mutual promises and adequate consideration as acknowledged by each of them, the parties hereto agree as follows:

SECTION 1--BENEFITS FRANCHISEE ACQUIRES

1.1. Marketing Area.

(a) Right to Operate One Unit Within Marketing Area; Rights of Others to Offer and/or Perform Services Within the Marketing Area. Franchisor grants to Franchisee the right to establish and operate one Unit within the Marketing Area specifically described in Exhibit 1 ("**Marketing Area**").

Franchisor will not locate or grant to any other person or entity the right to locate any Unit using the System and the Primary Mark within the Marketing Area. Franchisee's right to operate within the Marketing Area does not prevent another franchisee operating under the System and the Primary Mark (a "**System Franchisee**"), or any other person, from providing the Approved Services in the Marketing Area. In addition, this license does not prevent Franchisor from using or continuing to develop its website or otherwise using the Internet to market to prospective customers the services offered by System Franchisees, even though prospective customers within the Marketing Area could see the website or other Internet marketing and decide to use a System Franchisee other than Franchisee licensed under this Agreement.

(b) Reservation of Rights; Other Business Systems. Nothing in this Agreement will prevent Franchisor from establishing or operating or granting any other person the right to establish or operate businesses using the System or a similar system anywhere outside of the Marketing Area, or marketing services or products that are not a part of the System licensed by this Agreement under the Marks within the Marketing Area. The System licensed by this Agreement relates to providing the Approved Services. Franchisor may develop other business systems that offer different products and services under the Marks. Those different products and services and the related business systems will not be included in the System licensed by this Agreement unless Franchisor specifically designates those products and services as included in the System or otherwise specifically authorizes Franchisee to offer and sell those products and services. Those different products and services and the related business systems may be licensed or franchised separately from the System licensed by this Agreement. In that case, Franchisor will have the right to operate a business and/or authorize others to operate a business offering and selling those different products and services and the related business systems under the Marks in the Marketing Area. Franchisor hereby reserves the right to merge with, acquire, establish or become associated with any businesses or locations of any kind under other systems and/or other trademarks, which businesses and locations may offer or sell items, products and services that are the same as or similar to the services and products offered by the Franchised Business and to engage in any other business activities not expressly prohibited by this Agreement, both within and outside the Marketing Area.

(c) Selection of Site for Franchised Business. Unless otherwise agreed by Franchisor, Franchisee must conduct the Franchised Business from a specific physical business location within the Marketing Area that has been approved in advance by Franchisor in writing ("**Franchise Location**"). If already known, the approved Franchise Location shall be specified in Exhibit 1. Once the Franchise Location has been approved, Franchisee must obtain advance approval from Franchisor before moving the Franchised Business to a different location. Among the factors Franchisor considers before approving franchise locations are population density, general location within the Marketing Area, neighborhood, traffic patterns, parking, size, physical characteristics of the lot and building, neighboring buildings, lease terms, zoning restrictions, the population data for the Marketing Area (determined by using a valid source specified by Franchisor), and the location of other Units in marketing areas adjacent to Franchisee's Marketing Area. The essence of Franchisor's core values, care, and integrity requires that each franchisee in the franchise system respect all other franchisees. When Franchisee selects a location for its Franchised Business, Franchisee must consider each of the factors described in this paragraph, while honoring Franchisor's core values.

(d) Adding Franchise Locations. If Franchisor determines, in its sole discretion, that sound business reasons exist to authorize or require Franchisee to operate additional Franchise Locations within the Marketing Area, Franchisor may approve or require one or more additional Franchise Locations. If Franchisor requires Franchisee to operate additional Franchise Locations within the Marketing Area, Franchisee must develop and begin to operate at the Additional Franchise Location or Locations within a reasonable time, which will be specified in a written notice from Franchisor.

(e) Performance Requirements Necessary to Maintain Exclusivity in Marketing Area. Franchisee's exclusive rights in the Marketing Area under Subsection (a) may be terminated if Franchisee fails to meet the Minimum Performance Requirements described in Section 2.20 or otherwise defaults under this Agreement (see Section 5.8 (Other Remedies)).

(f) Right of Online Marketing Companies to Offer Products and/or Services. Franchisor reserves the right to contract and/or require Franchisee to contract with one or more online marketing companies to offer products and/or services offered by the franchise system if such contracts are reasonably likely to generate revenue for Franchisee at no cost or reasonable cost to Franchisee.

(g) Right to Change Marketing Area on Renewal or Transfer of Franchise. If Franchisee's franchise is renewed under Section 5.1 or Franchisee transfers its franchise under Section 7 of this Agreement, Franchisor may, in its sole discretion, change the Marketing Area granted in the new franchise agreement signed in connection with the renewal or transfer to comply with Franchisor's then-current manner of designating Marketing Areas, to make minor changes in the Marketing Area to correct overlap or other issues, and for other valid business reasons, including an assessment of Franchisee's performance. In addition, if the Marketing Area has or attains a population of Seven Hundred Fifty Thousand (750,000) or more residents (as measured using a valid third-party source specified by Franchisor), Franchisor reserves the right at the time of renewal or transfer of the franchise to divide the Marketing Area into two or more marketing areas in a manner Franchisor determines is reasonable in its sole discretion. In that case and provided that Franchisee is in compliance with this Agreement, Franchisee (or the transferee, as applicable) may: (i) without payment of any additional initial franchise fee, operate each of the newly created marketing areas under separate franchise agreements, or (ii) transfer one or more of the newly created marketing areas in accordance with Section 7.2, including but not limited to the obligation to pay Franchisor a transfer fee for each marketing area transferred. As an alternative to dividing the Marketing Area under these circumstances, Franchisor may require Franchisee to open and operate at an additional Franchise Location in the Marketing Area.

(h) Variations for Franchisees with Multiple Units. Franchisor may, in its sole discretion, agree to variations in certain requirements of the Franchise Agreement for franchisees that own and operate (or that together with Affiliates of the franchisee own and operate) multiple Units. These variations will be agreed to on a case-by-case basis and may include, without limitation, variations relating to: heightened standards, training and reporting requirements; the requirement of a physical business location in each marketing area; use of centralized sales support services; modification of Minimum Performance Requirements; staffing standards; and minimum numbers of trucks.

(i) Violations by Other Franchisees. In connection with Franchisor's duties under this Agreement, Franchisee understands and agrees that Franchisor shall not be responsible to Franchisee for violations by another franchisee of Franchisor of any agreement between Franchisor and such other franchisee.

1.2. License to Use System.

Franchisor grants to Franchisee a license to use the System for establishing and operating a business that provides the Approved Services. The System includes specific operational methods, techniques, procedures, formats and forms for establishing and operating such a business (collectively, the "**Standards**"), which constitute confidential and proprietary information owned by Franchisor. This license is only for Franchisee's use of the System. Except as this Agreement allows, Franchisee has no authority to license, train, or otherwise assist or authorize others to use the System in any way.

1.3. License to Use Marks.

Franchisor grants to Franchisee a license to use the Primary Mark and all other Marks Franchisor specifies for use in the Franchised Business. The current Primary Mark and the Marks are listed on Exhibit 1. Franchisor expressly licenses Franchisee to use the Marks only in conjunction with and in accordance with the System, and this license exists only for the duration of this Agreement of this Agreement. Franchisee's license to use the Marks is defined by and limited to the terms of this Agreement including in Section 3.

1.4. Limits on License.

(a) Limits on Use of Marks. Franchisee agrees to use the Marks as its sole identification for the Franchised Business, except that Franchisee agrees to identify itself as an independent owner in the manner Franchisor approves. Except as otherwise explicitly authorized by this license or as Franchisor may otherwise authorize in writing, Franchisee may not use any Mark: (i) as part of any corporate or legal business name, (ii) with any prefix, suffix, or other modifying words, terms, designs or symbols, (iii) in selling any unauthorized services or products, (iv) as a part of or in connection with any Internet domain names, email addresses, websites, social media (such as Facebook, LinkedIn, Twitter, YouTube), blogs, vlogs (social videos), online social networks, wikis, forums, content sharing communities, or other Internet tools, or (e) in any other manner that Franchisor has not expressly authorized in writing. Franchisee may not use any Mark in advertising the transfer, sale, or other disposition of the Franchised Business or an ownership interest in the Franchisee without Franchisor's prior written consent, which Franchisor will not unreasonably withhold. Franchisee agrees to display the Marks prominently as Franchisor prescribes at its Franchise Location and on trucks, vans, forms, advertising, supplies, and other materials Franchisor designates. Franchisee agrees to give the notices of trade and service mark registrations that Franchisor specifies and to obtain any fictitious or assumed name registrations required under Applicable Law (as defined within Section 2.1).

(b) Services Offered Must Comply with Law and Agreement. Franchisee will offer the Approved Services only as permitted by Applicable Laws and only as authorized by this Agreement. Franchisee must market the Franchised Business within the Marketing Area and at all times in accordance with the requirements of Section 2.12 and in line with policies established by Franchisor.

(c) Limitations Within Certain Geographical Areas of the United States. With respect to certain geographical areas in the United States, there are restrictions and/or conditions that may affect Franchisee's right to operate or provide services in its Franchised Business, which Franchisor will disclose to Franchisee and other franchisees as necessary.

(d) Parking Trucks in the Marketing Area. Franchisor reserves the right to permit another System Franchisee to park its trucks in the Marketing Area on a regular basis if an appropriate location for parking trucks within the other franchisee's marketing area cannot, in Franchisor's sole discretion, reasonably be obtained. If Franchisor permits another franchisee to park its trucks in the Marketing Area, Franchisor will not permit the other franchisee to advertise on its trucks any telephone number (other than an "800" telephone number common to each of the franchisees), business location, or other information that would distinguish its franchise from Franchisee's, unless otherwise required by law.

1.5. Initial and Ongoing Training.

(a) Required Training. Franchisor will provide initial training for Franchisee. Some portions of the training may be taught virtually. Franchisee and/or a representative designated by Franchisee and approved by Franchisor is required to attend and successfully complete the initial training course provided by Franchisor. Franchisee and/or a representative designated by Franchisee and approved by Franchisor must also attend any additional training, sales programs, or meetings specified by Franchisor at such locations and at such times as Franchisor may specify.

(b) Additional Units. If this Agreement is for a second or subsequent Unit owned by Franchisee, an owner of Franchisee or a manager representative approved by Franchisor must attend and successfully complete an approved training class as specified by Franchisor within 12 months of signing the agreement. If an owner of Franchisee or a manager representative approved by Franchisor, as applicable, is unable to attend the required training class specified by Franchisor within the 12-month period for a valid business reason approved by Franchisor, then Franchisor may, in its discretion, require that individual to attend different classes or training programs, at Franchisee's expense, in lieu of the required class. In addition, the individual who will be actively managing the Franchised Business must attend and successfully complete Franchisor's initial training program before the Franchised Business opens for business, unless that individual has attended and successfully completed the initial training program within 12 months of the opening of the Franchised Business.

(c) Differences in Training. Franchisee acknowledges and agrees that the initial and ongoing training that Franchisee may be required to attend may not be uniformly imposed on all franchisees. Differences in required initial and ongoing training may be based on the Franchisee's experience, the demographics of the Marketing Area, the density of the population, whether the area is a metro area and other reasonable factors.

(d) Training Fees and Expenses. Franchisee is responsible for all expenses incurred for attending and having its employees attend the initial training program or any additional training programs, including travel and living expenses, wages, etc. Franchisor may charge Franchisee a reasonable per diem fee for additional training (which shall not exceed $1,500 per representative per day) plus travel and living expenses of staff members or third-party vendors providing the training. Subject to Franchisor's express approval, Franchisee may be permitted to bring additional attendees to training at Franchisee's expense.

1.6. Training and Performance Improvement Requirements.

(a) Performance Improvements. If the Franchised Business is performing unsatisfactorily (as determined by Franchisor in its sole discretion), Franchisor may require Franchisee, at Franchisee's expense, to: (a) attend training sessions specified by Franchisor; (b) visit other franchise locations for a Performance Improvement Visit; (c) make Performance Improvement Visits to Franchisor; (d) receive Performance Improvement Visits from a Franchisor staff member; (e) participate in ongoing performance improvement programs; and/or (f) receive Performance Improvement Visits from a third-party auditor or consultant. A "**Performance Improvement Visit**" is an in-person or virtual meeting or training session that may consist of additional training or assistance (as determined by Franchisor in its sole discretion).

(b) Fees and Expenses. If Franchisor requires Franchisee to attend a Franchisor approved training session, Franchisee must pay all travel and living expenses, as well as a fee to cover the cost of the training session. Franchisee must attend the training session within three months of receiving notice that Franchisor requires Franchisee to attend the training session. If Franchisor requires Franchisee to undertake one of the Performance Improvement Visit options, Franchisee will be responsible for all costs and expenses associated with the visit. Franchisee must complete the Performance Improvement Visit requirement in the time period determined by Franchisor. If the Performance Improvement Visit results in an action plan to improve performance in one or more areas, Franchisee must diligently implement the action plan by the dates specified in the plan.

1.7. On-Going Support; Annual Conference.

At Franchisee's request, Franchisor will provide support services to Franchisee during normal business hours at the Franchised Business. A representative of Franchisee must attend the Annual Conference at least once every two years unless Franchisor approves attendance at an alternative training program or other event. Franchisee is responsible for all expenses incurred for attending and having its employees attend the annual conferences and all other approved meetings, including registration fees, when applicable. Registration fees will not exceed $1,500 per attendee per meeting, program, or conference.

1.8. Assistance.

Franchisor will provide reasonable assistance and advice to Franchisee as Franchisor determines in its sole discretion for the commencement and operation of the Franchised Business. Franchisor may charge Franchisee a reasonable per diem fee for the assistance (which will not exceed $1,500 per representative per day) plus travel and living expenses of staff members or third-party vendors providing the assistance.

1.9. Additional Franchises.

Under this Agreement, the Franchisee Parties will not have any option, right of first refusal, or any other right to acquire additional franchises from Franchisor. Franchisor may, in its sole discretion, allow a Franchisee Party to acquire an additional franchise if such Franchisee Party meets Franchisor's qualifications in place at that time for acquiring a franchise and ownership of multiple franchises. If a Franchisee Party requests an additional franchise, Franchisor may require the Franchisee Parties to provide a business plan that describes in substantial detail how Franchisee will maintain the operation of its existing franchise or franchises, while such Franchisee Party will simultaneously operate an additional Unit. In determining whether to grant an additional franchise to a Franchisee Party, Franchisor will consider all aspects of the operation of the existing franchise or franchises, including those items described as good cause for non-renewal in Section 5.1.

SECTION 2--FRANCHISEE'S AGREEMENTS

2.1. Compliance with Applicable Law.

Franchisee must obtain and keep in force every registration, charter, permits, certificates, and licenses required for the operation of the Franchised Business. Franchisee must comply with all federal, state, county, municipal or other statutes, laws, ordinances, regulations, rules or orders applicable to the Franchised Business, including but not limited to state and federal labor and employment laws, such as the Fair Labor Standards Act (FLSA), Family and Medical Leave Act (FMLA), Occupational Safety and Health Act (OSHA), Employee Retirement Income Security Act (ERISA), Title VII, the Age Discrimination in Employment Act, the Affordable Care Act, the American with Disabilities Act (ADA), the CAN-SPAM Act, the Telephone Consumer Protection Act (TCPA), the Telemarketing Sales Rule (TSR), other federal and state anti-solicitation laws regulating marketing phone calls, and federal and state laws that regulate data security and privacy (including but not limited to the use, storage, transmission, and disposal of data regardless of media type) (collectively, "**Applicable Laws**"). It is Franchisee's sole and absolute obligation to research all Applicable Laws governing the operation of the Franchised Business and to ensure that such operation does not violate any Applicable Laws. Franchisee must also comply with all applicable Payment Card Industry standards. Franchisee must promptly pay all payroll and business taxes, fees and expenses, and any and all other amounts required by law.

2.2. Inspection Rights.

(a) Performing Audits, Inspections and Other Investigations. Franchisee agrees that Franchisor or its representatives or third-party agents may perform audits, inspections, and other investigations of all aspects of Franchisee's business, including Franchisee's operations, internal controls and processes, training records and logs, business locations, vehicles, employees, books, records, tax returns, DOT driver log records, CSA pin or login numbers, call recordings, loss ratios, compliance safety and accountability records and assessments, motor vehicle records, other safety records, and any other records. These audits, inspections, and other investigations may take place from time to time during normal business hours and may include examining and making copies of Franchisee's records, requesting Franchisee to provide data electronically, accessing data directly from the Automation Systems (defined in Section 2.10), and interviewing Franchisee's employees and customers. Franchisor's requests for information may be made on a random basis or on a regular basis, in Franchisor's sole discretion, and Franchisee agrees to cooperate with all requests in a timely manner.

(b) Inspection or Investigation Deficiencies. If an inspection or investigation reveals an item of non-compliance with this Agreement, Franchisor's policies, or Applicable Law, or reveals that Franchisee has failed to meet a benchmark specified by Franchisor, Franchisee must take prompt action to resolve the items of non-compliance in the manner specified by Franchisor. This may include, without limitation, requiring Franchisee to submit a written action plan for resolving the items of non-compliance. If actions are not taken in the manner specified by Franchisor or non-compliance continues, Franchisor may perform a follow-up inspection and/or investigation at Franchisee's expense (which will cost $500 per Franchisor representative per day, plus their travel and living expenses) or take other steps specified in Franchisor's policies, which may include imposing Non-Compliance Fees (as defined in Section 4.5(e) (Non-Compliance Fee)) and/or requiring Franchisee to engage a consultant, at Franchisee's cost.

2.3. Development, Opening, and Operation of the Franchised Business.

(a) Development of the Franchised Business. Franchisee must fully develop the Franchised Business in accordance with Franchisor's policies, Standards and specifications. Franchisee must construct and/or improve the Franchise Location in compliance with Franchisor's specifications, including but not limited to specifications for exterior design, materials, interior layout, equipment, fixtures, furniture, signs and decorating. Franchisee must have prepared and submit to Franchisor for approval a site and building plan. Franchisor must approve all drawings, plans and specifications relating to the design, construction and/or improvement of the Franchise Location before construction and/or remodeling of the approved location begins. Franchisee must purchase or lease, prior to opening the Franchised Business, and maintain and/or acquire at all times thereafter, all equipment, phones, computer hardware and software, fixtures, signs, inventory, supplies, and other goods or services Franchisor specifies for use in the Franchised Business, including the number of trucks specified in the Manual, which each must display Franchisor's Primary Mark and other Marks. Franchisee must also perform the other pre–opening obligations specified in the Manual. Franchisor will have the right to inspect and approve the Franchise Location before Franchisee opens the Franchised Business to make sure Franchisor's specifications have been followed. If Franchisor determines that its specifications have not been followed, Franchisee must resolve any issues to the satisfaction of Franchisor before opening the Franchised Business. Franchisee acknowledges and agrees that the equipment that Franchisee may be required to obtain may not be uniformly imposed on all franchisees. Differences in required equipment may be based on the Franchisee's experience, the demographics of the Marketing Area, the density of the population, whether the area is a metro area, and other reasonable factors.

(b) Opening of the Franchised Business. Franchisee must not open the Franchised Business until Franchisor has inspected and approved the development of the Franchise Location.

Franchisee must complete its pre-opening obligations and commence operation of the Franchised Business no later than four months from the date of this Agreement.

(c) Operation of the Franchised Business. After opening, Franchisee must continually operate the Franchised Business and must use its best efforts to market the Franchised Business, expand the customer base and income of the franchise, and maximize customer satisfaction. Franchisee may be required to agree to obtain additional trucks within a specified time period after opening. This obligation will be agreed to by the parties at the time of the signing of this Agreement. Franchisee must always maintain sufficient inventory, equipment, and supplies to operate the Franchised Business at optimal capacity and efficiency.

2.4. Products and Services; Credit Card Payment.

(a) Products and Services Offered by the Franchised Business. Franchisee must only offer and sell the Approved Services as Franchisor previously approves in writing in the Manual or otherwise. Franchisee must sell all products and provide all services that Franchisor specifies for sale for the Franchised Business. Franchisee must sell all products and provide all services in the manner specified by Franchisor and in accordance with the policies and procedures specified by Franchisor. Franchisee must not sell any products, provide any services or engage in any business at the Franchised Business or Franchise Location other than those specified or approved by Franchisor without written authorization from Franchisor. The Approved Services may be designated by Franchisor, in its sole discretion, as "**Required Services**" or as "**Optional Services**" in the Manual or otherwise in writing. Franchisee must offer and sell the Required Services. Franchisee may, but is not required to, offer and sell any Optional Services. Franchisee must receive Franchisor's written approval before offering or selling any Optional Services. The provisions of this Agreement will apply to all Approved Services, whether Required Services or Optional Services.

(b) Changes to Approved Services. Franchisor may add or delete Approved Services to be provided by the Franchised Business. If any Approved Services are added, Franchisee must be qualified to provide the new Approved Service before Franchisor will authorize Franchisee to offer that Approved Service. If an Approved Service is deleted, Franchisee must cease offering that Approved Service immediately on written notice from Franchisor. Franchisor may change the designation of an Approved Service from an Optional Service to a Required Service or from a Required Service to an Optional Service. If Franchisor designates a new Required Service, Franchisee must, at its expense and in accordance with any deadlines specified by Franchisor, obtain any equipment, complete any training or certifications, and take any other actions that Franchisor specifies to begin offering and providing such Required Service. Franchisor has the right in its sole discretion to vary specifications for Approved Services to be offered by Units (including varying whether it is a Required or Optional Service) by geographic area, market, or type or size of location, personnel or other business issues experienced by the Unit, or other relevant distinctions between Units and to vary the level or participation by Units in providing an Approved Service based on the need for the Approved Service as part of a Franchisor approved or specified program, or other applicable business reasons. Also, Franchisor has the right in its sole discretion to authorize one or more Units to test market products, services, suppliers, or other items on a non-uniform basis. Franchisee will not be entitled to require Franchisor to disclose or grant to Franchisee a like or similar variation in Franchisor's policies and specifications. Additional Approved Services Franchisor specifies or approves will be subject to the Royalty Fee specified in Section 4.2(a) and Advertising Fees specified in Section 4.3 of this Agreement.

(c) Credit Card Payment; PCI Compliance. Franchisee must make available at its Franchise Location credit card services that enable all customers to pay for Approved Services with a valid credit card, so long as the credit card has sufficient credit to cover payment of the Approved Services. Franchisee must comply with the Payment Card Industry ("**PCI**") Data Security Standard ("**DSS**")

Requirements and Security Assessment Procedures and other applicable PCI requirements ("**PCI Requirements**") in connection with the Franchised Business. It is Franchisee's responsibility to research and understand the PCI Requirements and to ensure that its business policies and practices comply with the PCI Requirements. Although Franchisor may provide advice and/or specify or provide POS Systems or business software, Franchisor does not represent or warrant that those systems or software comply with the PCI Requirements, and it will be the sole responsibility of Franchisee to ensure that its business practices comply with the PCI Requirements.

(d) Pricing. Subject to Applicable Laws, Franchisee may require Franchisee to charge certain prices for goods or services, certain minimum prices for goods or services, or certain maximum prices for goods or services, as set forth in the Manual or otherwise in writing from time to time. If Franchisor sets a suggested retail price for a good or service, Franchisor may prohibit Franchisee from advertising any other prices for such goods or services. Where no price or maximum or minimum price has been specified or established by Franchisor, Franchisee may sell such goods or services at any reasonable price it chooses. Advertised prices and specified maximum and minimum prices for goods or services may vary from market to market to the extent deemed necessary by Franchisor in order to reflect differences in costs and other factors applicable to such markets.

2.5. Source of Supply.

(a) Purchases. Franchisee must purchase all equipment, parts, inventory, supplies, components of the Automation Systems, insurance, insurance agency and broker services, consulting services, and all other goods and services used in the development and operation of the Franchised Business in accordance with Franchisor specifications and only from a Designated or Approved Supplier (as defined below) that demonstrate, to the continuing reasonable satisfaction of Franchisor, the ability to meet Franchisor's Standards and specifications for such items and that possess adequate quality controls and the capacity to supply Franchisee's needs promptly and reliably.

(b) Designated Supplier Products. Franchisor may designate certain products and services used in the development and operation of the Franchised Business ("**Designated Supplier Products**") that must be purchased only from a supplier designated by Franchisor (which may be Franchisor, an Affiliate, or third party) (a "**Designated Supplier**"). Franchisee will have no right to request the approval of alternative suppliers for Designated Supplier Products.

(c) Approved Suppliers. Unless otherwise specified by Franchisor, all products and services used in the development and operation of the Franchised Business, other than Designated Supplier Products, must be obtained only from a supplier that has been approved by Franchisor (an "**Approved Supplier**"). An Approved Supplier will be any supplier that has met Franchisor's standards relating to quality, performance, uniformity, reporting of shipments, and other relevant standards established by Franchisor and that has been specified by Franchisor in writing as an Approved Supplier. Franchisee may request to have a supplier for products or services other than Designated Supplier Products approved by submitting to Franchisor the information, samples, or agreements necessary for Franchisor's determination pursuant to the procedures specified by Franchisor. Franchisor has the right to charge Franchisee a reasonable fee to cover the cost of testing, if it is necessary to test the supplier's product.

(d) Other Products or Services. If Franchisor has not specified a Designated or Approved Supplier for a product or service, Franchisee may obtain that product or service from any supplier, as long as the product or service meets Franchisor's specifications.

(e) Rebates and Revenue. Franchisor reserves the right for Franchisor and/or its Affiliates to receive rebates or other fees or revenue from Designated and Approved Suppliers or other revenue based on sales of products or services to Franchisee. Franchisee agrees that Franchisor and its Affiliates will have the right to collect all such rebates, fees, or revenue and to use those rebates, fees, and revenue for any purpose in Franchisor's discretion.

(f) No Warranties. The designation by Franchisor of a Designated Supplier or Approved Supplier or other provider of products or services does not create any express or implied promise, guaranty or warranty by Franchisor as to the products or services of the Designated Supplier or Approved Supplier or other provider of products or services and Franchisor disclaims any such promises, guaranties or warranties. Franchisee agrees that Franchisor will not have any liability to Franchisee for any claims, damages or losses suffered by Franchisee as a result of or arising from the products or services provided by or the acts or omissions of any Designated Supplier or Approved Supplier or other provider of products or services designated or approved by Franchisor.

2.6. Maintenance; Refurbishing; Alterations.

(a) Maintenance. Franchisee must maintain the Franchise Location and the vehicles, containers, equipment, fixtures, and signs for the Franchised Business in an attractive, clean, and safe condition and in good maintenance and repair and in compliance with the standards specified by Franchisor in the Manual or otherwise. If at any time, in Franchisor's sole discretion, the general state of repair, appearance, or cleanliness of the Franchise Location or the vehicles, equipment, fixtures, or signs of the Franchised Business does not meet Franchisor's standards, Franchisor may notify Franchisee in writing, specifying the action to be taken by Franchisee to correct the deficiency. Franchisee must initiate the specified action within 30 days after receipt of the notice and diligently proceed to complete the specified action. If Franchisee fails to do so, then Franchisor will have the right, in addition to its other rights under this Agreement, to enter the Franchise Location and cause the specified action to be taken on behalf of Franchisee, and Franchisee must pay 120% of the actual costs and expenses that Franchisor and its Affiliates incur related to such action.

(b) Refurbishing. In addition to regular maintenance obligations, within six months of Franchisor's request, Franchisee must refurbish the Franchise Location to maintain or improve the appearance and efficient operation of the Franchised Business, to increase its sales potential, and to comply with Franchisor's then current standards and identity.

(c) Alterations. Franchisee must make no material alterations to the construction or appearance of the Franchise Location and must not make any material alterations to the equipment, fixtures or signs of the Franchised Business without prior written approval of Franchisor. Franchisor will not unreasonably withhold such approval provided that the alterations are not inconsistent with the standards and identity of the franchise system and are not prohibited by the Franchisee's lease or by law.

2.7. Insurance.

(a) Insurance Coverages. Franchisee must at all times during the entire term of this Agreement and at its own expense keep in force, by advance payment or payments, policies of insurance in the amounts and with the coverage (at a minimum), as specified by Franchisor. Franchisor's current minimum requirements are specified in Exhibit 1. Franchisor may adjust the amounts of coverage required under such policies at any time and require different or additional kinds of insurance based upon its business judgment. Also, Franchisor may create a policy that requires franchisees that exceed a specified revenue threshold to maintain additional insurance policies. Franchisor strongly recommends that Franchisee meet with its insurance agent at least annually to review the coverages required under the Franchise Agreement and also to consider additional optional coverage that protects Franchisee. Optional coverage includes: (1)

Cyber liability, (2) Directors and Officers liability coverage, and (3) Fiduciary liability coverage, including plan purchaser protection.

(b) Non-traditional Coverage. Franchisee must not satisfy its insurance obligations under this Agreement through the use of self-insurance, retroactive insurance, high-deductible insurance, insurance through a captive insurance program, or other non-traditional insurance without the prior written approval of Franchisor. Franchisor may further define what is considered non-traditional insurance coverage in the Manual. If Franchisor, in its sole discretion, approves any non-traditional coverage, Franchisor may specify the broker or any providers that may be used and any other requirements and Standards for such coverage.

(c) Parties Required to Be Covered, Maintenance of Coverage and Notice of Cancellation to Franchisor. Each required policy must properly name Franchisor and each of its Affiliates as an additional insured. Each insurance policy must be endorsed to provide Franchisor with a minimum of 30 days advance written Notice of Cancellation or Nonrenewal for any statutorily permitted reason other than nonpayment of premium, in which case the notice must be at least 10 days. Original or duplicated copies of all required insurance policies, certificates of insurance, or other proof of insurance Franchisor accepts must be promptly furnished to Franchisor prior to opening the Franchised Business and at least fourteen days after the renewal date of the current policy. Franchisee must ensure that the required insurance does not lapse during any renewal period. If Franchisee fails to obtain or maintain any of the required insurances, Franchisor may obtain that insurance on behalf of Franchisee and Franchisee must pay Franchisor on demand the Insurance Procurement Fee (as defined in Section 4.5(d) (Insurance Procurement Fee)). Franchisee's failure to obtain or maintain any required insurance is a material breach of this Agreement entitling Franchisor to terminate this Agreement.

(d) Franchisor's Right to Reports of Losses and EMOD. Franchisor may require Franchisee to provide or require Franchisee to authorize the Franchisee's insurance carriers to provide to Franchisor monthly, quarterly, and/or annual reports of losses paid by the Franchisee's insurance carriers on behalf of Franchisee for losses suffered under the Franchisee's insurance policies. These policies may include Worker's Compensation, Cargo, Automobile Liability, General Liability, Excess Liability policies and others specified by Franchisor. In addition, Franchisor may require Franchisee to provide or to authorize Franchisee's insurance carrier to provide proof of Franchisee's Worker's Compensation experience modification (EMOD). Franchisee hereby grants Franchisor a power-of attorney, authorizing Franchisor to obtain whatever loss reports or EMOD reports Franchisor determines, in its sole discretion, are necessary to protect the integrity of the Marks and System or for any other reasonable business purpose. Franchisee agrees to cooperate with Franchisor and Franchisee's insurance carriers to enable Franchisor to obtain the Insurance Loss Reports and EMOD reports as promptly and efficiently as possible, which cooperation may include providing written authorization to permit Franchisor to obtain the reports, in addition to the power of attorney granted in this paragraph.

2.8. Operating Standards/Manual.

(a) Definition of Manual. For purposes of this Agreement, the confidential operations manuals (collectively, the "**Manual**") include, any manuals specified by Franchisor and all other written, electronic, video, and audio recorded policies, procedures, techniques, memos, bulletins, newsletter, forms, guidelines, and other materials prepared by Franchisor in connection with the System or to assist Franchisee in the operation of the Franchised Business.

(b) Obligation to be Governed by Highest Ethical Standards. Franchisee acknowledges that every component of the System is important to Franchisor and to the operation of the Franchised Business. Franchisee must at all times operate the Franchised Business in a competent manner and in full compliance with all aspects of the System specified by Franchisor. In all business dealings with the public and with Franchisor, Franchisee will be governed by the highest standards of honesty, integrity, fair dealing, and ethical conduct and act at all times to support and grow the System. Franchisee must not engage in any activity or practice that results in or may reasonably be anticipated to result in damage to Franchisor's business reputation, or result in or reasonably be anticipated to result in any public criticism of the System or Marks. Franchisee will not use or engage any federal, state, or local law, regulation, court or tribunal to retard or prevent another prospective or existing System Franchisee from obtaining a license or authority necessary to operate its Unit or to comply with the System. Franchisee acknowledges that such violations will be good cause for immediate termination of this Agreement.

(c) Obligation to Comply with All Company Policies, Standards and Procedures; Confidentiality of Manual. To preserve and enhance the reputation and the goodwill associated with the System and Marks and to maintain uniform standards of operations throughout the entire franchise system, Franchisee must comply with all lawful policies, procedures and Standards Franchisor specifies from time to time in connection with the operation of the Franchised Business, even if Franchisee believes the policies and/or procedures as originally issued or subsequently modified, are not in the best interests of the System. These policies, procedures and Standards are contained in the Manual or other directives issued by the Franchisor. Franchisee will be given access to the currently existing Manual after execution of this Agreement via Franchisor's Automation Systems (see Section 2.10(a)) and/or in another manner specified by Franchisor. Franchisee will be given access to applicable modifications or additions to the Manual as they become available via the Automation Systems and/or in another manner specified by Franchisor. The Manual remains Franchisor's confidential property, must not be duplicated by Franchisee, and must be returned to Franchisor upon termination or expiration of this Agreement, or the transfer of Franchisee's Unit. Franchisee must at all times ensure that its copies of the Manual are kept current and up to date. If any dispute arises as to the contents of the Manual, the contents of the master copies of the Manual maintained by Franchisor will control.

(d) Changes to System and Manual. Due to the nature of operation of Units and the fact that the Standards, policies and procedures covering the operation of the Unit must and do change, Franchisor reserves the right to change the System from time to time, and to change the terms of the Manual from time to time to reflect those changes. Franchisor will use its reasonable business judgment when making changes. The terms of the Manual augment this Agreement and will have the same effect as if set forth in this Agreement. If the Manual is inconsistent with the Franchise Agreement, the Franchise Agreement will control.

2.9. Personal Supervision and Management of Franchised Business.

(a) Obligation to Personally Supervise and Manage Day-to-Day Operations. Franchisee, or a representative approved in writing by Franchisor if Franchisee is a corporation, limited liability company or other legal entity, must personally supervise the day–to–day operation of the Franchised Business at all times and personally exercise his or her best efforts to market the Approved Services offered by the Franchised Business. Franchisor reserves the right to approve any manager to whom Franchisee delegates any substantial portion of this responsibility. Franchisor has the right to require the manager to successfully complete Franchisor's training program as a condition to approval of the manager. Franchisee or the designated representative or approved manager must have a full-time presence at the Franchise Location and must book all services from the Franchise Location. The Franchised Business must be staffed for at least nine (9) consecutive hours per day on weekdays (Monday through Friday) and at least four (4) consecutive hours on Saturday and must be staffed with sufficient personnel to provide optimum services. For any Approved Services scheduled to be provided for Saturdays or Sundays, there must be a contact telephone number for Franchisee's manager, which contact telephone number must be provided to the employees providing and the customers receiving such services. If the Franchisee Parties own multiple units, Franchisee may not use a centralized booking system for services to operate the Franchised Business without the written consent of Franchisor.

(b) Only Franchisee Has the Right to Control Employees. Franchisor may provide advice, materials, policies and training modules that address suggested or recommended staffing for the efficient operation of a Franchised Business, and for delivering services in accordance with the Standards, including customer service standards and brand standards. Even though Franchisor may offer suggestions, advice, guidelines, or programs, Franchisee will have sole responsibility for all employment decisions and functions related to its Franchised Business, including hiring, firing, promoting, demoting, compensation, benefits, scheduling of employee work hours and shifts, work rules, record-keeping, supervision, and discipline of employees. Franchisee must ensure that its employees are qualified to perform their duties in accordance with the Standards. Franchisor does not require Franchisee to implement any employment-related policies or procedures or security-related policies or procedures that Franchisor may make available to Franchisee in the Manual or otherwise. Franchisor does not control or have the right to control Franchisees' employees or day-to-day business activities. Franchisor may take any legal action necessary to enforce its rights under this Agreement and to protect and preserve the System and Franchisor's policies and procedures. Franchisee must prominently post signs at the Franchise Location (including in the area in which all official employment-related notices are posted) and at Franchisee's offices informing employees that their relationship is solely with Franchisee and that they are not an employee of Franchisor or any of its Affiliates. Similar language must be included in all employment contracts, offer letters, and employee handbooks. Franchisor may specify the language for the required postings and notices. Franchisee must not use Franchisor's name or the Marks on any employee or employee materials unless there is a clear indication that they are employed by the Franchisee and not by Franchisor. Franchisee must indemnify and hold harmless Franchisor from and against any liability relating to or arising from employment related decisions and obligations, including but not limited to labor and employment law violations by Franchisee and Franchisee's employees.

(c) Obligation of Franchisee to Provide Plan for Other Businesses Franchisee Desires to Establish. If a Franchisee Party wishes to commence the operation of any additional business in addition to the Franchised Business, Franchisee must provide Franchisor with a plan that describes in substantial detail how Franchisee will maintain the operation of the Franchised Business in accordance with the terms of this Agreement while such Franchisee Party simultaneously operates the additional business. Before commencing the operation of the additional business, Franchisee must obtain Franchisor's consent of the plan, which approval will not be unreasonably withheld. As conditions to approval of the plan Franchisor may require that, in addition to other reasonable conditions: (i) the additional business be kept completely separate from the Franchised Business (e.g. may not share the same location, building, or address); (ii) the additional business never be sold or transferred to another System Franchisee; and (iii) Franchisor may require the Franchisee Parties to divest themselves of the additional business if Franchisor determines that the additional business creates a conflict with or is competitive with the business authorized under this Agreement as that business may be modified over time. Franchisee must also give annual updates to the plan as specified by Franchisor. Franchisor may review the plan at any time after consenting to the plan to determine if the Franchisee Parties are complying with the plan. Franchisor may require Franchisee to modify the plan at any time. The Franchisee Parties' failure to comply with the plan, as determined by Franchisor in its sole discretion, will constitute a violation of this Agreement, entitling Franchisor to any and all remedies authorized under this Agreement, up to and including termination.

2.10. Automation Systems; Computer Systems; Centralized Email; Prohibition of Certain Telephone Technology.

(a) Automation Systems. Franchisee must use the business automation systems specified by Franchisor in the operation of the Franchised Business (the "**Automation Systems**"). The

Automation Systems may include Franchisor's specified or designated (i) computer systems, hardware, tablets, mobile devices, printers, software, apps, websites, network connections, and firewall services; (ii) proprietary scheduling and/or operating system; (iii) accounting applications, (iv) e-mail and communications systems; (v) extranet; (vi) customer satisfaction/referral survey apps; (vii) credit card systems; (viii) global positioning systems (GPS); (ix) applicant tracking systems (ATS); (x) learning management system (LMS); (xi) marketing automation system; (xii) mobile technology solutions; (xiii) customer portal; (xiv) estimate production system; and (xv) other or different components or systems that may be designated by Franchisor from time to time. As a condition to using the Automation Systems, Franchisee must agree to comply with the terms of use specified by Franchisor. Franchisee must keep accurate Automation Systems user accounts for its employees and must either notify Franchisor or make any necessary updates in the Automation Systems of any user account changes or employee status changes within five business days. If Franchisee fails to notify Franchisor or make the necessary updates within the five-business day period, Franchisee may be assessed liquidated damages as specified by Franchisor. Franchisee must employ other adequate measures to secure the Automation Systems, and the information contained in the Automation Systems, as specified by Franchisor or any applicable Designated or Approved Supplier.

(b) Changes to Automation Systems. Franchisor may modify, update, upgrade, add, or delete components of the Automation Systems in the future. Franchisee must comply with those changes promptly after written notice from Franchisor.

(c) Approval of Automation Systems. If Franchisor has not yet specified a particular system and/or Designated or Approved Supplier of a system as part of the required Automation Systems, Franchisee must obtain approval from Franchisor before obtaining the system or transitioning to a new system or Designated or Approved Supplier of the system. If Franchisor specifies systems as part of the Automation Systems in the future, Franchisee must use the systems and/or Designated or Approved Suppliers specified by Franchisor.

(d) No Warranties. THE AUTOMATION SYSTEMS AND ITS CONTENT ARE PROVIDED "AS-IS'. FRANCHISOR AND ITS AGENTS AND LICENSORS DISCLAIM ANY AND ALL WARRANTIES RELATING TO THE AUTOMATION SYSTEMS, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE AND NON-INFRINGEMENT, REGARDING ANY SUCH CONTENT AND FRANCHISEE'S ABILITY OR INABILITY TO USE THE AUTOMATION SYSTEMS AND THEIR CONTENT. FRANCHISOR DOES NOT WARRANT THAT THE USE OF THE AUTOMATION SYSTEMS WILL SATISFY OR ENSURE FRANCHISEE'S COMPLIANCE WITH ANY LEGAL OBLIGATION OR APPLICABLE LAWS, INCLUDING INCOME, PAYROLL, SALES TAX, AND OTHER LAWS. FRANCHISEE ACKNOWLEDGES THAT IT IS RESPONSIBLE FOR AND IS NOT RELAYING ON FRANCHISOR OR THE AUTOMATION SYSTEMS FOR COMPLIANCE WITH APPLICABLE LAWS.

(e) No Liability. THE USE OF THE AUTOMATION SYSTEMS IS AT FRANCHISEE'S SOLE RISK. IN NO EVENT WILL FRANCHISOR BE LIABLE TO FRANCHISEE OR ANY PERSON CLAIMING THROUGH FRANCHISEE FOR ANY DIRECT, INDIRECT, CONSEQUENTIAL, INCIDENTAL OR OTHER DAMAGES UNDER ANY THEORY OR LAW FOR ANY ERRORS IN OR THE USE OF OR INABILITY TO USE THE AUTOMATION SYSTEMS AND THEIR CONTENT INCLUDING WITHOUT LIMITATION, DAMAGES FOR LOST PROFITS, BUSINESS, DATA, OR DAMAGE TO ANY COMPUTER SYSTEMS.

(f) Use of Automation Systems. Franchisee acknowledges that the full and proper use of the Automation Systems is an integral part of the System and important for maintaining, monitoring, and ensuring quality and uniformity of services and high levels of customer satisfaction with the System. In order to help Franchisor achieve these goals, Franchisee agrees to use the Automation Systems in the manner specified by Franchisor and in accordance with all policies and procedures specified by Franchisor, which may include, but are not limited to, requirements related to full use of the Automation Systems, using Approved or Designated Vendors for components of the Automation Systems, full integration of the Automation Systems in the Franchised Business, and responsibilities for providing accurate and complete data specified by Franchisor at the times and in the manner specified by Franchisor.

(g) Automation Systems Components. Franchisee must, at its expense, acquire and use the computer systems, hardware, tablets, mobile devices, printers, software, apps, websites, network connections, and firewall services (collectively, "**System Components**") Franchisor specifies for the operation of the Franchised Business and the Automation Systems. In addition, Franchisor may develop new or modified System Components or new or modified specifications for the Automation Systems in the future. Franchisor may require Franchisee to obtain, update, and use specified System Components including, without limitation, a license to use software developed by Franchisor or others. Modification of the specifications for the Automation Systems may require Franchisee to incur costs to purchase, lease, and/or license new or modified System Components and to obtain service and support for the System Components during the term of this Agreement. All computer systems within the Automation Systems must be compatible with Franchisor's computer systems as modified from time to time, must be connected to Franchisor's facilities by high-speed Internet with minimum requirements specified by Franchisor, and must be updated, maintained, and used in compliance with Franchisor's specifications. Franchisor may require Franchisee to electronically upload or transmit information on a periodic basis (including daily).

(h) Franchisor Access to and Use of Information. Franchisor will have the right to independently access sales information and other data produced by the Automation Systems and there are no contractual limitations on Franchisor's right to access and use that information and data, even if the data is maintained by a third party. Franchisee must provide Franchisor access to the information on the Automation Systems in the manner specified by Franchisor and must supply Franchisor with any and all security codes necessary to obtain such access. Franchisee agrees that Franchisor will not be liable to Franchisee for any claims, losses, or damages arising from or related to Franchisor's access to or use of the information and other data produced by the Automation Systems, including but not limited to any errors or omissions in the information and other data obtained by Franchisor or in the information and other data shared by Franchisor with third parties (including other franchisees or prospective franchisees). Franchisee waives and releases Franchisor from any such liability. The parties acknowledge and agree that the exchange of information between Franchisor and Franchisee, including information accessed through the Automation Systems, is not a sale of that information, but is in the nature of one party acting as a service provider to the other party.

(i) Centralized Email. If specified by Franchisor, Franchisee must use a centralized email system maintained by Franchisor.

(j) Certain Telephone Technology. Franchisee is permitted to use "roll over" or "hunt" telephone line system technology where Franchisee and/or its Affiliates operate multiple physical business locations. If Franchisee uses this option, Franchisee must comply with the policies specified by Franchisor for use of the technology.

(k) Satisfaction/Referral Surveys. Franchisee must comply with all operational Standards, policies and procedures relating to the satisfaction/referral survey system specified by Franchisor. Franchisee must keep complete and accurate customer data, such as email address and phone number, as specified by Franchisor. Franchisee must not intentionally or negligently store inaccurate, false, or misleading data in the system. Franchisee must never influence or offer any type of incentive to influence the outcome of satisfaction/referral surveys. Franchisee must immediately contact Franchisor if Franchisee becomes aware of any inaccurate, false, or misleading data in the system and Franchisee must disclose that data to Franchisor.

2.11. Franchisee Councils.

Franchisor may establish councils, cooperatives, and other organizations for franchisees. If one or more of such organizations is established for a geographic area that includes the Franchised Business, Franchisee must join and participate in the organization(s) and must comply with the rules and procedures of the organization(s), provided that such rules and procedures will not modify Franchisee's rights or obligations under this Agreement. Any action of such an organization at a meeting attended by a majority of the members, including assessments for promotion and advertising purposes, will be binding upon Franchisee if approved by a majority of members present, with each member having one vote. Franchisee will not be required to pay more than 1% of its annual Gross Sales (or $1,500/month for a "new franchise" as described in Section 2.12(b)) toward any assessment for advertising by any such organization unless all members agree to a higher rate. This advertising assessment, if it is assessed, is included as a portion of the percentage of Gross Sales Franchisee must expend for advertising within the Marketing Area under Section 2.12(b). If Franchisor operates any Unit within the geographic area of the council, cooperative, or other organization, such Units of Franchisor will be required to pay any assessments for promotion or advertising purposes approved by such an organization for its membership as any other member would be required to pay.

2.12. Sales and Advertising Requirements and Limitations.

(a) Marketing Plan. By the deadlines specified by Franchisor, Franchisee must provide Franchisor with an annual marketing plan and budget (the "**Marketing Plan**") and obtain Franchisor's written approval of such Marketing Plan, which must be revised to incorporate any changes required by Franchisor. Franchisee must diligently implement the approved Marketing Plan. The Marketing Plan must contain the information specified by Franchisor, which may include, without limitation, initial and ongoing marketing, webpage, the type and number of employees, use of any approved mascot, cooperative advertising arrangements, participation in Franchisor programs, media buys, use of Franchisor endorsed referral programs, grass roots marketing, and other sales and marketing efforts.

(b) Minimum Local Marketing Spend.

(i) If specified by Franchisor, Franchisee must execute a public relations launch for the opening of the Franchised Business.

(ii) Franchisee must spend on Eligible Marketing at least the amount specified in Exhibit 1 for advertising and promoting the Franchised Business in the Marketing Area in the period specified in Exhibit 1 (the "**Minimum Local Marketing Spend**"). "**Eligible Marketing**" means advertising and marketing materials or initiatives that (a) are intended to advertise and promote the Franchised Business in the Marketing Area and (b) are designated by Franchisor, in its sole discretion, in the Manual or its advertising/marketing policies as categories of advertising and marketing that will count towards satisfying the Minimum Local Marketing Spend. Franchisor may change the Eligible Marketing from time to time and shall determine, in its sole discretion, whether any particular advertising and marketing meets its then-current qualifications for Eligible Marketing. The Minimum Local Marketing Spend is in addition to the Advertising Fees Franchisee must pay to Franchisor under Section 4.3. The Franchisor may issue a policy that lowers the Minimum Local Marketing Spend requirement for franchisees that meet investment, market share, or other requirements specified in the policy.

(iii) Upon Franchisor's request or by the deadlines specified by Franchisor, Franchisee must provide, in the form and manner specified by Franchisor, an accounting of its weekly, monthly, and/or annual local advertising expenditures and any evidence necessary to demonstrate compliance with the Minimum Local Marketing Spend and the Marketing Plan. If Franchisee fails to meet its Minimum Local Marketing Spend in any period, in addition to Franchisor's other remedies, Franchisee will be required to contribute to the Advertising Fund (as defined in Section 2.12(i)(i) (Use of Advertising Fund)) the difference between the amount spent on Eligible Marketing in such period and the Minimum Local Marketing Spend in such period, plus late fees and interest due. Franchisor shall not be obligated to spend such additional Advertising Fund contributions on advertising in the Territory.

(c) Use of Designated Suppliers. Franchisee must use a Designated Supplier (which may be Franchisor or an Affiliate) for local website hosting, URL licensing, digital advertising services, online directory management and other related aspects of Internet search marketing, paid search management, online reputation management, and other advertising or marketing related services specified by Franchisor, which may be Franchisor or its Affiliates.

(d) Advertising Materials Must be Approved by Franchisor. Any advertising, marketing, or promotional materials Franchisee desires to acquire or use in any manner or media in conjunction with the operation of the Franchised Business must be approved by Franchisor in writing prior to use, unless otherwise approved in accordance with this Agreement or the Manual. Proposed advertising or promotional materials must be submitted to Franchisor's Marketing Department for approval as specified in Franchisor's policies.

(e) Digital Marketing. Franchisor or its Affiliates may, in their sole discretion, establish, operate, and/or participate in websites, social media accounts (such as Facebook, X, Instagram, Pinterest, etc.), applications, keyword or adword purchasing programs, accounts with websites featuring gift certificates or discounted coupons, mobile applications, podcasts, blogs, vlogs, video and photo-sharing sites (such as TikTok, YouTube, etc.), chat rooms, virtual worlds, review sites, or other means of digital advertising on the Internet or any electronic communications network that may be used to promote the Marks, the Franchised Businesses, and/or the entire network of System Businesses (collectively, "**Digital Marketing**"). Franchisor will have the sole right to control all aspects of any Digital Marketing, including those related to the Franchised Business. Unless Franchisor consents otherwise in writing, Franchisee, its employees, and its agents may not, directly or indirectly, (a) conduct or be involved in any Digital Marketing that use the Marks or that relate to the Franchised Business or the network, (b) may not use the Marks, or any words or designations similar to the Marks, in any domain name, search engine keyword, social media account, or metatag, and (c) may not use a form of Digital Marketing to conduct commerce or directly or indirectly offer or sell any products or services in connection with the Franchised Business. If Franchisor permits Franchisee, its employees, or its agents to conduct any Digital Marketing, Franchisee, its employees, and its agents must comply with any policies, standards, guidelines, or content requirements that Franchisor establishes periodically and must immediately modify or delete any Digital Marketing that determine, in Franchisor's sole discretion, is not compliant with such policies, standards, guidelines, or requirements. If Franchisee, its employees, or its agents to conduct any Digital Marketing, Franchisor will have the right to retain full control over all websites, social media accounts, mobile applications, or other means of digital advertising that are used. Franchisor may withdraw its approval for any Digital Marketing or suspend or terminate Franchisee's use of any Digital Marketing platforms at any time.

(f) Advertising Not Authorized by Franchisee or its Agent. Advertising for the Franchised Business that appears in publications for distribution outside the Marketing Area that are not purchased by or on behalf of Franchisee or otherwise authorized by Franchisee or its agent are not considered unauthorized advertising for purposes of this Agreement.

(g) Information Required in Advertising. Except for advertising displayed on Franchisee's vehicles and except as otherwise approved by Franchisor, Franchisee must describe its Franchise Location in all advertising by indicating, at a minimum, the city, township, or other municipal unit in which the Franchise Location is located and the state, if necessary to avoid confusion. For example, if Franchisee is located near a state border, then the state in which the Franchise Location is located must ordinarily be included in the advertising.

(h) Advertising on Trucks and Other Business Vehicles. Each truck and other business vehicle must display Primary Mark and any other of the Marks as Franchisor determines in accordance with the Manual. Franchisee must not display any other information on its trucks and other business vehicles except as specified by Franchisor in the Manual or otherwise.

(i) Advertising Fund.

(i) Use of the Advertising Fund. Franchisor will, in its discretion, establish, administer, and control an advertising fund ("**Advertising Fund**"), which will be funded through Advertising Fees (as defined in Section 4.3) contributed by franchisees. Franchisor may use the Advertising Fund to meet any and all costs of maintaining, administering, directing, and preparing advertising (media and production), branding, marketing, public relations and/or promotional programs and materials, and any other activities that Franchisor believes would benefit the brand and Units and/or will promote the programs, products, and services offered by Units, including, without limitation, the cost to: (i) prepare and conduct digital and social marketing activities, television, radio, magazine, direct mail, and newspaper advertising campaigns and other sales, marketing, sponsorships, promotional, and public relations activities; (ii) produce and maintain marketing systems and tools; (iii) employ advertising agencies and public relations firms; (iv) pay for salaries, benefits, and related payroll costs for Franchisor's and its Affiliates' employees that devote time to and render services related to the Advertising Fund; (v) solicit the granting of franchises to expand the franchise system; (vi) produce advertising and sales support materials for use by franchisees; (vii) conduct programs that are meant to promote positive customer experiences, including programs to incentivize franchisees and/or their frontline personnel to achieve high customer satisfaction/referral rates; (viii) provide certain phone services for Units, such as purchasing call tracking lines, creating a toll-free number maintained by us and used in advertising and marketing campaigns, and producing on-hold marketing messages; (ix) make promotional goods available for franchisees to purchase; (x) develop websites for Franchisor and its franchises; (xi) develop and place online display and retargeting advertising; (xii) develop dashboards for interactive marketing, planning, customer service analysis and sales/marketing decision-making; (xiii) pay the expenses of the Advertising Fund; (xiv) monitor and/or manage social media relating to the brand; (xv) conduct market research and surveys related to marketing and branding; (xvi) purchase naming rights and sponsorships; (xvii) participate in trade shows and similar industry events; (xviii) establishing and administering gift-card programs and customer loyalty programs; and (xix) such other costs and expenses as Franchisor, in its sole discretion, deem appropriate and in the best interests of all or any of its franchisees.

(ii) Operation of the Advertising Fund. All sums paid by franchisees to the Advertising Fund shall be maintained in a Franchisor account and tracked on a separate profit and loss statement and shall not be used to defray any of Franchisor's general operating expenses, except for such reasonable administrative costs and overhead, if any, as Franchisor may incur in activities reasonably related to the administration or direction of the Advertising Fund and advertising programs including conducting market research, preparing marketing, promotional and advertising materials, and collecting and accounting for assessments for the Advertising Fund. The proportionate compensation of Franchisor's and its Affiliates' employees who devote time and render services in the formulation, development and production of such marketing and promotion programs or the administration of the Advertising Fund, will be paid from the Advertising Fund. Franchisee acknowledges and agrees that (i) Franchisee shall have no proprietary interest in the Advertising Fund; (ii) Advertising Fund contributions shall be deemed general funds of the entity to which such fees are paid and shall not be deemed to be trust funds; and (iii) Franchisor shall have no obligation to spend on marketing or promotion amounts in excess of those funds actually collected from franchisees. Neither Franchisor or its Affiliates undertake any obligation in developing, implementing or administering any advertising programs to ensure that expenditures which are proportionate or equivalent to Franchisee's contributions are made for the Marketing Area or that any Franchised Business will benefit directly or pro rata from the placement of advertising or from other promotional programs. The Advertising Fund will not be audited, but Franchisor will prepare a financial review of the operation of the Advertising Fund annually (and the cost of preparing such a financial review will be paid by the Advertising Fund). Upon Franchisee's written reasonable request, a copy of the financial review will be sent to Franchisee.

(j) Cooperative Advertising. Franchisor may require Franchisee to (a) participate in joint or cooperative advertising with other franchisees in accordance with Franchisor's advertising/marketing policies and (b) contribute to Franchisor or another franchisee the pro rata cost of any joint or cooperative advertising that is approved by Franchisor and conducted in Franchisee's market. Also, Franchisor will have the power to require formal advertising cooperatives to be formed, changed, dissolved, and merged. Franchisor may require Franchisee to join, maintain a membership in and abide by the governing instrument or rules of an advertising cooperative if one is formed for an area that includes the Franchised Business. The structure of the cooperative as well as the original governing instrument of the cooperative and any changes to that instrument, must be approved by Franchisor. The cooperative cannot modify the terms of this Agreement but may require Franchisee to make contributions to the cooperative in addition to any Advertising Fund contributions the Franchisee is required to make to Franchisor. Franchisee's contributions to any advertising cooperative or joint or cooperative advertising will not exceed 1% of Gross Sales (or the amount specified for a "new franchise" as described in Paragraph 9 of Exhibit 1), unless Franchisee and all other participants agree to a higher rate. Amounts spent on cooperative advertising or paid to advertising cooperatives will count toward a Franchisee's required local advertising/marketing expenditures. Franchisor may, in its sole discretion, agree to assist in accounting or administration of cooperative advertising, but Franchisor will have the right to charge the cooperative a fee for those services, which will not exceed $100 per month per Unit participating in the cooperative. Advertising placed through a cooperative advertising group that includes advertising of all cooperative members' businesses may be placed anywhere within any cooperative member's marketing area, provided such arrangement is approved by the cooperative and does not violate the terms of a cooperative member's Franchise Agreement who does not approve the advertising. Franchisor must approve any cooperative advertising plans. Neither Franchisee, nor any cooperative advertising group that Franchisee may join, has authority to place telephone or Internet directory ads, search engine ads, or other forms of advertising that Franchisor restricts from time to time.

(k) General Limitations on Advertising and Marketing. Franchisee may not authorize advertising or advertise outside the Marketing Area as described in Franchisor's policies.

(l) Present and Future Advertising Policy May Limit Franchisee's Right to Advertise. Franchisee acknowledges that Franchisor has developed and will continue to develop advertising/marketing policies regarding the methods and manner of advertising in various media and that Franchisee is obligated to comply with all advertising policies. Franchisee understands that existing and/or future advertising policies may limit or eliminate Franchisee's right to use telephone numbers and/or Internet website addresses in advertising placed on Franchisee's vehicles and/or elsewhere. Franchisee also understands that existing and/or future policies may otherwise limit Franchisee's ability to advertise in a particular manner.

Such limitations, when established, are established for the benefit of all the franchise system's customers and/or to establish reasonable rules to govern the actions between franchisees.

(m) Compliance With Applicable Laws and Franchisor Advertising Policies. Franchisee must comply fully with all advertising and marketing policies specified by Franchisor. Franchisor's advertising and marketing policies may include, but are not limited to, requirements for Franchisee to use specified advertising and marketing methods, requirements to participate in marketing programs specified by Franchisor and policies and requirements relating to use of any approved mascot (if any). Franchisee may not market or advertise in violation of federal laws regulating advertising, such as the CAN-SPAM Act and the Telephone Consumer Protection Act, and state advertising laws applicable to the Franchised Business. Franchisee agrees, at its sole cost and expense, to (i) participate in and offer all System coupons, loyalty cards, gift cards, discounts, and other promotions (including contests or sweepstakes) in accordance with marketing programs Franchisor establishes and (ii) honor the coupons, loyalty cards, gift cards, discounts, and other promotions issued by Franchisor, its Affiliates, its franchisees, or its designees under any such program.

(n) Agreement to Comply with Modifications and Changes to Franchisor Policy. Franchisor, in its sole discretion, reserves the right to modify or change its marketing and advertising policies, and Franchisee is obligated to comply with them (and all other policies), whether or not Franchisee believes such policies will benefit it.

(o) No False Advertising. Franchisee will make no misrepresentations or material omissions in any of its advertisements.

(p) Franchisee Responsible for Content of Advertisements. Franchisor does not, by virtue of its approval of any proposed advertisement or promotional material, assume any responsibility for the contents of the advertisement. Franchisee agrees to indemnify and save harmless Franchisor from any claims, demands, liability, costs and expenses that Franchisor suffers arising from the use of any such advertisement or promotional material.

(q) Display of Unapproved or Unauthorized Advertising. Except in the case of a minor violation that can be immediately cured (as determined in Franchisor's sole discretion), Franchisee must pay Non-Compliance Fees for displaying unapproved or unauthorized advertising. Imposition of such damages does not bar Franchisor from seeking other remedies, including injunctive relief barring Franchisee from its ongoing advertising violations, assignment of Franchisee's telephone numbers to Franchisor, or other relief, up to and including termination of the Franchise Agreement.

(r) Incentive to Advertise. To promote the use of certain forms of advertising that Franchisor determines will best grow the franchise system, Franchisor may offer incentives, including cash incentives, to encourage franchisees to choose alternative methods of advertising. Cash incentives will generally be paid from the Advertising Fund. Franchisee understands that these cash incentives will benefit franchisees that choose to use the type of advertising that Franchisor is promoting and will not benefit franchisees that choose not to use such form of advertising. Franchisee agrees that Franchisor may, in its sole discretion, determine the best use of cash incentives drawn from the Advertising Fund to promote advertising activities, and that Franchisee will have no claim against Franchisor regarding such activities whether or not Franchisee chooses to participate in the incentive program.

(s) Advertising the Availability of Franchises. If specified by Franchisor, Franchisee's advertising must contain notices of: (a) Franchisor's website domain name, social media, or other internet tools specified by Franchisor; (b) Franchisor's toll-free telephone number; and/or (c) a statement regarding the availability of franchises. Also, if specified by Franchisor, Franchisee must display signs or literature regarding the availability of franchises at the Franchise Location.

2.13. Persons with Ownership or Other Beneficial Interests in Franchisee.

(a) Ownership. An "**Owner**" means any person or entity holding a direct or indirect ownership interest (whether of record, beneficially, or otherwise) or voting rights in Franchisee, including any person or entity who has a direct or indirect interest in Franchisee, this Agreement, the franchise, or the Franchised Business and any person or entity who has any other legal or equitable interest, or the power to vest in himself or herself any legal or equitable interest, in their revenue, profits, rights, or assets or any capital appreciation relating thereto. The name, entity classification, state of organization, and all Owners (and percentage ownership of such Owners) in Franchisee are set forth on the Obligations and Representations of Individual Interested Parties attached as Exhibit 2. If Franchisee is an entity owned by one or more other entities, this form must be completed for all entities directly or indirectly owning an interest in Franchisee. Franchisee represents that the information stated in Exhibit 2 is accurate and complete. Franchisee agrees that it will immediately notify Franchisor (and comply with the provisions of Section 7 of this Agreement, if applicable) if there is any change in the ownership of Franchisee or other information set forth in Exhibit 2, including if Franchisee awards some ownership interest to an employee as an incentive or other compensation. In addition, Franchisee must provide to Franchisor an update of the information in Exhibit 2 or confirm that it has remained unchanged on an annual basis (or as otherwise specified by Franchisor in the Manual). Each of the persons named in Exhibit 2 must guaranty the obligations of Franchisee to Franchisor, unless Franchisor consents otherwise. Failure to comply with these requirements will be a material default under this Agreement and, in addition to other remedies available to Franchisor, could result in the imposition of Non-Compliance Fees.

(b) Documents and Stock Certificates. If Franchisee is a corporation or another entity with some form of certificate of ownership or this Agreement is transferred to an entity under Section 7.3, in whole or in part, Franchisee's board of directors, members or other governing body must pass a resolution requiring, and the corporation or other entity must otherwise require, the prominent placement of the following notation regarding transfer restrictions on each certificate representing ownership in the entity:

> "The transfer of the shares or other ownership represented by this certificate is subject to the terms and conditions of a certain written franchise agreement entered into with TWO MEN AND A TRUCK SPE LLC."

Franchisee must provide Franchisor with proof of complying with this provision within fifteen (15) days following the date on which any entity obtains rights under this Agreement, in whole or in part.

2.14. Reports and Records.

(a) Obligation to Keep Complete and Accurate Records. Franchisee agrees to keep complete and accurate books of accounts, business records, records of Gross Sales, and records of its operations and business in accordance with Franchisor's specifications and in accordance with generally accepted accounting principles. Franchisee must keep all of its business records for the greater of: (a) seven years; or (b) the time period specified by any Applicable Laws.

(b) Providing Business Information to Franchisor; Customer Lists. Franchisee will supply Franchisor with such records, reports, financial information, documents, and other information about Franchisee and the Franchised Business (in addition to that otherwise provided for in this Agreement) as Franchisor may require. It is hereby agreed and understood that the customer lists of the Franchised Business are and will remain Franchisor's property. Franchisee acknowledges and agrees that the records and reports that Franchisee may be required to provide to Franchisor may not be uniformly imposed on all franchisees. Differences in required records and reports may be based on the Franchisee's experience, the demographics of the Marketing Area, the density of the population, whether the area is a metro area, the size of the Marketing Area, sales numbers, Franchisee's involvement in multiple franchises, and other reasonable factors. The parties acknowledge and agree that the supply of information by Franchisee to Franchisor is not a sale of that information but is in the nature of one party acting as a service provider to the other party.

(c) Daily Data and Reports. Franchisee must provide to Franchisor daily reports of financial, marketing, and other information requested by Franchisor at the end of the day on which the financial, marketing, and other information data is generated. These reports must be provided in the manner specified by Franchisor (which may include Franchisor directly accessing the information on the Automation Systems).

(d) Monthly Reports. Franchisee must provide to Franchisor monthly reports pertaining to Franchisee's Gross Sales and such other additional information specified by Franchisor in monthly report forms or formats specified by Franchisor in the Manual ("**Monthly Royalty Reports**"). Monthly Royalty Reports for each calendar month must be provided on or before the 5th day following the end of that calendar month. Franchisee must provide additional monthly reports specified by Franchisor, including profit and loss financial statements for the month and for the fiscal year-to-date, as well as any additional information specified in the Manual (e.g. routine month-end close financial entries in line with generally accepted accounting principles) on or before the 20th day following the end of that calendar month. Each balance sheet and financial statement submitted to Franchisor shall be signed by an officer of Franchisee attesting that it is true and correct. These reports must be provided in the manner specified by Franchisor (which may include Franchisor directly accessing the information on the Automation Systems). Franchisor can share information in these reports with other franchisees in the ordinary course of Franchisor's business as a tool to improve the franchise system's volume of business.

(e) Financial Documents Submitted Annually to Franchisor. Franchisee must submit the following financial documents to Franchisor annually: (i) a profit and loss statement for the accounting year; (ii) a balance sheet as of the end of the accounting year; (iii) if requested, a copy of all federal, state, and other tax returns relating to the Franchised Business, including all federal and state individual income tax returns for each Owner; and (iv) such other information in such form as Franchisor may require. These financial documents must be submitted in the manner, at the times and in the formats specified by Franchisor. Franchisee must warrant such financial statements and tax returns to be true and correct. If specified by Franchisor, Franchisee must have the annual financial documents along with supplemental information reviewed by an independent certified public accountant or other financial analyst, at Franchisee's expense.

(f) Operational Information. Franchisee agrees to provide to Franchisor, as and when requested, operational information relating to the Franchised Business, whether of a financial nature or otherwise, including but not limited to: business organizational charts; corporate or company organizational charts; information on all management employees; federal and state operating authorities, and all changes and additions to the operating authorities.

(g) Chart of Accounts; Central Accounting Office. Franchisee must use the standard "chart of accounts" as specified by Franchisor and must have its chart of accounts approved by Franchisor before Franchisee begins operation of the Franchised Business. If Franchisee and any Franchisee Parties operate multiple Units and have a central accounting office for those Units, Franchisor may require the Franchisee Parties to store all business records at the central accounting office.

(h) Separate Reporting for each Unit. If the Franchisee Parties operate more than one Unit, the Franchisee Parties must, if specified by Franchisor, provide separate accounting reports for each Unit to include revenue reports as well as any other accounting reports specified in Sections 2.14 and 2.15 and elsewhere in this Agreement.

(i) Reporting from Franchisees Affiliates. Franchisor may require that Franchisee provide financial documents, accounting reports, tax returns, and other books and records as requested by Franchisor for Affiliates of Franchisee that are involved in the Franchised Business or that provide assets or services (whether sold, leased, loaned, etc.) to the Franchised Business. If Franchisee is part of a group of entities, Franchisor may require consolidated reporting from Franchisee and its Affiliates.

(j) Franchisee's Credit Report. Franchisee acknowledges that prior to becoming a franchisee of the Franchise System, it was aware that Franchisor reviewed Franchisee's credit report in order to evaluate Franchisee's financial capabilities. Additionally, Franchisee acknowledges and agrees that should Franchisee seek to acquire another Franchised Business, Franchisor shall have the right to conduct additional credit checks to evaluate Franchisee's financial well-being to operate additional Franchised Businesses.

(k) Manner and Format for Reporting to Franchisor. The reports, records, and other information that Franchisee is required to provide to Franchisor, including reports described in this Section 2.14, must be reported in the manner, at the times, and in the formats specified by Franchisor in the Manual. The manner of reporting may include electronic transmission or uploading information to the Automation Systems that can be accessed by Franchisor or that automatically transmit information to Franchisor. Franchisee must ensure that it has the type of Internet connection, computer hardware, and software specified by Franchisor as necessary for transmission of reports, records, and other information to Franchisor.

(l) Consequences of Failure to Timely and Accurately Report. If Franchisee fails to transmit reports, records, or other information to Franchisor in the manner, at the times, and in the formats specified by Franchisor, Franchisee must pay the late reporting fee specified in Section 4.5(f) (Late Fees and Interest), in addition to any other remedies Franchisor may have. If a documented technology failure prevents electronic transmittal of the data, or some other bona fide emergency occurs preventing electronic transmittal of the data (as Franchisor determines in its sole discretion), the late fee will not be imposed.

2.15. Audit Rights.

(a) Audit. Franchisor or its authorized agent or representative shall have the right at any time, and without prior notice to Franchisee, to audit or cause to be audited the sales reports, purchasing reports, advertising expenditures, accounting and bank records, tax returns and schedules, and other forms, and the information and supporting records which Franchisee is required to submit to Franchisor hereunder, including all inventory records and the books and records of the Franchised Business and of any entity which owns or operates the Franchised Business. With respect to any immediate family members and other persons or entities who provide any financial assistance to the Owners or to the Franchised Business, Franchisee also agrees to make available and to assist in obtaining for the audit such financial and other records of those individuals or entities that Franchisor deems necessary to establish the extent of that financial assistance. Franchisee shall fully cooperate with representatives of Franchisor and/or independent accountants or auditors hired by Franchisor conducting any such audit. The parties agree to deliver the relevant documents and conduct the audit in a diligent and expeditious manner. If the Franchisee Parties have franchises for more than one marketing area, Franchisor may audit the Franchisee Parties' business records for any of the marketing areas to determine if sales or services have been shifted from one franchise to another to meet performance requirements, win awards, or to otherwise gain improper advantage, and for any other business reason that Franchisor deems appropriate.

(b) Audit Deficiencies. If an audit shall disclose an understatement of the Gross Sales of the Franchised Business, Franchisee shall pay to Franchisor, within 30 days after receipt of the audit report, the Operating Fees and other monies due on the amount of such understatement, plus interest (as specified in Section 4.5(f) (Late Fees and Interest)). Further, in the event such audit is made necessary by the failure of Franchisee to furnish reports, supporting records, or other information, as required by this Agreement or if the audit reveals an understatement of Gross Sales for any period or periods greater than 1%, Franchisee shall pay Franchisor $5,000 and reimburse Franchisor for the cost of such audit, including the charges of any independent accountant, attorneys, and/or third-party vendor and the travel expenses, room and board and compensation of employees of Franchisor and its authorized agents or representatives. The foregoing remedies shall be in addition to and will not be a waiver of or prejudice any other remedies and rights of Franchisor hereunder or under Applicable law. If Franchisor makes the findings of its audit available to Franchisee, its findings should not be taken or construed as any approval or indication of Franchisee's compliance with any financial reporting requirements, Applicable Law, or any local, state, or federal tax filings.

2.16. Notices of Lawsuits and Other Matters.

Franchisee must notify Franchisor in writing, within five calendar days of the event, of any of the following events: (1) the commencement of any civil or criminal action, suit, or proceeding by Franchisee or by any person or government agency against Franchisee; (2) Franchisee receives a notice of noncompliance with any law, rule, or regulation; (3) the issuance of any order, suit, or proceeding of any court, agency, or other governmental body that may adversely affect the operation or financial condition of the Franchised Business; (4) any complaints, inspections, reports, warnings, certificates, or ratings of Franchisee or the Franchised Business, communicated, issued, performed, or scheduled by any governmental agency; (5) the scheduling or conducting of an audit of Franchisee by the Internal Revenue Service, Department of Transportation, or any other federal, state, or local governmental authority; and (6) any unionization effort, collective bargaining agreement, labor strike, dispute, slowdown, work stoppage, or lockout. Franchisee must notify Franchisor within one hour of the incident, using the emergency contact procedure specified by Franchisor, of any emergency situation relating to the Franchised Business, including but not limited to: (a) a fatality; (b) an accident; (c) an injury requiring medical attention; (d) media attention; (e) significant property damage; or (f) any incident involving a law enforcement agency. Franchisee must provide Franchisor with any additional information Franchisor requests, within five days of request, about the status, progress, or outcome of any of the events listed in this Section. See Section 3.3 regarding litigation involving any of the Marks.

2.17. Customer Service and Third-Party Complaints and Disputes.

(a) Customer Inquiries and Complaints. Franchisee must promptly respond to any and all customer or third-party inquiries or complaints and achieve customer or third-party satisfaction of reasonable complaints by refunding monies, fixing or replacing damaged property, redoing services, providing service credits, or taking other actions that may be reasonably necessary or appropriate to resolve a complaint to the customer's satisfaction. Franchisee must report any pending customer complaints or disputes to Franchisor in accordance with the Manual.

(b) Franchisor Intervention. Franchisor may, in its sole discretion, undertake one or more of the following options related to customer or third-party complaints or disputes:

(i) direct the Franchisee to resolve the dispute in a manner that will not cause injury to the reputation of the Marks and the System;

(ii) assist the parties in the resolution of the dispute, if Franchisor in its sole discretion, determines that it can constructively do so; and/or

(iii) directly respond to and settle customer or third-party complaints or disputes where, in its sole discretion, Franchisor determines intervention by the Franchisor is appropriate to protect the brand or where Franchisee has failed to promptly or adequately resolve such complaints. Franchisee hereby authorizes Franchisor to manage and settle all such customer or third-party complaints on Franchisee's behalf and agrees to pay Franchisor the Complaint Management Fee (as defined in Section 4.5(c) (Complaint Management Fee)) for such assistance upon demand. In Franchisor's sole discretion, it may consult a designated franchisee group to provide it with an advisory opinion regarding resolution of the dispute, although Franchisor will not be obligated to comply with the advice of the designated franchisee group. If Franchisor consults with a designated franchisee group, it will provide the designated group with the facts and circumstances of the dispute, but Franchisor will not provide it with the identity of any of the parties to the dispute. Franchisee's repeated failure to promptly resolve material, substantiated customer or third-party complaints shall constitute a breach of this Agreement.

2.18. Supplemental Exhibits and Agreements.

Franchisee is required to sign supplemental agreements simultaneous with the execution of this Agreement, including the following:

(a) Exhibit 1, Franchise Specific Information. This document describes the Marketing Area and provides other information specific to the System and franchisee.

(b) Exhibit 2, Obligations and Representation of Individual Interested Parties. The Owners sign this document to agree to be personally bound by the provisions of this Agreement and to provide information about Franchisee and its Owners.

(c) Exhibit 3, Guaranty. All Owners and any Affiliates of Franchisee involved with, or that provide assets or services to, the Franchised Business must sign this document to agree to be liable to Franchisor for the obligations of Franchisee, whereby each such signatory shall be a "**Guarantor**".

(d) Exhibit 4, Assignment of Identifiers. Simultaneously with the signing of this Agreement and any time thereafter, as Franchisor requests, Franchisee will sign an assignment of the telephone numbers, Internet domain names, e-mail addresses, websites, social media (such as Facebook, LinkedIn, Twitter, YouTube), blogs, vlogs (social videos), online social networks, wikis, forums, content sharing communities, other internet tools post office boxes, and classified and other directory listings relating to, or used in connection with, the Franchised Business or the Marks ("**Identifiers**") in the form of Exhibit 4 attached to this Agreement. The assignment provides that Franchisee will have a limited license to use the Identifiers during the term of this Agreement and as long as Franchisee complies with the policies and procedures specified by Franchisor.

(e) Exhibit 5, Software License Addendum. Franchisee will sign a Software License Addendum in the form of Exhibit 5 attached to this Agreement, which, among other things, will provide Franchisee with the right and obligation to use Franchisor's software products in accordance with the terms and conditions of the Software License Addendum.

(f) Exhibit 6, Automation Systems User Agreement. Franchisee will sign an Automation Systems User Agreement in the form of Exhibit 6 attached to this Agreement, which, among other things, will provide Franchisee with the right and obligation to use Franchisor's Automation Systems in accordance with the terms and conditions of the Automation Systems User Agreement.

(g) Exhibit 7, Electronic Funds Transfer Authorization Form. Franchisee will sign an Electronic Funds Transfer Authorization Form in the form of Exhibit 7 attached to this Agreement

2.19. Name Change or Discontinuance.

At the time of the signing of this Agreement, and at any time thereafter as Franchisor requests, Franchisee will sign any form or document Franchisor provides to Franchisee to cancel any assumed or fictitious name Franchisee has used or had the right to use in conjunction with this Agreement, including but not limited to the right to use the Marks. Franchisee hereby consents and authorizes Franchisor to complete any such form and file it with the appropriate agency to give it effect upon the termination or expiration without renewal or transfer of this Agreement.

2.20. Minimum Performance Requirements.

(a) Minimum Performance Requirements. The Franchised Business must achieve the minimum performance requirements specified in Exhibit 1 ("**Minimum Performance Requirements**"). Franchisor has the right, in its reasonable discretion, to specify and modify from time to time how the Minimum Performance Requirements are measured. Franchisor also has the right at any time in the future to specify measuring groups for the Minimum Performance Requirements based on reasonable material similarities or differences between Units. The applicable measuring groups may be based on the type of franchise (e.g. Units operating with less than one physical business location for each marketing area, category of franchises, new franchises, or experienced franchises) or geographical distinctions (e.g. country, state, or region) and may exclude certain franchises (e.g. recent transfers or franchises in a particular state or region with materially different market or regulation metrics).

(b) Time Periods. Except as otherwise provided in this Section, the time periods specified to measure the Minimum Performance Requirements begin on the date that a Unit was first operated in the Marketing Area, whether or not operated by Franchisee. However, if Franchisee acquires a Franchised Business that includes a marketing area (and/or portion thereof) of an existing or former Unit (i.e. the Marketing Area is "transferred" to Franchisee by another franchisee or the Marketing Area granted to Franchisee had previously been the marketing area or part of the marketing area of a former Unit), but there was no Unit operating in that marketing area for a period of six months or more at the time that Franchisee acquired the Franchised Business, then the time periods to measure the Minimum Performance Requirements will begin on the date that Franchisee begins operation of the Franchised Business.

(c) Franchisor's Remedies Relating to Minimum Performance Requirements. If Franchisee fails to achieve any of the Minimum Performance Requirements specified in Subsection (a) for a measuring year, Franchisor may notify Franchisee of the failure. If: (i) Franchisee fails to achieve any of the Minimum Performance Requirements for two consecutive measuring years during the term of this Agreement (whether or not the failure relates to the same Minimum Performance Requirement in each year); (ii) Franchisee is not in compliance with the Minimum Performance Requirements for the measuring year ending on or before the end of the term of this Agreement; or (iii) Franchisee fails to meet any other Minimum Performance Requirements that are required at the time of renewal of the franchise; then Franchisor may, by written notice to Franchisee, elect to:

(i) Require Franchisee to enter into a performance improvement plan;

(ii) Reduce the Marketing Area (the reduced Marketing Area will include the Franchise Location but will otherwise be determined by Franchisor in its sole discretion);

(iii) Offer to renew this Agreement at the end of its term based on a reduced-in-size Marketing Area as determined by Franchisor in its sole discretion; and/or

(iv) Refuse to renew this Agreement at the end of its term.

The remedies in this Section are in addition to any other remedies of Franchisor under this Agreement.

2.21. Maintaining Confidentiality of All Franchisees' Financial Information.

Franchisor may disseminate to Franchisee financial information relating to other franchisees (for example, revenue figures for all franchises). Franchisee agrees to keep this information confidential, and to not disclose this information to any other person, including prospective franchisees, without Franchisor's prior written consent.

2.22. Affiliates of Franchisee Involved in the Franchised Business.

Franchisee acknowledges that Franchisee's use of Affiliates in connection with the Franchised Business may interfere with reporting systems and Franchisor's analysis of the Franchised Business. Accordingly, Franchisee must not use Affiliates in connection with the Franchised Business (including, but not limited to, use of Affiliates to sell, lease, or loan personal property or services to the Franchised Business) without the prior written consent of Franchisor. For example, Franchisee must not have an Affiliate own the vehicles used in the Franchised Business without the prior written consent of Franchisor. Franchisor may withhold its consent to use Affiliates in its sole discretion. As a condition to obtaining consent to use of Affiliate, Franchisor may require any such Affiliates to guaranty Franchisee's obligations to Franchisor, by signing a guaranty in the form attached to this Agreement as Exhibit 3. Also, as a condition to obtaining consent to use of an Affiliate, Franchisor may require: (a) the preparation of a business plan and periodic reporting of financial and other information by the Affiliate to Franchisor; and (b) the use by the Affiliate of accounting application software specified by Franchisor.

2.23. Customer Sales Support and Appointment Center Services.

Franchisor may provide, or may arrange for a third-party to provide, customer sales support services or appointment center services for System Franchisees, which may include responding to after-hours phone calls and emails and/or responding to calls and emails during business hours in certain circumstances or other similar services. Franchisor may require Franchisee to participate in these services and/or to pay a fee for these services. Franchisee must comply with Franchisor's policies and procedures relating to participation in such services. Franchisor may specify optional or required sales support or appointment center services in Exhibit 1 or the Manual, which may change from time to time.

2.24. National Accounts and National Programs.

(a) Coordination of National Accounts. For purposes of this Agreement, a "**National Account**" is a manufacturer, supplier, transport company, or other customer or prospective customer that desires to obtain services provided by the franchise network that may require services from more than one System Franchisee. For purposes of this Agreement, a "**National Program**" is a program specified by Franchisor that involves services to customers that may require services from more than one System Franchisee and possibly a third party. Franchisor will have the exclusive right to coordinate and administer services provided to National Accounts and in connection with National Programs. If Franchisee is approached by a prospective National Account or National Program, Franchisee must promptly notify Franchisor and allow Franchisor to coordinate activities relating to the prospective National Account or National Program. Franchisor may enter into arrangements with National Accounts or in connection with National Programs to have System Franchisees provide delivery or other services on a national or regional basis. These arrangements may include set pricing, customer delivery and service standards, and other rules of participation.

(b) Participation in National Accounts and National Programs. Franchisor may offer Franchisee participation or may require Franchisee to participate in an arrangement with a National Account or in a National Program. If Franchisee is eligible and elects to participate or Franchisor requires Franchisee to participate in an arrangement with a National Account or in a National Program, Franchisee must agree to abide by the terms of Franchisor's arrangement with the National Account as well as Franchisor's policies and procedures relating to the National Account or the National Program. If Franchisee is not eligible or is unable to service a National Account or National Program in Franchisee's Marketing Area, Franchisor may authorize or require another franchisee to perform the work in Franchisee's Marketing Area. If there is a dispute on any work performed by Franchisee for a National Account or National Program, Franchisor may mediate and resolve the dispute, and Franchisee agrees to be bound by the decision of Franchisor.

(c) Fees for National Accounts and National Programs. Franchisor may charge fees for administering National Accounts and National Programs. Also, Franchisor may provide centralized dispatch, billing and collection services, insurance, tools, and/or other goods and services in connection with National Accounts and National Programs and may charge fees for those goods and services. These fees may be charged as flat fees or as a percentage of revenue and may be collected from the customer as a mark-up to the charge paid by the customer or may be collected from Franchisee. These fees may be used to cover Franchisor's costs for administering National Accounts and National Programs (including overhead and out-of-pocket costs for goods and services provided) and/or to create a fund to be used for expenses incurred by Franchisor in its discretion in connection with National Accounts and National Programs or to market to prospective National Accounts and National Programs. The fees for administering National Accounts will not exceed a $200 fixed fee for each service or 10% of the revenue from the National Account. The fees for administering National Programs will not exceed $2,000 per move plus an administration fee of up to $700 per move.

SECTION 3--PROTECTION OF THE FRANCHISE SYSTEM

3.1. Description and Ownership of Marks.

(a) Ownership. The Marks include the Primary Mark and other names, service marks, trademarks, and logos that become a part of the System, including Marks described in Exhibit 1, and such other marks, names, logos, and copyrights as may presently exist or be established or acquired by Franchisor in the future and licensed for use to Franchisee, along with all ancillary signs, symbols, or other indicia used in connection with the foregoing. Franchisee's limited license extends only to use of the Marks in accordance with (i) this Agreement and all applicable Standards that Franchisor prescribes—and from time to time amends—during the Term, including, without limitation, those set forth in the most current edition of the Manual and other publications, if any, dedicated to proper use of the Marks; and (b) all Applicable Laws pertaining to advertising and marketing, including, without limitation, federal and state laws pertaining to telemarketing (including the Telephone Consumer Protection Act), false advertising, unfair competition, and unfair practices. Franchisee acknowledges that Franchisee's right to use the Marks is limited to the operation of the Franchised Business. Franchisee further agrees that after the termination or expiration of this Agreement, Franchisee will not directly or indirectly at any time or in any manner identify the Franchisee or any other business as a Franchised Business, former Franchised Business, or itself as a franchisee of or otherwise associated with Franchisor, or use in any manner or for any purpose any Mark or other indicia of a Unit or business.

(b) Franchisor's Right to Change, Add or Delete Marks. Franchisor will have the right at any time, upon notice to Franchisee, to make additions to, deletions from, and changes to any and/or all of the Marks. Franchisor will make such additions, deletions, and/or changes in its sole discretion, because the Marks are of substantial importance in marketing the System. Franchisee must utilize and abide by any such additions, deletions, or changes to the Marks. Franchisor will make all such additions, deletions, or changes in the Marks in good faith and on a uniform basis for all similarly situated franchisees in a particular market.

3.2. Promise Not to Contest Validity or Ownership of Marks.

Franchisee expressly promises that during the term of this Agreement and after the termination, expiration without renewal, or transfer of this Agreement, Franchisee will not, directly or indirectly, contest or aid in contesting the validity or ownership of the Marks. Immediately upon termination, expiration without renewal, or transfer of this Agreement, Franchisee will cease and desist from using the Marks and will return or destroy all documents, instructions, displays, paper products, and other materials and advertising items and the like bearing any of the Marks. Franchisee agrees not to interfere with, in any manner, or attempt to prohibit the use of the Marks by any other existing or future franchisee or other licensee of Franchisor. Whenever Franchisor requests, Franchisee agrees to sign any and all other papers, documents, and/or assurances to effectuate this purpose and agrees to fully cooperate with Franchisor and/or any other franchisee to secure the necessary and required consents of any governmental agency or legal authority to enable the franchisee to use the Marks.

3.3. Litigation Involving Marks.

If Franchisee receives notice, or is informed, of any claim, demand, or suit against Franchisee on account of any alleged infringement, unfair competition, or similar matter relating to Franchisee's use of the Marks, Franchisee agrees to immediately notify Franchisor in writing of any such claim, demand, or suit. Franchisor will then take such action as Franchisor deems necessary and appropriate to protect and defend Franchisee against such claim by any third party. If Franchisee receives notice or is informed or learns that any third party, who Franchisee believes is not authorized to use the Marks, is using the Marks or any name or mark confusingly similar to the Marks, Franchisee must immediately notify Franchisor of the facts relating to such alleged infringing use. Franchisor will, in its sole discretion, determine whether or not it wishes to take any action against such third party on account of such alleged infringement of the Marks. If Franchisor undertakes the defense or prosecution of any litigation pertaining to any of the Marks, Franchisee agrees to sign any and all documents and do such acts and things as may, in the opinion of Franchisor's counsel, be necessary to carry out such defense or prosecution. Franchisee does not have any right to, and must not itself, defend or prosecute the Marks.

3.4. Manner of Using Marks.

Franchisee must operate the Franchised Business under the Marks and under no other name or mark. Franchisee and Franchisee's employees must use the Marks only in the manner authorized by Franchisor in the Manual or otherwise in writing. The Marks must only be used with the letters "SM" or "TM" or ®, as appropriate, wherever the Marks are used. Franchisee will not use its name or any other name that Franchisor has not previously approved in writing in connection with any of the Marks. This means, among other things, that Franchisee will not operate, be employed by, or otherwise be affiliated with another business at or adjacent to the Franchise Location, unless Franchisor, in its sole discretion, authorizes such operation, employment, or affiliation in writing. Franchisee understands that commingling the Marks with the names or Marks of others will injure the Marks and System and is grounds for termination of this Agreement.

3.5. Goodwill.

Franchisee agrees that all usage of the Marks by Franchisee and any goodwill established thereby shall inure to the exclusive benefit of Franchisor and its Affiliates. Franchisee acknowledges that valuable goodwill is attached to the Marks and that Franchisee will use the goodwill solely as Franchisor authorizes. Franchisee agrees to operate the Franchised Business using the Marks in accordance with the terms of this Agreement and the Manual, as amended from time to time. Franchisee expressly acknowledges that any and all goodwill associated with the Marks, including any goodwill that might be deemed to have accrued through Franchisee's activities, inures directly and exclusively to Franchisor's benefit, except as otherwise provided in this Agreement or by law. Franchisee acknowledges and agrees that its use of the Marks and any goodwill established by that use does not confer any goodwill or other interests in the Marks upon Franchisee (other than the rights expressly conferred by this Agreement). All provisions of this Agreement relating to the Marks apply to any additional Marks Franchisor authorizes Franchisee to use.

3.6. Subject to Existing Use.

In addition to the rights of other franchisees licensed to operate as described in Section 1 of this Agreement, Franchisee acknowledges and agrees its right and license to use the Marks may be subject to another person's use of a name or mark that existed prior to Franchisee's use of the Marks.

3.7. Permitted Business Name.

The Franchisee Parties must not use any part of any of the Marks or any words similar to any of the Marks in any trade name, corporate name, limited liability company name, partnership name, or any other name without Franchisor's prior written approval. Where required or permitted by Applicable Law, Franchisee may register as carrying on a business under the terms of this Agreement using as an assumed or fictitious name the name described in Exhibit 1. The Franchisee Parties must not use any part of the Marks or words similar to the Marks as a business name, except as Franchisor authorizes by written agreement.

3.8. Modification or Discontinuance of the Marks.

If it becomes advisable or desirable at any time in the judgment of Franchisor for Franchisee to modify or discontinue use of any Mark, and/or use one or more additional or substitute Marks, including the primary Mark, Franchisee agrees, at its expense, to do so.

SECTION 4--FEES AND CHARGES

4.1. Franchise Fee.

In consideration of the rights and license granted by Franchisor, Franchisee agrees to pay, at the time of signing of this Agreement, a franchise fee equal to the amount specified in Exhibit 1. The franchise fee is non–refundable.

4.2. Royalty Fee and Gross Sales.

(a) Royalty Fee. In consideration of the license granted by Franchisor to permit Franchisee to use the System and the Marks, Franchisee agrees to pay Franchisor a royalty equal to the amount specified in Exhibit 1 (the "**Royalty Fee**").

(b) Definition of Gross Sales. "**Gross Sales**," as used in this Agreement means the total gross revenues from whatever source (whether in the form of cash, credit, agreements to pay, barter, trade credits, good will, or other consideration) that arise, directly or indirectly, from or in connection with the operation of the Franchised Business, including but not limited to:

(i) the sale of goods and/or services offered by or through the Franchised Business;

(ii) the sale of goods and/or services by Franchisee or a third-party selling products and/or services on Franchisee's behalf that are sold or that are required to be sold under the terms of this Agreement, no matter from what location or business the sales are generated;

(iii) the proceeds from any business interruption insurance and/or damages or settlement amounts received to compensate Franchisee for lost revenue of the Franchised Business;

(iv) any revenue generated from commissions, rebates, or affiliated programs;

(v) except as provided below for charity services, the value of any goods and/or services provided without compensation to Franchisee; and

(vi) if Franchisee has missing or incomplete sales orders, Gross Sales will include missing sales order sheet income in an amount reasonably determined in accordance with the methods specified in the Manual.

Gross Sales may be further defined in the Manual. Gross Sales are subject to audit by Franchisor or a third-party designated by Franchisor at any time.

(c) Calculation of Gross Sales. Except as may otherwise be provided in the Manual, the following rules will apply in the calculation of Gross Sales: (i) Gross Sales will be based on Franchisee's normal rate at the time the products or services are provided, whether or not payment is received at the time of sale or any amounts prove uncollectible; (ii) Gross Sales will not be reduced by any invoice adjustment or set off made by Franchisee unless approved in writing by Franchisor; (iii) discounts given by Franchisee will not reduce Gross Sales unless the discount is based on a standard program approved by Franchisor; and (iv) Gross Sales are deemed received by the Franchisee at the time the goods or services from which they derive are delivered or rendered or at the time the relevant sale takes place, whichever occurs first.

(d) Treatment of Charity Services. Franchisee is not required to pay the Royalty Fee on the value of any portion of goods and/or services provided by Franchisee without compensation if the goods and/or services are provided for a charitable organization approved by Franchisor ("**charity services**"). Currently, all charitable organizations listed by the Internal Revenue Service ("**IRS**") as exempt under Internal Revenue Code §501(c)(3) ("**501(c)(3) organizations**") are automatically approved by Franchisor. Go to irs.gov to search for a list of 501(c)(3) organizations. If Franchisee provides goods and/or services without compensation that are not for an organization that is listed by the IRS as a 501(c)(3) organization or a charitable organization otherwise approved by Franchisor, the value of those goods and/or services must be included in Franchisee's Gross Sales for purposes of paying the Royalty Fee to Franchisor. The value of the goods and/or services provided without compensation will be equal to the amount that Franchisee would normally charge for the goods and/or services.

4.3. Advertising Fees.

Recognizing the value of consistent advertising for the financial growth of the franchise system, Franchisee will pay Franchisor an advertising fee equal to the amount specified in Exhibit 1 (the "**Advertising Fee**"). The Advertising Fee will be contributed to the Advertising Fund.

4.4. Technology and Support Fee.

In consideration of the continued development, use, maintenance, and support that Franchisor will provide for the Automation Systems, computer systems, software, and/or other technology and support used or being developed for future use in the System, Franchisee agrees to pay Franchisor a monthly fee in the amount determined by Franchisor from time to time ("**Technology and Support Fee**"). The current and maximum Technology and Support Fees are specified in Exhibit 1. Franchisee acknowledges and understands that Franchisor may retain a portion of the Technology and Support Fees and any payments Franchisee makes for licensing software or other technology from Franchisor.

4.5. Miscellaneous Fees or Charges.

In consideration of the license granted and the services Franchisor will perform under this Agreement, Franchisee agrees to pay Franchisor all miscellaneous fees and charges that Franchisor invoices Franchisee for any goods and/or services provided to Franchisee and/or on behalf of Franchisee. The miscellaneous charges that Franchisee may be obligated to pay include the following:

(a) Amounts Paid on Franchisee's Behalf to Third Parties. Amounts payable to Franchisor under Section 2.17 for costs incurred by Franchisor and its Affiliates in resolving disputes with customers and/or other third parties.

(b) Fees for Products and Services. If Franchisee acquires products or services from Franchisor or its Affiliates or Franchisor or its Affiliates acquire products or services for Franchisee from a third party, Franchisee must pay Franchisor for the actual cost of such products or services and a mark-up or administrative fee that shall not exceed 20% of the actual cost for such products or services.

(c) Complaint Management Fee. If Franchisor, in its sole discretion, attempts to resolve any customer or third-party complaints or disputes relating to the Franchised Business in accordance with Section 2.17 of this Agreement, Franchisee must pay Franchisor up to $1,000 plus any costs and expenses that Franchisor and its Affiliates incur resolving or attempting to resolve such complaint (the "**Complaint Management Fee**").

(d) Insurance Procurement Fee. If Franchisee fails to obtain required insurance and Franchisor, in its sole discretion, procures insurance coverage on Franchisee's behalf, Franchisee must pay Franchisor up to 150% of any costs and expenses that Franchisor and its Affiliates incur procuring such insurance (the "**Insurance Procurement Fee**").

(e) Non-Compliance Fee. If Franchisor determines that Franchisee has violated any of its obligations under this Agreement, including any failure to comply with any standards set forth in the Manual, in addition to any other remedies Franchisor may be entitled to, Franchisor reserves the right to charge Franchisee one or more non-compliance fees (each, a "**Non-Compliance Fee**") upon written notice to Franchisee. The Non-Compliance Fees (a) shall be specified in the Manual or otherwise in writing (provided that they may not exceed $4,000 per single violation per day), (b) may be modified from time to time by Franchisor in the Manual, (c) may be charged repeatedly (as frequently as daily) if the non-compliance is ongoing, and (d) may vary based on the severity of the violations, the number of violations, and whether the violations have been repeated.

(f) Late Fees and Interest.

(i) Late Payments. If any payment is overdue, Franchisee must pay Franchisor, on demand, interest, compounded daily, on all overdue payments from the date the payment was due until paid equal to the lesser of (i) 2% per month or (ii) the maximum rate of interest permitted by law. If any payment is overdue, Franchisee must also pay to Franchisor a late fee in the amount of (a) for the first four weeks after the due date, $200 for each week that such payment is late, and (b) thereafter, $500 for each week that such payment is late.

(ii) Late Reporting and Information. If Franchisee fails to timely provide any sales report or other documents or information that Franchisee is required to provide under this agreement, Franchisee must also pay to Franchisor a late fee in the amount of (a) for the first four weeks after the due date, $200 for each week that such material is late, and (b) thereafter, $500 for each week that such material is late.

(iii) Not an Exclusive Remedy. Franchisee acknowledges that this Section 4.5(f) is (a) not Franchisor's agreement to accept any payments or materials after they are due and (b) that any late payments or materials are a default under this Agreement. The right to collect interest and late fees shall be in addition to any other remedies Franchisor may have. In addition, Franchisee agrees to pay any expense incurred by Franchisor, including costs, bank fees, and attorneys' fees, related to the collection of any fees, payments, or materials or payments due under this Agreement.

4.6. Tax Reimbursement Fees.

Franchisee must pay Franchisor, or its Affiliate or designee, promptly when due, all sales taxes, use taxes, personal property taxes, and other taxes imposed upon Franchisor or collected from Franchisor on account of goods and services Franchisor furnishes to Franchisee through sale, lease, or otherwise, or on account of Franchisor's collection of the initial franchise fee or other fees, royalties, or other payments required under this Agreement.

4.7. Payment of Fees.

(a) Due Dates. Franchisee must pay the full amount of the Royalty Fees, Advertising Fees, Technology and Support Fees, and miscellaneous fees and charges as provided above, and no offset or claim may be made against those fees unless otherwise stated in this Agreement. All payments for fees and charges must be made to Franchisor in the manner and at the times specified by Franchisor. Currently, Franchisor specifies that: (a) Royalty Fee, Advertising Fee, and Technology and Support Fees (collectively the "**Operating Fees**") must be paid to Franchisor on the day of the month specified by Franchisor in the Manual or otherwise in writing following the end of the calendar month in which the revenue was generated (Royalty Fees and Advertising Fees) and/or the fees were charged (Technology and Support Fees); (b) miscellaneous fees and charges, including but not limited to fees for goods or services, and fees for technical support services, must be paid to Franchisor on the last business day of the calendar month in which they are incurred or the day specified by Franchisor, except as noted below for liquidated damages; and (c) liquidated damages assessed against Franchisee must be paid on the 5th business day following the date the liquidated damages are invoiced. In some circumstances, it may be necessary for Franchisor to electronically debit funds for miscellaneous fees before the last day of the month. In that case, the amount and date of deduction will be communicated to Franchisee in advance.

(b) Payment Method. Franchisee must make all payments to Franchisor by the method or methods that Franchisor specifies from time to time in the Manual, which may include payment via wire transfer or electronic debit from Franchisee's bank account (the "**Account**"). Franchisee must furnish Franchisor and its bank with all authorizations necessary to effect payment by the specified methods and must take all steps necessary to ensure that such authorizations remain valid. Currently, Franchisee must make all payments due under this Agreement (including payments for products or services purchased from Franchisor or its Affiliates) by electronic debit from the Account, which Franchisor may initiate by auto draft. Franchisee must sign the electronic funds transfer authorization form that is attached as Exhibit 7 (and any subsequent form required by Franchisor from time to time) and deliver a copy of the authorization to Franchisor within five business days of its request. Franchisee must maintain sufficient funds in the Account to permit Franchisor to withdraw the Operating Fees and other amounts due from time to time. Franchisor's use of electronic funds transfers as a method of collecting amounts due does not constitute a waiver of any of Franchisee's obligations to provide Franchisor with sales reports as required in this Agreement, nor shall it be deemed a waiver of any of the rights and remedies available to Franchisor under this Agreement.

(c) Automatic Debit. If Franchisee has not reported Gross Sales for any reporting period, Franchisor will be authorized to debit the Account in an amount equal to the greater of the non-reported payment (if Franchisor can reasonably estimate or determine the owed amount) or 120% of the of the average Operating Fees transferred from the Account in the previous 12 reporting periods in which a report of the Gross Sales of the Franchised Business was provided to Franchisor (or, if there have not been 12 such reporting periods, the number of reporting periods for which such report was received). If at any time Franchisor determines that Franchisee has underreported Gross Sales or underpaid any fees due to Franchisor under this Agreement, Franchisor will be authorized to immediately initiate a debit to the Account in the appropriate amount, including interest as provided for in this Agreement. An overpayment will be credited to the Account through a credit effective as of the first reporting date after Franchisor and Franchisee determine that such credit is due.

(d) Application of Payments. When Franchisor receives a payment from Franchisee, Franchisor has the right, in its sole discretion, to apply it as Franchisor sees fit to any past due indebtedness of Franchisee due to Franchisor or its Affiliates, whether for Operating Fees, purchases, interest, or for any other reason, regardless of how Franchisee may designate a particular payment to be applied. In addition, Franchisor may offset any amount otherwise due to Franchisee, against any amount owed to Franchisor.

(e) Retention of Fees. In Franchisor's sole discretion and upon a reasonable belief of Franchisee's insolvency or financial mismanagement, Franchisor may retain any amounts received for Franchisee's account (and/or that of any Franchise Party), whether rebates from suppliers, National Account or National Program work payments, or otherwise, as security for amounts owing to Franchisor in the next

90 days or as payment against any amounts owed to Franchisor, including then-current Operating Fees which accrue to Franchisor from such National Account or National Program work payments. Franchisor can exercise any of the foregoing rights in connection with amounts owed to or from Franchisor and/or any of its Affiliates.

SECTION 5--TERM AND RENEWAL; TERMINATION

5.1. Term and Renewal.

(a) Initial Term. This initial term of this Agreement is specified in Exhibit 1.

(b) Renewal Term. Before the expiration of the initial term of this Agreement, Franchisee can renew its franchise for one additional renewal term that is specified in Exhibit 1 if all the following conditions are fulfilled, and Franchisor does not have good cause for non-renewal:

(i) Franchisee must provide written notice to Franchisor between six and nine months prior to the end of either the initial term or any renewal term that Franchisee intends to enter into a renewal term;

(ii) The Franchisee Parties must be in Good Standing. "**Good Standing**" means, with respect to Franchisee, Franchisee is deemed to be in "Good Standing" if the Franchisee Parties (a) are in full compliance with all Obligations, (b) have not had any Related Agreements (as defined in Section 5.5(g)) terminated during the Term as a result of their default, (c) have no pending or threatened litigation or disputes with Franchisor, its Affiliates, or its approved vendors. "**Obligations**" include all obligations to Franchisor, its Affiliates, or its approved vendors, whether arising under (w) this Agreement, (x) any Related Agreement, (y) the Operations Manual, or (z) other Standards or requirements specified by Franchisor;

(iii) The Franchisee Parties (a) must have complied during the Term with the terms and conditions of this Agreement, any Related Agreements, and any loan or lease agreements related to the Franchised Business and (b) must not have received three or more default notices related to this Agreement during the then-current term, regardless of whether such defaults were corrected within any prescribed cure period;

(iv) Franchisee must be then meeting or exceeding the Minimum Performance Requirements and must not have failed to meet the Minimum Performance Requirements three or more years during the term;

(v) Franchisee has not, in Franchisor's sole discretion, (1) failed to use and cooperate in the use of operating systems and tools provided by Franchisor to improve the Franchised Business and/or the franchise system as a whole; (2) failed to regularly attend and actively participate in conference calls, meetings, conventions, and other events sponsored or suggested by Franchisor to increase the chance of success and/or maximize the performance of the Franchised Business and/or the franchise system as a whole; (3) failed to implement new programs and business building initiatives developed for the enhancement of the performance of the Franchised Business; (4) regularly acted in a combative, inappropriate, or confrontational manner with Franchisor, vendors, customers, or other franchisees; or (5) had an excessive number of customer complaints and/or has not acted reasonably and in the best interests of the franchise system in resolving customer complaints;

(vi) Franchisee, throughout the term of this Agreement, has satisfied all material reporting requirements and all monetary obligations to Franchisor and any Affiliates of Franchisor, suppliers and creditors (excepting reasonable disputes that Franchisee is attempting in good faith to resolve) within the amount of time specified for satisfaction or cure of default with respect to such obligation;

(vii) Franchisee meets Franchisor's then-current requirements for franchisees qualifying to become franchisees in the network and demonstrates, in Franchisor's reasonable opinion, that (a) it and Guarantor are not insolvent (meaning that it and they can meet all of their obligations as they come due and have not sold, pledged, transferred, or assigned any future proceeds or receivables under this Agreement to a creditor), (b) it has the financial ability to continue to invest in and grow the Franchised Business and the brand in the Marketing Area, and (c) it and Guarantor are in compliance with all loan and lease agreements for the Franchised Business;

(viii) Franchisee must prepare a business plan (containing the information and in the format specified by Franchisor) for the Franchised Business for the renewal term and obtain Franchisor's written approval of such business plan;

(ix) Franchisee undertakes and completes, not less than 30 days before expiration of the term, such maintenance, renovation, refurbishing, remodeling and/or addition or substitution of equipment, furniture, and fixtures as specified by Franchisor for compliance with the standards of Franchisor in place at that time;

(x) Any Owners or representatives of Franchisee designated by Franchisor must attend a "renewal visit" which will be held, in Franchisor's sole discretion, in person at Franchisor's office or virtually;

(xi) Franchisee and its trainees satisfactorily complete all additional training Franchisor requires at that time, at Franchisee's expense;

(xii) Franchisee must execute Franchisor's then-current Franchise Agreement which shall supersede this Agreement when accepted and executed by Franchisor (a "**Renewal Franchise Agreement**") and which may contain terms and conditions different from those set forth in this Agreement, including different or increased fees, a different or reduced Marketing Area or territorial rights, or different authorized services;

(xiii) Franchisee must pay Franchisor a renewal fee equal to 25% of the initial franchise fee then charged to new franchisees at the time of renewal;

(xiv) Franchisee and its Owners must execute a general release (in a form then prescribed by Franchisor, which shall be substantially similar to the form attached hereto as <u>Exhibit 8</u>, which is incorporated by reference into this Agreement) of any claims against Franchisor and its Affiliates, and their respective owners, officers, directors, managers, agents, representatives, employees, successors, and assigns (a "**General Release**"); and

(xv) Franchisee meets any additional conditions reasonably specified by Franchisor.

(c) <u>Non-renewal</u>. If (a) Franchisee provides written notice between six and nine months prior to the end of either the initial term or any renewal term that Franchisee does not intend to enter into a renewal term or (b) Franchisor determines, in its sole discretion, that Franchisee cannot satisfy the renewal conditions and provides Franchisee with a notice of non-renewal (the "**Non-Renewal Notice**"), this Agreement shall expire at the end of the then-current term.

(d) Temporary Extension. If Franchisee fails to execute the Renewal Franchise Agreement and General Release and complete the renewal process by the expiration of the then-current term and Franchisee continues operating the Franchised Business, then, unless Franchisor has provided Franchisee with a Non-Renewal Notice, the term shall continue on a month-to-month basis provided, however, that Franchisor shall have the right at any time to terminate this Agreement upon its issuance of a written Notice of Termination (the "**Termination Notice**") to Franchisee, which termination shall be effective immediately upon Franchisee's receipt of, or refusal to accept, such Termination Notice (or on the termination date specified in the Termination Notice, if different). If Franchisee fails to fully and completely execute the Renewal Franchise Agreement and General Release and complete the renewal process within 60 days of the commencement of the temporary extension, then, the renewal fee will be 50% of the initial franchise fee then charged to new franchisees at the time of renewal.

5.2. Conditional Renewals.

If Franchisee does not meet all of the conditions for renewal as described in Section 5.1, Franchisor may, in its sole discretion, allow Franchisee to conditionally renew its franchise. If Franchisor consents to a conditional renewal of the franchise, Franchisee must meet all of the procedural conditions for renewal described in Section 5.1 (i.e. completing additional training, signing a Renewal Franchise Agreement, updating equipment and operations, and payment of the renewal fee); however, the Renewal Franchise Agreement will only be for a limited probationary period (generally six months) and will specify performance criteria that Franchisee must meet during the probationary period. If Franchisee meets the specified performance criteria on the completion of the probationary period and is otherwise in compliance with the Franchise Agreement, Franchisor will agree in writing to permit Franchisee to sign a Renewal Franchise Agreement for a full renewal term commencing from the date the conditional renewal was granted. If Franchisee does not meet the specified performance criteria during the initial probationary period, Franchisor may, in its sole discretion, extend the probationary period for one additional probationary period (generally six to twelve months) to enable Franchisee to have a final opportunity to meet the specified performance criteria. If Franchisee meets the specified performance criteria on the completion of the second probationary period and is otherwise in compliance with the Renewal Franchise Agreement, Franchisor will permit Franchisee to sign a new Renewal Franchise Agreement for a full renewal term commencing from the date the first conditional renewal was granted.

5.3. Termination by Franchisee.

Franchisee has the right to terminate this Agreement prior to its expiration only for good cause and only in accordance with the requirements set forth in Section 5.7. Good cause under this paragraph exclusively means any material breach of this Agreement by Franchisor.

5.4. Termination by Franchisor.

Franchisor has the right to terminate this Agreement prior to its expiration only for good cause and only in accordance with the requirements of Sections 5.5, 5.6, or 5.7. Good cause means any breach of this Agreement by Franchisee or the occurrence of any of the events listed in Sections 5.5 and 5.6.

5.5. Immediate Termination.

Any of the following events will: (i) constitute a material default under this Agreement, (ii) be good cause for termination of this Agreement, and (iii) entitle Franchisor to terminate this Agreement upon five (5) days written notice to Franchisee, without affording Franchisee an opportunity to cure:

(a) A Franchisee Party's willful and material misrepresentation or acts or omissions relating to the acquisition of the franchise granted by this Agreement or the on-going operation of the Franchised Business;

(b) A Franchisee Party's assignment, pledge, or transfer of the rights and/or obligations under this Agreement or the pledge or transfer of the Franchised Business without complying with the provisions of this Agreement;

(c) Franchisee's abandonment of any of its obligations under this Agreement;

(d) Franchisee's failure to provide services for a period of 10 or more consecutive days without the prior written approval of Franchisor, unless caused by acts of God or other circumstances beyond Franchisee's control;

(e) Franchisee continues to receive an excessive number of customer complaints and/or continues to not act reasonably and in the best interests of the franchise system in resolving customer complaints after Franchisee has been notified in writing by Franchisor that Franchisee was receiving an excessive number of customer complaints and/or not acting reasonably and in the best interests of the franchise system in resolving customer complaints;

(f) A Franchisee Party is convicted of or plead guilty or no contest to, or Franchisor has reasonable proof that a Franchisee Party committed: (i) a crime, offense or misconduct for which the minimum penalty includes imprisonment for more than one year; or (ii) any felony; or (iii) any crime, offense or misconduct for which the minimum penalty includes imprisonment for one-year or less that involves fraud or dishonesty or is in any other way relevant to the operation of the Franchised Business or to the System or Marks or the goodwill associated with the System or Marks; or (iv) multiple crimes, offenses, misconduct, or misdemeanors that are not otherwise covered in Subsections (i), (ii), and (iii) of this Subsection;

(g) A Franchisee Party's breach of the same or a similar provision of this Agreement, any Related Agreement, or the Manual where there have been three or more separate breaches in any 18-month period or four or more separate breaches over the term of this Agreement (or such Related Agreement), so long as Franchisor or its Affiliates made it known in writing to Franchisee or its Affiliates that such an act was a breach prior to the second breach upon which Franchisor is relying. "**Related Agreements**" include any agreements between one or more Franchisee Parties, on one hand, and Franchisor, its Affiliates, and/or its approved vendors, on the other hand, including agreements related to the Franchised Business, other businesses in the Franchise System, or any other business or franchise.

(h) A Franchisee Party's breach of any provision (whether or not the same or a similar provision) of this Agreement, any Related Agreement, or the Manual where there have been four or more separate breaches in any 18-month period or six or more separate breaches over the term of this Agreement (or such Related Agreement), so long as Franchisor or its Affiliates made it known in writing to Franchisee or its affiliates that such an act was a breach prior to the second breach upon which Franchisor is relying;

(i) A Franchisee Party defaults under any Related Agreement, provided that the default would permit the other party to terminate such agreement, regardless of whether such other party terminates such agreement;

(j) A Franchisee Party's acts or omissions directly or indirectly discourage, prevent, or otherwise delay or stop a prospective or existing System Franchisee from obtaining a license or authority required to operate their Unit, including the filing of protests or petitions with any governmental authority objecting to a prospective or existing System Franchisee from obtaining such license or authority;

(k) A Franchisee Party's dishonest or unethical conduct;

(l) A Franchisee Party's intentional conduct to cause or allow any unauthorized use or disclosure of any part of the Manual, or any other of Franchisor's confidential and/or proprietary information;

(m) A Franchisee Party's conduct of any kind reflects materially and adversely on Franchisor's operation, Marks, or System;

(n) A Franchisee Party or Guarantor becomes insolvent by reason of such party's inability to pay its debts as they become due;

(o) Adjudication of bankruptcy of a Franchisee Party or Guarantor, the insolvency of the Franchised Business, appointment of a receiver or trustee to take charge of the Franchised Business by a Court of competent jurisdiction, or the general assignment for the benefit of creditors of a Franchisee Party;

(p) A Franchisee Party makes an unauthorized grant of a security interest in the Franchisee, the Franchised Business, or this Agreement (including any sale, grant, or pledge of future receivables) without complying with all applicable provisions of this Agreement; or

(q) Entry of a final judgment or the unappealed decision of a regulatory officer or agency which results in a temporary or permanent suspension of any permit or license, possession of which is a prerequisite to operation of the Franchised Business.

Franchisee acknowledges and agrees that the defaults listed in this Section constitute good cause for termination of this Agreement, even though Franchisee is not afforded an opportunity to cure the defaults, because the defaults are not curable or are so egregious, damaging, or pervasive that they destroy the franchise relationship.

5.6. Termination After Notice.

Any of the following events will: (i) constitute a material default under this Agreement, (ii) be good cause for the termination of this Agreement, and (iii) entitle Franchisor to terminate this Agreement in accordance with the requirements set forth in Section 5.7:

(a) Franchisee's failure to have its Franchised Business open to the public and operational within four months following the month in which this Agreement is signed;

(b) A Franchisee Party's failure to promptly pay its obligations to Franchisor when due, whether or not the obligations accrue under the terms of this Agreement;

(c) A Franchisee Party's failure to promptly pay its obligations to third parties, including but not limited to suppliers, landlords, and financial institutions whether or not such obligations accrue in connection with the Franchised Business;

(d) A Franchisee Party's negligent acts or omissions giving rise to any material inaccuracy or inaccuracies in the accounting of Franchisee's Gross Sales or financial statements;

(e) A Franchisee Party's breach of any other term of this Agreement, any Related Agreement, the Manual, or any other obligation specified by Franchisor or its Affiliates, including but not limited to training and performance requirements described in the Agreement or Related Agreements;

(f) Any person's cancellation of or the existence of circumstances that create the unenforceability of any guaranty of the obligations of this Agreement;

(g) Franchisee's failure to achieve minimum scores in Franchisor's Achievements in Excellence rankings or a similar Franchisor ranking system;

(h) Franchisee's failure to achieve minimum satisfaction/referral survey scores or to respond to customer review issues in compliance with the Standards;

(i) Franchisee's failure to achieve acceptable status on other compliance requirements;

(j) Franchisee's failure to use and cooperate in the use of operating systems and tools provided by Franchisor to improve the Franchised Business and/or the franchise system as a whole;

(k) Franchisee's failure to regularly attend and actively participate in conference calls, meetings, conventions, and other events sponsored or suggested by Franchisor to increase the chance of success and/or maximize the performance of the Franchised Business and/or the franchise system as a whole;

(l) Franchisee's failure to embrace new programs and business building initiatives developed for the enhancement of the performance of the Franchised Business;

(m) Franchisee or any of its Owners has regularly acted in a combative or confrontational manner with Franchisor, vendors, customers, or other franchisees; or

(n) Franchisee has had an excessive number of customer complaints and/or has not acted reasonably and in the best interests of the franchise system in resolving customer complaints.

5.7. Notice Required for Termination; Cure; Notice of Defenses and Claims.

The following procedures must be used when providing for notice of termination "for good cause" (other than termination under Section 5.5):

(a) A party terminating for good cause ("**terminating party**") must give a written notice of termination to the party in default ("**defaulting party**") specifying any reasons for such termination and the date the termination will be effective. The effective date of termination must be at least ten (10) days from the date of the notice for the non–payment of any amounts due and at least thirty (30) days from the date of the notice in all other instances. Except as provided in this Section 5.7, termination will be automatically effective without further action by the terminating party upon the expiration of the notice period.

(b) The defaulting party can prevent termination only by completely curing, prior to the expiration of the notice period, all the defaults specified by the terminating party in the notice.

(c) The defaulting party must give written notice to the terminating party of all objections, defenses or disputes to termination, claims against the terminating party, setoffs, breaches of this Agreement or Related Agreements by the terminating party, or other actions, claims or defenses, if any, that the defaulting party claims against the terminating party. Such notice must be given within thirty (30) days of the date of the notice of termination. If the defaulting party fails to give the notice required in this Subsection, the defaulting party is barred from seeking any relief, whether by way of action or defense, in any Court, or otherwise, with respect to any matter or issue that was subject to such notice.

5.8. Other Remedies.

Nothing in this Section 5 precludes Franchisor from seeking other remedies or damages under Applicable Law, this Agreement, or any Related Agreement. Upon the occurrence of any of the events that give rise to Franchisor's right to terminate this Agreement under this Section 5, Franchisor may, at its sole option and upon delivery of written notice to Franchisee, elect to take any or all of the following actions without terminating this Agreement:

(a) temporarily or permanently reduce the size of the Marketing Area, in which event the restrictions on Franchisor and its Affiliates under Section 1.1(a) will not apply in the geographic area that was removed from the Marketing Area;

(b) temporarily or permanently suspend Franchisee's protected rights in the Marketing Area, in which event the restrictions on Franchisor and its Affiliates under Section 1.1(a) will not apply in the Marketing Area;

(c) temporarily remove information concerning the Franchised Business from Franchisor's website and/or stop Franchisee's or its Franchised Business' participation in any other programs or benefits offered on or through Franchisor's Website;

(d) suspend Franchisee's right to participate in one or more programs or benefits that the Advertising Fund provides;

(e) refuse to provide any operational support that this Agreement requires or that Franchisor has elected to provide or suspend any other services that Franchisor or its Affiliates provide to Franchisee under this Agreement or any Related Agreement;

(f) require the temporary closure of the Franchised Business until any defaults are cured and any underlying causes for such defaults are adequately addressed;

(g) suspend or terminate any temporary or permanent fee reductions to which Franchisor might have agreed (whether as a policy, in an amendment to this Agreement, or otherwise); and/or

(h) undertake or perform on Franchisee's behalf any obligation or duty that Franchisee is required to, but fails to, perform under this Agreement. Franchisee must reimburse Franchisor upon demand for up to 120% of the actual costs and expenses that Franchisor and its Affiliates incur in performing any such obligation or duty.

5.9. Exercise of Other Remedies.

Franchisor's exercise of its rights under Section 5.8 (Other Remedies) will not (i) be a defense for Franchisee to Franchisor's enforcement of any other provision of this Agreement or waive or release Franchisee from any of its other obligations under this Agreement, (ii) constitute an actual or constructive termination of this Agreement, or (iii) be Franchisor's sole or exclusive remedy for Franchisee's default. Franchisee must continue to pay all fees and otherwise comply with all of its obligations under this Agreement following Franchisor's exercise of any of these rights. If Franchisor exercises any of its rights under Section 5.8, Franchisor may thereafter terminate this Agreement without providing Franchisee any additional corrective or cure period, unless the default giving rise to Franchisor's right to terminate this Agreement has been cured to Franchisor's reasonable satisfaction.

SECTION 6--OBLIGATIONS AND RIGHTS ON TERMINATION OR EXPIRATION

6.1. Franchisee's Obligations.

Upon termination, expiration without renewal, or transfer of this Agreement for any reason, Franchisee's rights to use the Marks and System and all other rights associated with being a licensed franchisee of Franchisor will cease and the following, as well as any other provisions of this Agreement relating to termination or expiration, will apply:

(a) Cease Using Marks and System. Franchisee must immediately and permanently discontinue the use of the Marks, the System or any marks or names or logos confusingly similar to the Marks, and any other materials that may, in any way, indicate that Franchisee is or was a franchisee of Franchisor, or in any way associated with Franchisor or the franchise system.

(b) Pay All Debt. Franchisee must immediately pay Franchisor any and all amounts owing to it for whatever reason.

(c) Cease Operating Business. Franchisee must cease operating the Franchised Business and must stop using all Manual, processes, materials, methods, or promotional materials Franchisor provided or licensed to Franchisee. Franchisee must immediately discontinue all advertising placed or ordered for the Franchised Business. Franchisee must take all necessary steps to disassociate itself from Franchisor and the System, including, but not limited to, the removal of signs, destruction of materials containing the Marks, and assignment or changing of Identifiers and the like, unless the same are transferred to another franchisee or Franchisor. Franchisee must take such action as necessary to amend or cancel any assumed name, business name, or equivalent registration that contains any Marks and Franchisee must furnish Franchisor with satisfactory evidence of compliance with this obligation within ten (10) calendar days after the termination, expiration, or transfer of this Agreement. If Franchisee fails to remove and/or destroy all signs and other materials containing the Marks as of the effective date of termination or expiration of this Agreement, Franchisor or its agent may, and are authorized by this Agreement, to enter the Franchise Location and remove or paint over any and all such signs, and material and Franchisee waives and releases Franchisor from any and all claims for damages resulting from those actions.

(d) Return Confidential Information and Other Assets. Franchisee shall immediately return to Franchisor: (i) all hard copies and electronic copies (capable of being returned) of the Confidential Information, including the Manual, and of materials bearing the Marks; and (ii) all other manuals, records, files, instructions, correspondence, and other materials relating to the operation of the Franchised Business

("**Other Materials**") in the possession of any Franchisee Party. If a Franchisee Party has on their computer systems, e-mail accounts, or other digital storage systems or services copies of the Confidential Information, any proprietary software, and/or Other Materials, they must immediately erase these copies. Franchisee must provide us with a certification attesting to the fact that all copies of the Confidential Information, proprietary software, and Other Materials in the control of the Franchisee Parties or their officers, directors, employees, agents, and representatives have been returned or destroyed in accordance with this Section.

(e) Transfer of Identifiers and Accounts. Following termination or expiration of this Agreement, the Franchisee Parties must, in accordance with Franchisor's directions, cancel or transfer to Franchisor or its designee (or cause an Affiliate or third party to cancel or transfer to Franchisor or its designee) all authorized and unauthorized Identifiers and provide Franchisor with all information necessary to allow Franchisor or its designee to access Franchisee's accounts for such Identifiers, including usernames, passwords, and security codes. Franchisee acknowledges that Franchisor or its Affiliates have the sole rights to, and interest in, all Identifiers. If Franchisee fails to comply with this Section, Franchisee hereby authorizes Franchisor, and irrevocably appoints Franchisor, as Franchisee's attorney-in-fact to direct the telephone company, postal service, registrar, Internet Service Provider, social media company, listing agencies, or other providers to transfer such Identifiers to Franchisee or its designee. The telephone company, the postal service, registrars, Internet Service Providers social media companies, listing agencies, and other providers may accept such direction by Franchisor pursuant to this Agreement as conclusive evidence of Franchisor's exclusive rights in such Identifiers and its authority to direct their transfer. Any amounts owing by Franchisee related to such Identifiers shall be paid immediately by Franchisee.

(f) Permit Inspection. Franchisee must permit Franchisor to make final inspection of Franchisee's financial records, books, tax returns, and other accounting records within three (3) years after the effective date of termination, expiration, or transfer.

(g) Sale of Products to Franchisor. Franchisee must sell to Franchisor all or part of Franchisee's inventory or products on hand as of the date of termination or expiration that are uniquely identified with Franchisor or the Marks, if any, as Franchisor may request in writing before or within 30 days after the date of termination or expiration. The sales price will be the current published prices then being charged by the manufacturer or supplier to authorized franchisees of Franchisor, not including any costs of storage or transportation paid by Franchisee to bring the goods initially to the Franchised Business, minus all costs incurred or to be incurred by Franchisor to restore the goods or the packaging of the goods to a saleable condition and minus a reasonable allowance for physical deterioration, obsolescence or damage to the extent not restored.

(h) Holdback for Customer Damages. If the Franchise Agreement is terminated (except a termination in connection with a transfer of the Franchised Business under Section 7) or expires without renewal, Franchisee must pay to Franchisor an amount to be held by Franchisor to cover potential customer damages (the "**Holdback Amount**"). The Holdback Amount will be determined by Franchisor based on Franchisee's customer damage history for the two years preceding the date of termination or expiration without renewal and any current damage issues known to Franchisor. Franchisor will have the right to ACH transfer the Holdback Amount from Franchisee's account five days before the date of termination or expiration without renewal. Franchisor will hold the Holdback Amount for a period of six months and may use the Holdback Amount during that period to pay damages in connection with the resolution of disputes with Franchisee's customers under Section 2.17(b)(iii) of this Agreement. Any portion of the Holdback Amount remaining at the end of the six-month period will be paid over to Franchisee within 14 days of the end of the six-month period.

6.2. Other Obligations.

Termination, expiration, or transfer of this Agreement will not lessen the liability or further obligation of Franchisee pursuant to this Agreement relating to Franchisor's option to purchase Franchisee's assets, restrictions on disclosure and use of Confidential Information, restrictions on competition, or other such obligations that by their terms or intent survive termination, expiration, or transfer of this Agreement. Such Franchisee obligations will survive termination, expiration, or transfer of this Agreement.

6.3. Cumulative Remedies.

This Agreement's termination, expiration, or transfer of this Agreement and/or enforcement of the provisions of this Section 6 will not affect or prejudice any of Franchisor's other rights or remedies for Franchisee's breach of this Agreement, whether such rights and remedies are contained in this Agreement or otherwise provided by law or equity.

6.4. Liquidated Damages.

In addition to any other remedies available to Franchisor, if this Agreement is terminated prior to its expiration (other than termination by Franchisee for cause), Franchisor will be entitled to recover from Franchisee damages attributable to the loss of bargain resulting from such termination. The parties hereby stipulate and agree that the damages for such loss of bargain will be the present value of the Royalty Fees that would have been payable to Franchisor for the balance of the term of this Agreement. The aggregate amount of the Royalty Fees that would have been payable will be calculated utilizing annual Gross Sales equal to the average annual Gross Sales of the Franchised Business for the two-year period (or such lesser period if the Franchisee was not in operation for a full two-year period) immediately preceding the date of termination. For purposes of this paragraph, Gross Sales will be calculated based on Gross Sales reported by Franchisee or as actually determined by an audit of the Franchised Business, in Franchisor's sole discretion. If Franchisee has failed or refused to report any Gross Sales prior to termination, Franchisor may reasonably estimate such Gross Sales.

6.5. Option to Purchase Assets of Franchised Business.

(a) Option. If this Agreement expires, terminates, or is not renewed for any reason, Franchisor will have the option, but not the obligation, to purchase the assets of the Franchised Business. Franchisor reserves the right to assign its option to purchase the assets of the Franchised Business or to designate a substitute purchaser for the Franchised Business. For purposes of this Section, the assets of the Franchised Business mean the vehicles, equipment, inventory, leasehold interest (at Franchisor's option), fixtures, furnishings, and other assets of the Franchised Business other than real estate owned by Franchisee. If the option is triggered by termination, Franchisor must exercise the option granted in this Section by written notice within 30 days after the date of termination of the Franchise Agreement. If Franchisee does not timely exercise its option to renew the franchise under Section 5.1 or Franchisor notifies the Franchisee that Franchisor does not consent to the renewal of the franchise, then Franchisor may exercise the option granted in this Section by written notice at any time thereafter, but no later than 30 days after the expiration date of the Franchise Agreement.

(b) Purchase Price. The purchase price will be the fair market value of the assets as agreed by the parties. If the parties are not able to agree on the fair market value within seven days of Franchisor exercising its option, the value will be determined by appraisal using the method described in Section 6.5(d). The purchase price will be reduced by: (i) the total current and long-term liabilities of the Franchised Business that Franchisor agrees to assume; and (ii) any amounts due from Franchisee to Franchisor.

(c) Leasehold Interest. If Franchisee leases the Franchise Location, Franchisor will have the option to include an assignment of Franchisee's lease for the Franchise Location in the purchase of the assets. If Franchisor exercises that option, Franchisee must cooperate fully and use its best efforts to acquire the landlord's approval of the assignment of the lease for the Franchise Location to Franchisor, if necessary. If a Franchisee Party owns the Franchise Location, Franchisor or its designee will have the option to enter into a lease for a term of not less than five years with an option by lessee to extend the term of the lease for an additional term of five years. The lease will contain the standard terms and conditions contained in leases for the same or similar properties. The rental under the lease for the initial five-year term will be the fair rental value of the property as of the date of exercise of the option. If the parties cannot agree on the fair rental value within seven days of Franchisor exercising its option, the value will be determined by appraisal using the method described in Section 6.5(d). The rental during the second five-year option term will be the fair rental value of the property as of the date that is 30 days before the end of the initial term of the lease. If the parties cannot agree on the fair rental value within seven days, the value will be determined by appraisal using the method described in Section 6.5(d).

(d) Appraisal Method. If a value is to be determined by appraisal, the following method will be used to determine the appraised value. If the parties are able to agree on an independent appraiser, that appraiser will determine the applicable value and his or her determination will be binding on the parties. If the parties are not able to agree on an independent appraiser within 15 days of the event triggering the appraisal, each party will select an independent appraiser qualified or certified to make the appraisal. The independent appraisers chosen will then select a third independent appraiser. The decision of the majority of the appraisers chosen will determine the applicable value and that determination will be binding on the parties. Franchisor and Franchisee agree to select their respective appraisers within 15 days after the event triggering the appraisal and the two appraisers chosen are obligated to appoint the third appraiser within 15 days after the date on which the last of the two party-appointed appraisers is appointed. Franchisor and Franchisee will bear the cost of their own appraisers and share equally the reasonable fees and expenses of the third appraiser. The parties will take reasonable actions to cause the appraiser or appraisers to complete his or her or their appraisal within 30 days after the appointment of the sole appraiser or the appointment of the third appraiser, as applicable.

(e) Closing. The closing of the purchase will occur within 60 days after Franchisor exercises its option to purchase the assets or such later date as may be necessary to determine fair market value, fair rental value and/or to comply with applicable bulk sales or similar laws. At closing, Franchisor and Franchisee agree to execute and deliver all documents necessary to vest title in the assets purchased by Franchisor free and clear of all liens and encumbrances, except those assumed by Franchisor, and to effectuate the assignment of the lease for the Franchise Location, if applicable. Franchisor will be entitled to customary warranties, closing documents and post-closing indemnifications.

(f) Operation During Option Period. Franchisor will have the right, on written notice to Franchisee, to manage the Franchised Business during the period in which Franchisor has an option to purchase the Franchised Business and for the period following the exercise of the option by Franchisor and before closing. Franchisor will be responsible for the debts of the Franchised Business during this period of management and may charge a reasonable fee to manage the Franchised Business, not to exceed 5% of Gross Sales of the Franchised Business. This management fee is in addition to any Royalty Fee or Advertising Fee payments due to Franchisor.

SECTION 7--SALE OR TRANSFER OF THE FRANCHISE; ADDING A FRANCHISEE OR PRINCIPAL TO FRANCHISE AGREEMENT

7.1. Transfer by Franchisor.

This Agreement and all of Franchisor's rights and obligations under it may be assigned and transferred by Franchisor so long as the performance of all of the obligations owing the Franchisee have been performed or provided for, and if so assigned or transferred, will be binding upon and inure to the benefit of Franchisor's successors and assigns.

7.2. Transfer by Franchisee.

(a) Definition of Transfer. "**Transfer**" (whether or not such term is capitalized) means and includes a voluntary, involuntary, direct, or indirect assignment, sale, gift, or other disposition of any interest in this Agreement; Franchisee; the Franchised Business or substantially all of its assets; any of Franchisee's Owners (if such Owner is a legal entity); or any right to receive all or a portion of the Franchised Business', Franchisee's, or any Owner's profits or losses or any capital appreciation relating to the Franchised Business, Franchisee or any Owner. An assignment, sale, gift, or other disposition includes the following events: (a) transfer of ownership of capital stock, a partnership or membership interest, or another form of ownership interest; (b) merger or consolidation or issuance of additional securities or other forms of ownership interest; (c) any sale or other transfer of a security or other interest convertible to an ownership interest; (d) transfer in a divorce, insolvency, or entity dissolution proceeding or otherwise by operation of law; (e) transfer by will, declaration of or transfer in trust, or under the laws of intestate succession; and (f) foreclosure upon or exercising any similar rights or remedies with respect to any security interest in this Agreement (to someone other than Franchisor), the Franchised Business or an ownership interest in Franchisee or one of its Owners, foreclosure upon the Franchised Business, or Franchisee's transfer, surrender, or loss of the Franchised Business, possession, control, or management.

(b) Transfer Procedure. This Agreement is personal to Franchisee or the principals of Franchisee if Franchisee is a partnership, corporation, limited liability company, or other legal entity, because Franchisor is relying on Franchisee's or its principals' individual qualifications and representations. Therefore, except as otherwise provided in this Section 7, neither (a) this Agreement (or any interest in this Agreement), (b) the Franchised Business or substantially all of its assets, or (c) any ownership interest in Franchisee or any Owner (if such Owner is a legal entity) may be transferred without Franchisor's prior written approval and complying with the terms and conditions applicable to such transfer in this Section 7. A transfer of the Franchised Business' ownership, possession, or control, or substantially all of its assets, may be made only with a transfer of this Agreement. Franchisee may not offer the Franchised Business, the assets of the Franchised Business, or any interest in Franchisee through an auction, unless Franchisor consents in writing in advance. Franchisor's approval of a proposed transfer will not be unreasonably withheld, but may be conditioned upon any or all of the following:

(i) Prospect's Character, Business Experience and Credit Rating. The proposed new franchisee must follow the same application procedures as a new franchisee and must meet the same standards as Franchisor has set for any new franchisee. Franchisor must be satisfied with the character, business experience, financial strength, reputation, business ability, experience, and credit rating of the proposed new franchisee (and its principals if the proposed new franchisee is a corporation, limited liability company, partnership, or other legal entity).

(ii) Burdens on Proposed New Franchisee. The terms of the proposed transfer must not place unreasonable burdens on the proposed new franchisee in the judgment of Franchisor.

(iii) Payment of All Debt Owed Franchisor; Escrow Account. The Franchisee Parties must pay any and all debt they owe or may in the future owe Franchisor and its Affiliates, individually or jointly, whether or not such debt arises under this Agreement. This debt may include, but is not limited to, all Royalty Fees, Advertising Fees, Technology and Support Fees [including those owed for the final month (or portion thereof) of operation of the Franchised Business], and indemnification obligations. Franchisor may require that sufficient funds, as it determines in its sole discretion, be placed in an escrow account for up to one year to cover these obligations. Franchisor may use the escrowed funds to pay Franchisor any amounts that Franchisee may owe Franchisor for any reason. After the end of the escrow period, Franchisor will return to Franchisee any remaining amounts held in escrow not owed to third parties. Franchisor may use any excess amount held in escrow to pay amounts owed by Franchisee to third parties. Since the escrowed funds are intended to cover potential future liability, Franchisee must continue to pay amounts owed to Franchisor as those amounts come due and must not rely on Franchisor paying those amounts from any amounts held in escrow.

(iv) Payment of All Debt Owed Third Parties; Escrow Account. Franchisee must fulfill all obligations to and pay all debt owed or that may in the future be owed to third parties, including any disputed debt, undisputed debt, and customers' damage claims. Franchisor may require that sufficient funds, as it determines in its sole discretion based upon past experience and current issues, be placed in an escrow account for up to one year to cover these obligations. Franchisor may use the escrowed funds to pay third parties any amounts that Franchisee may owe the third parties for any reason. After the end of the escrow period and after any pending disputes are resolved and settled, Franchisor will return to Franchisee any remaining amounts held in escrow not owed to Franchisor. Franchisor may use any excess amount held in escrow to pay amounts owed by Franchisee to Franchisor. Since the escrowed funds are intended to cover potential future liability, Franchisee must continue to pay amounts owed to third parties as those amounts come due and must not rely on Franchisor paying those amounts from any amounts held in escrow.

(v) Prospect's Satisfactory Completion of Training. The proposed new franchisee must satisfactorily complete Franchisor's initial training program, which must take place at the first available training program offered after the closing of the transfer.

(vi) Payment of Transfer Fee. Franchisee must pay Franchisor a transfer fee equal to 40% of the franchise fee charged to new franchisees of the same franchise format at the time of transfer, plus Franchisor's and its Affiliates' costs and expenses related to the transfer (including attorneys' fees), all of which must be paid prior to transfer and prior to training the proposed transferee.

(vii) Reimbursement for any Referral Fee Paid by Franchisor. Franchisee must reimburse Franchisor for any referral fee or commission paid or payable by Franchisor if the proposed transferee is a prospect referred to Franchisor subject to a referral fee or commission. This reimbursement must be paid prior to the transfer and prior to the training of the proposed transferee.

(viii) Execution of Agreement Terminating Franchise Agreement and Releasing Franchisor and Others of Liability. Franchisee and transferee must sign a consent to transfer agreement, and Franchisee and each of its Owners, and the transferee and each owner of any equity ownership interest in the transferee must sign a General Release. Franchisor will not require any release of liability specifically proscribed by any state statute regulating franchising, but the parties may agree to voluntarily do so in settlement of any or all claims.

(ix) Execution of a New Franchise Agreement by New Franchisee. The proposed new franchisee must execute a new franchise agreement with Franchisor in the form Franchisor uses at the time of transfer for the term remaining on this Agreement, or for the term otherwise specified in the new franchise agreement as Franchisor determines in its sole discretion. The owners of the proposed new franchisee must agree to be personally bound, jointly and severally, by all of the provisions of the new franchise agreement.

(x) Websites, Social Media and other Internet Tools. Franchisee and the proposed new franchisee must agree to assignment of the Franchisee's websites, social media accounts, and other Internet tools to the proposed new franchisee and the proposed new franchisee must agree to assume responsibility for those websites, social media accounts, and other Internet tools, including payment of periodic hosting and maintenance fees.

(xi) Compliance with all Other Obligations under this Agreement. Franchisee must be in compliance with all obligations under this Agreement and the Manual, including but not limited to obligations relating to vehicle and equipment safety and appearance requirements, compliance with Applicable Laws, use of approved products and services and Designated and Approved Suppliers, maintenance, insurance, and sales and advertising requirements.

(xii) Compliance with Current System Standards. Franchisee and/or the proposed new franchisee must agree that it or they will take any action specified by Franchisor to make the Franchised Business comply with Franchisor's current appearance, equipment, signage, and other requirements for Units. Franchisor may require that this action be taken before the transfer or that the action be completed within a specified period of time after the transfer (not to exceed 60 days). Without limiting the foregoing, the new franchisee must register with the designated PCI Compliance vendor within the timeframe specified by Franchisor.

(xiii) Provision of Certain Information to New Franchisee. Franchisee must provide the new franchisee with information specified by Franchisor, regardless of whether it is required under the purchase agreement between the parties. This information may include, but is not limited to, currently valued loss run reports for the past five policy years for all insurance policies, annual premium amounts for each year for the past five policy years for casualty lines of coverage, total vehicle count for each year for the past five years, and audited payrolls for the past five years. Franchisee agrees that Franchisor may provide the specified information directly to the new franchisee to the extent that Franchisor has that information.

(xiv) Existing Franchisee Prospect. If the proposed transferee or an Affiliate operates one or more existing Units, the proposed transferee must provide Franchisor with a business plan that describes in substantial detail how the proposed transferee or its Affiliate will maintain the operation of the franchise being transferred, while the proposed transferee, its principals, or its affiliates are simultaneously operating the existing franchise or franchises. In determining whether to approve a transfer to a proposed transferee that operates or has an affiliate that operates one or more existing Units, Franchisor will consider all aspects of the operation of the existing franchise or franchises, including those items described as good cause for non-renewal in Section 5.1. In addition, the proposed transferee must meet Franchisor's requirements for franchisees that own and operate (or that together with affiliates of the franchisee own and operate) multiple franchises.

(xv) Compliance with other Standard Transfer Procedures. Franchisee and the proposed transferee must comply with any other standard procedures specified by Franchisor.

(c) Provision of Information. Franchisee agrees that Franchisor may, in its sole discretion, provide a proposed transferee with any information in Franchisor's possession relating to the Franchised Business, including but not limited to: the information described in Subsection (xi) of this Section, Achievements in Excellence rankings of the Franchised Business, the results of inspections and audits, sales and expense information, information on the number and types of services, and information relating to customer relations. Franchisee agrees to release and hold harmless Franchisor from any liabilities, losses or claims relating to or arising from the provision of information to a proposed transferee.

7.3. Transfer to Corporation or Limited Liability Company.

If Franchisee is a sole proprietorship or partnership, Franchisor hereby expressly consents to the assignment of this Franchise Agreement to a corporation, limited liability company or other generally recognized legal entity formed, operated, and controlled solely by Franchisee to operate the Franchised Business, provided Franchisee complies with the following:

(a) Assignment Does Not Affect Liability. The assignment does not relieve the original Franchisee(s) of the obligations of the Franchise Agreement.

(b) Requirements Regarding Stock Certificates. The stock certificates representing shares in the Corporation or other document representing an interest in another generally recognized legal entity must permanently contain the notation described in Section 2.13(b).

(c) General Release. Franchisee and its Owners execute a General Release as provided in Exhibit 8.

7.4. Adding a Franchisee or a Principal to the Franchise Agreement; Removing a Franchisee or a Principal from the Franchise Agreement.

(a) Application and Approval Necessary to Add Franchisee or Principal. Franchisee (or a principal of Franchisee in the case where Franchisee is a corporation, limited liability company, or other legal entity other than an individual) may, at any time, request that an applicant be added as an additional Franchisee (or an additional principal of Franchisee in the case where Franchisee is a corporation, limited liability company, or other legal entity other than an individual). If such applicant is approved, the applicant will have the same rights and obligations of the Franchisee (or of the principal of Franchisee in the case where Franchisee is a corporation, limited liability company, or other legal entity other than an individual).

(b) Conditions Necessary for Approval. The following requirements must be satisfied prior to the conditional approval of an applicant:

(i) each applicant must complete Franchisor's written application form, and agree, in writing, that Franchisor may perform a credit and background check on the applicant;

(ii) if requested, each applicant must complete a written personality profile that Home provides him/her; and

(iii) each applicant must visit Franchisor, and be interviewed by one or more Franchisor personnel.

If Franchisor, in its sole discretion, determines that the applicant remains qualified after satisfactory completion of the above requirements, it will grant the applicant conditional approval, which approval will become unconditional after: (A) Franchisor receives a fee equal to 20% of the franchise fee charged to new franchisees, plus Franchisor's and its Affiliates' costs and expenses related to the addition of the applicant (including attorneys' fees), at the time of the addition for each conditionally approved applicant, (B) each conditionally approved applicant satisfactorily completes (in Franchisor's sole discretion) the training program described in Section 1.5, (C) each applicant signs the Guaranty, Exhibit 3 of the Franchise Agreement, as an additional signatory, and (D) Franchisee and its Owners must execute a General Release as provided in Exhibit 8.

(c) Adding Approved Applicant. Franchisor, in its sole discretion, may require an approved applicant to wait until the renewal date of the Franchise Agreement to be added as a Franchisee (or a principal of Franchisee in the case where Franchisee is a corporation, limited liability company or other legal entity other than an individual).

(d) Removing a Franchisee or Principal from the Franchise Agreement. If a Franchisee or a principal of Franchisee requests to be removed from the Franchise Agreement, Franchisor will determine, in its sole discretion, whether to grant the request. As a condition to granting the request, Franchisor may, in its sole discretion, charge an administrative fee.

7.5. Death or Incapacity of Franchisee or Principal.

(a) Obtaining Consent to Continue Operating. In the case of the death or mental incapacity of Franchisee (or the principal, managing member, or majority Owner of Franchisee if Franchisee is a corporation, partnership, limited liability company, or other legal entity), the legal representative or other authorized person controlling the Franchisee's affairs must request, within 30 days of the death or incapacity, Franchisor's consent to continue to operate the Franchised Business. This consent will not be unreasonably withheld but may be conditioned upon the manager of the Franchised Business having satisfactorily completed the training or otherwise being certified by Franchisor as meeting its minimum qualifications.

(b) Requirement to Transfer. The legal representative or other authorized person must propose, in writing, a transferee of the Franchisee's interest in the franchise that is acceptable to Franchisor within 180 days of the death or incapacity. If the legal representative or other authorized person does not propose in writing to Franchisor a transferee that is acceptable to Franchisor within 180 days of the death or incapacity, this Franchise Agreement will be subject to termination.

7.6. Security Interests.

Franchisee may not assign, grant, or pledge any security interest in the Franchised Business, the assets used in the operation of the Franchised Business, or any direct or indirect legal and/or beneficial interest in Franchisee without Franchisor's prior written consent, which will not be unreasonably withheld. Franchisor's consent may be conditioned, in Franchisor's sole discretion, on the written agreement by the secured party that, in the event of a default by Franchisee under any agreement related to the security interest, Franchisor will have the right and option (but not the obligation) to purchase the rights of the secured party upon payment of all sums then due to the secured party. Any foreclosures or other exercise of the rights granted under that security interest are subject to all applicable terms and conditions of this Section. Notwithstanding the foregoing, however, Franchisee may grant, without obtaining Franchisor's prior written approval, a security interest in the assets of the Franchised Business (not including this Agreement or any future receivables) to a lender for the sole purpose of financing Franchisee's acquisition, development, and/or operation of the Franchised Business.

7.7. Right of First Refusal.

(a) Franchisor's Right of First Refusal.

(i) Offer Terms. If Franchisee (or any of its Owners) at any time during the Term determine to sell or transfer for consideration this Agreement, the Franchised Business, all or substantially all of Franchisee's assets, or any interest in Franchisee, then Franchisee must first give Franchisor the opportunity to acquire those rights (the "**Offered Rights**") by delivering written notice to Franchisor. Franchisee's notice must contain the specific terms and conditions of the proposed sale or transfer, including the proposed consideration and the terms of any financing a Franchisee Party will provide for the proposed purchase price (the "**Offer Terms**"). The Offer Terms must relate exclusively to the Offered Rights and not to any other assets or rights. Franchisor reserves the right to assign its right of first refusal to purchase this Agreement, the Franchised Business, all or substantially all of Franchisee's assets, or any interest in Franchisee to designate a substitute purchaser for the Franchised Business.

(ii) Exercising Option. Franchisor will then have 30 days after receiving the Offer Terms to notify Franchisee whether Franchisor elects to acquire the Offered Rights on the Offer Terms, provided that (1) Franchisor may substitute cash, a cash equivalent, or marketable securities for any form of payment proposed in the Offer Terms (such as ownership interests in an entity) and may elect to pay the net present value of any payments to be made over time; and (2) Franchisor must receive, and Franchisee and its Owners agree to make, all customary representations, warranties, and indemnities in Franchisor's purchase, including representations and warranties as to ownership and condition of and title to assets; liens and encumbrances on assets; validity of contracts and agreements; liabilities affecting the assets, contingent or otherwise; and indemnities for all actions, events, and conditions that existed or occurred in connection with the Franchised Business before the closing. If Franchisor exercises the right of first offer, the closing will take place at a location and on a date (within 30 days after Franchisor delivers its notice of exercise to Franchisee) that Franchisor chooses. Franchisor and Franchisee will sign documents, including deeds, affidavits, transfers and assignments, and any other documents necessary or appropriate for the sale or transfer of the Offered Rights. Franchisee must satisfy all liens, mortgages, and/or encumbrances on the Franchised Business. Franchisor and Franchisee will share equally any closing costs.

(iii) Declining Option. If Franchisor notifies Franchisee in writing that Franchisor does not intend to exercise its right of first offer with respect to any Offer Terms, or fails to notify Franchisee of Franchisor's decision within the 30-day period described above, then Franchisee thereafter may offer the Offered Rights to any third party on terms no more favorable to that party than the Offer Terms. However, Franchisee or its Owners may sell or transfer the Offered Rights only if Franchisor otherwise approves the transfer in accordance with, and Franchisee (and its Owners) and the transferee comply with, the conditions in Section 7 of this Agreement. This means that, even if Franchisor does not exercise Franchisor's right of first offer, if the proposed transfer otherwise would not be allowed under Section 7, Franchisee (or its Owners) may not move forward with the transfer. If Franchisee later elects to offer the Offered Rights on terms which are more favorable to the buyer than the Offer Terms, or, if Franchisee elects to change the Offered Rights, then Franchisee must first offer those new terms to Franchisor according to the procedures described above. In addition, if Franchisee does not sell or transfer the Offered Rights in compliance with Section 7.7(a) and the conditions in Section 7, within 60 days after Franchisor first receives notice of the Offered Rights, then the rights under Section 7.7(a) shall once again apply with respect to those Offer Terms, and Franchisee may not sell or transfer for consideration the Offered Rights without first giving Franchisor the opportunity to acquire those rights according to Section 7.7(a).

(b) No Partial Ownership. Notwithstanding anything to the contrary contained in this Section, Franchisor will not exercise its right of first refusal so as to become a partial owner of the Franchisee or the Franchised Business operated by the Franchisee.

SECTION 8--CONFIDENTIALITY AND NON–COMPETITION

8.1. Confidential Information.

(a) Defining Confidential Information. Franchisor possesses and will create or acquire in the future, and upon execution of this Agreement Franchisee has the right to possess, certain confidential information (“**Confidential Information**”) relating to developing and operating Units, including (without limitation):

(i) Manual, training methods, operations methods, techniques, processes, policies, procedures, systems, and data;

(ii) specifications and information about products or services:

(iii) marketing techniques, knowledge and experience, and marketing and advertising programs used in developing and operating Units, including (without limitation) websites and social media;

(iv) all information regarding the identities and business transactions of customers and suppliers;

(v) the Automation Systems, computer software, and similar technology that is developed by or for Franchisor or its agents, which is proprietary to Franchisor, including, without limitation, digital passwords and identifications and any source code of, and data, reports, and other printed materials generated by, the software or similar technology;

(vi) knowledge of the operating results and financial performance of Franchisee’s Franchised Business and of other Units;

(vii) all knowledge, information, reports, data, source code, and documents Franchisee acquires or has access to pertaining to services provided by third-party vendors, if any, in connection with any agreements between third-party vendors and Franchisor;

(viii) oral or written communications from Franchisor to Franchisee relating to the development and operation of the Franchised Business;

(ix) Customer Information (as defined in Section 8.1(c)); and

(x) other property that Franchisor describes as being confidential information or trade secrets of the franchise system.

(b) Ownership and Use of Confidential Information. Franchisee acknowledges that Franchisor owns the Confidential Information and/or the right to use the Confidential Information and agrees that Franchisee will not acquire any interest in the Confidential Information, other than the right to use it as Franchisor specifies in developing and operating the Franchised Business during the term of this Agreement. The Confidential Information or the right to use the Confidential Information is proprietary to Franchisor and is disclosed to Franchisee only on the condition that Franchisee agrees that it will:

(i) not use the Confidential Information in any other business or capacity;

(ii) keep each item deemed to be part of Confidential Information absolutely confidential, both during this Agreement's term and then thereafter for as long as the item is not generally known in the industry;

(iii) not make unauthorized copies of any Confidential Information disclosed via electronic medium or in written or other tangible form; and

(iv) adopt and implement reasonable procedures to prevent unauthorized use or disclosure of Confidential Information, including, without limitation, restricting its disclosure to Franchisee's employees and others within the franchise system, requiring anyone with access to the Confidential Information to execute non-disclosure agreements in a form satisfactory to us, and any other procedures that Franchisor reasonably designates.

(c) Customer Information. Franchisee agrees that all names, contact information, financial information and other personal information of or relating to the Franchised Business's customers and prospective customers ("**Customer Information**") is owned by Franchisor and part of the Confidential Information, whether collected by Franchisee, Franchisor, or another party. Franchisee must furnish Customer Information to Franchisor at any time Franchisor requests it. Franchisee may not sell, transfer, or use Customer Information for any purpose other than operating the Franchised Business in accordance with this Agreement. Franchisor and its Affiliates may use Customer Information in any manner or for any purpose. Franchisee must secure from its actual and prospective customers all consents and authorizations, and provide them all disclosures, that Applicable Laws require to transmit Customer Information to Franchisor and its Affiliates and to permit Franchisor and its Affiliates to use that Customer Information in the manner that this Agreement contemplates.

(d) Protection of Data. Franchisee must comply with: (i) the PCI Requirements (as described in Section 2.4(c)); (ii) the Fair and Accurate Credit Transactions Act; (iii) all other standards or Applicable Laws that relate to electronic payments, data privacy, personally identifiable information, and data protection; and (iv) Franchisor's then-current policies and procedures, as specified in the Manual or otherwise in writing, regarding the collection, storage, use, processing and transfer of personal or financial data, including any privacy, artificial intelligence, or data protection and breach response policies Franchisor may establish from time to time (collectively, "**Privacy Requirements**"). Franchisor may require Franchisee to (a) use vendors that Franchisor designates or approves to provide security services that are consistent with the Privacy Requirements; (b) maintain specific security measures; (c) provide evidence of compliance with Privacy Requirements upon Franchisor's request; and/or (d) use vendors that Franchisor approves or designates to conduct periodic security audits to ensure that personally identifiable information and/or payment data is adequately protected and provide Franchisor with copies of any audits, scanning results, or related documentation relating to such compliance or audits. Franchisee shall not publish, disseminate, implement, revise, or rescind a data privacy policy without Franchisor's prior consent.

(e) Data Breaches. If Franchisee suspects or knows of a security or data breach, Franchisee must, at Franchisee's expense, in accordance with the Privacy Requirements, Applicable Laws, and any Franchisor directives, (i) immediately give Franchisor notice of such security breach and cooperate with any inquiry initiated by Franchisor; (ii) promptly identify and remediate the source of any compromise or security breach; (iii) comply with all applicable data breach notification laws; (iv) provide all required notices of breach or compromise to impacted individuals; (v) procure credit history monitoring services for impacted individuals; (vi) pay any related damages or fines; and (vii) keep Franchisor apprised of all such efforts to resolve the issue and resulting damages. For the avoidance of doubt, regardless of any actions that Franchisor may take to investigate or attempt to mitigate damages to Franchisor or the Marks and related goodwill that may result from such breaches, unless otherwise specified by Franchisor, Franchisee assumes, at its expense, all responsibility for addressing and resolving any security or data breach relating to the Franchised Business or customers of the Franchised Business.

(f) Development of New Proprietary or Confidential Information. All ideas, concepts, techniques, or materials relating to a Unit, whether or not protectable intellectual property and whether created by or for Franchisor or by or for Franchisee, must be promptly disclosed to Franchisor and will be Franchisor's sole and exclusive property, part of the System, and works made-for-hire for Franchisor. Franchisee hereby assigns ownership of the intellectual property, and all related rights to it, to Franchisor to the extent that any intellectual property does not qualify as a "work made-for-hire" for Franchisor. Franchisee agrees to take whatever action (including signing an assignment or other documents) that Franchisor requests to evidence its ownership in the intellectual property.

(g) Expiration, Termination or Transfer of Agreement. Franchisee agrees that when this Agreement expires, is terminated, or upon the transfer of Franchisee's franchise, Franchisee will immediately cease using any and all of the Confidential Information in any business or otherwise and return to Franchisor all copies of all Confidential Information that Franchisee has in its possession. Franchisee acknowledges and agrees that it will be liable to Franchisor for any use of the Confidential Information not authorized by this Agreement.

8.2. Exclusive Business, Non-Competition.

(a) In-Term Covenant Not to Compete. Franchisee acknowledges that Franchisor has granted Franchisee the franchise in consideration of and reliance upon Franchisee's agreement to deal exclusively with Franchisor. Franchisee, its Owners, and Franchisee's or any Owners' spouses who are in any way involved in the operation of the Franchised Business (the "**Covenanting Parties**") shall not, during the Term, either directly or indirectly, for itself, or through, on behalf of, or in conjunction with any person, persons, partnership, corporation or other entity:

(i) Own, manage, engage in, be employed by, advise, make loans to, lease or sublease space to, or have any other interest in any Competing Business (as such term is defined in Exhibit 1) anywhere (including inside and outside the Marketing Area); provided, however, that this provision shall not apply to any ownership of Franchisee or an Owner of less than 1% of the outstanding equity securities of any publicly held corporation or of less than 5% of an investment fund which owns an interest in a Competing Business;

(ii) Divert or attempt to divert any business or customer of the Franchised Business to any Competing Business, by direct or indirect inducement or otherwise; or

(iii) Perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Marks and the System.

(b) Post-Term Covenant Not to Compete. For a period of two years after the earlier to occur of the expiration, non-renewal, or termination of this Agreement, regardless of the cause of termination, the Covenanting Parties will be subject to the same restrictions as in Section 8.2(a) of this Agreement, except that the restrictions contained in Sections 8.2(a)(i) and 8.2(a)(ii) of this Agreement shall be limited during the post-term period to within (a) the Marketing Area or the area within 20 miles of the

Marketing Area; and (b) the marketing area of any other Unit or the area within 20 miles of the marketing area of any other Unit existing or planned at the time Franchisee is terminated, transferred, or otherwise leaves the franchise system. Notwithstanding any other provision of this Agreement, the running of the non-compete period will be tolled for the period that any Covenanting Party fails to comply with the non-compete obligations in this Section 8.2(b), provided that Franchisor commences legal action to enforce this provision within the two-year non-compete period.

(c) Enforcement of Noncompetes. The Covenanting Parties acknowledge and agree that (i) the time, territory, and scope of the covenants provided in this Section 8 are reasonable and necessary for the protection of Franchisor's legitimate business interests; (ii) Franchisee has received sufficient and valid consideration in exchange for those covenants; (iii) enforcement of the same would not impose undue hardship; and (iv) the period of protection provided by these covenants will not be reduced by any period of time during which the Covenanting Parties are in violation of the provisions of those covenants or any period of time required for enforcement of those covenants. To the extent that this Section 8 is judicially determined to be unenforceable by virtue of its scope or in terms of area or length of time but may be made enforceable by reductions of any or all thereof, the same will be enforced to the fullest extent permissible. Each Covenanting Party agrees that the existence of any claim it may have against Franchisor, whether or not arising from this Agreement, will not constitute a defense to Franchisor's enforcement of the covenants contained in this Section 8. Franchisee acknowledges that any breach or threatened breach of this Section 8 will cause Franchisor irreparable injury for which no adequate remedy at law is available, and Franchisee consents to the issuance of an injunction prohibiting any conduct violating the terms of this Section 8. Such injunctive relief will be in addition to any other remedies that Franchisor may have.

(d) Binding Other Covenanting Parties. Each Covenanting Party other than Franchisee shall bind themselves to the noncompete provisions in this Section 8 by signing, as applicable, the Franchisor's then-current form of guaranty or a noncompete agreement prescribed by Franchisor.

SECTION 9--RELATIONSHIP OF PARTIES; INDEMNIFICATION

9.1. Independent Contractor.

Franchisee is an independent contractor. Nothing in this Agreement, or arising from the conduct of the parties hereunder, is intended to or does in fact or law make either party a general or special agent, joint venturer, partner, or employee of the other for any purpose. Neither this Agreement, the nature of the relationship of the parties nor the dealings of the parties pursuant to this Agreement creates a fiduciary relationship between the parties. Further, Franchisor and Franchisee are not and do not intend to be partners, associates, or joint employers in any way, and Franchisor shall not be construed to be jointly liable for any of Franchisee's acts or omissions under any circumstances. Although Franchisor retains the right to establish and modify the System that Franchisee must follow, Franchisee retains the responsibility for the day-to-day management and operation of the Franchised Business and implementing and maintaining Standards at the Franchised Business. To the extent that the Manual or Franchisor's guidelines or standards contain employee-related policies or procedures that might apply to Franchisee's employees, those policies and procedures are provided for informational purposes only and do not represent mandatory policies and procedures to be implemented by Franchisee. Franchisee must determine to what extent, if any, these policies and procedures may be applicable to the operations at the Franchised Business. Franchisor and Franchisee recognize that Franchisor neither dictates nor controls labor or employment matters for franchisees and that Franchisee, and not Franchisor, is solely responsible for dictating the terms and conditions of employment for Franchisee's employees, including, but not limited to, training, wages, benefits, promotions, hirings and firings, vacations, safety, work schedules, and specific tasks. Franchisor has no relationship with Franchisee's employees, and Franchisee has no relationship with Franchisor's employees. Franchisor and Franchisee may not make any express or implied agreements, warranties, guarantees, or representations, or incur any debt, in the name or on behalf of the other or represent that their relationship is other than Franchisor and franchisee. Franchisor will not be obligated by or have any liability under any agreements made by Franchisee with any third party or for any representations made by Franchisee to any third party. Franchisor will not be obligated for any damages to any person or property directly or indirectly arising out of Franchisee's operation of the Franchised Business.

9.2. Separate Identification of Business.

Franchisee must identify the Franchised Business as a separate business by filing an assumed name certificate or other documentation as appropriate in the state and/or county of location of the Franchised Business. Franchisee agrees to conspicuously identify itself in all dealings with customers, lessors, contractors, suppliers, public officials, employees and others as the owner of the Franchised Business. Franchisee must display such signs, notices, or plaques as Franchisor specifies to identify the separate ownership of the Franchised Business.

9.3. Taxes.

Franchisee must pay, when due, all taxes of every kind applicable to the Franchised Business or the income of the Franchised Business, including all local, state or federal taxes. Franchisor has no liability for any sales, use, service, occupation, excise, gross receipts, income, property, or other taxes, whether levied upon Franchisee or its principals or the Franchised Business, due to the business Franchisee conducts (except for Franchisor's income taxes). Franchisee is responsible for paying these taxes and must reimburse Franchisor for any taxes that Franchisor must pay to any federal, state or local taxing authority on account of either Franchisee's operation or payments that Franchisee makes to Franchisor. Franchisee acknowledges that its tax liability may include taxes on services that may be imposed by states other than the state in which Franchisee is located. Franchisee is solely responsible for complying with all local, state, and federal tax laws and should consult with its legal and tax advisors regarding potential tax liabilities.

9.4. Indemnification.

(a) Indemnification Obligation. From and after the Effective Date, Franchisee and its Owners, jointly and severally, shall indemnify Franchisor and its Affiliates and their respective officers, directors, stockholders, members, managers, partners, employees, agents, attorneys, contractors, legal predecessors, legal successors, and assigns of each of the forgoing entities/individuals (in their corporate and individual capacities) (collectively, all such individuals and entities are referred to herein as "**Franchisor Indemnitees**") and hold Franchisor Indemnitees harmless to the fullest extent permitted by Applicable Laws, from any and all Losses and Expenses incurred in connection with any litigation or other form of adjudicatory procedure, claim, demand, investigation, or formal or informal inquiry (regardless of whether it is reduced to judgment) or any settlement thereof which arises directly or indirectly from, or as a result of, a claim of a third party in connection with the selection, development, ownership, operation or closing of the Franchised Business, including the failure of Franchisee to perform any covenant or agreement under this Agreement or any activities of Franchisee on or after the Effective Date, or any claims by any employee of Franchisee arising out of or relating to his or her employment with Franchisee (collectively, "**Event**"), and regardless of whether it resulted from any strict or vicarious liability imposed by law on Franchisor Indemnitees; provided, however, that this indemnity will not apply to any liability arising from a breach of this Agreement by any of Franchisor Indemnitees or the gross negligence or willful acts of any of Franchisor Indemnitees (except to the extent that joint liability is involved, in which event the indemnification provided herein will extend to any finding of comparative or contributory negligence attributable to Franchisee).

(b) Indemnification Procedure. Promptly after the receipt by any Franchisor Indemnitee of notice of the commencement of any action against such Franchisor Indemnitee by a third party (such action, a "**Third-Party Claim**"), Franchisor Indemnitee will, if a claim with respect thereto is to be made for indemnification pursuant to Section 9.4 give a claim notice to Franchisee with respect to such Third-Party Claim. No delay or failure on the part of Franchisor Indemnitee in so notifying Franchisee will limit any liability or obligation for indemnification pursuant to Section 9.4, except to the extent of any material prejudice to Franchisee with respect to such claim caused by or arising out of such delay or failure. Franchisor will have the right to assume control of the defense of such Third-Party Claim, and Franchisee and its principals will be responsible for the costs incurred in connection with the defense of such Third-Party Claim. Franchisee and its principals will furnish Franchisor with such information as it may have with respect to such Third-Party Claim (including copies of any summons, complaint or other pleading which may have been served on such party and any written claim, demand, invoice, billing or other document evidencing or asserting the same) and will otherwise cooperate with and assist Franchisor in the defense of such Third-Party Claim. Franchisor may as it deems necessary and appropriate take such actions to take remedial or corrective action with respect thereof as may be, in Franchisor's reasonable discretion, necessary for the protection of Franchisor Indemnitees or the collective franchise system generally. Franchisor will not agree to any settlement of, or the entry of any judgment arising from, any Third-Party Claim without the prior written consent of Franchisee and its principals, which will not be unreasonably withheld, conditioned or delayed. Any settlement or compromise of any Third-Party Claim must include a written release from liability of such claim for all Franchisor Indemnitees.

(c) Losses and Expenses. For purposes of Section 9.4, "**Losses and Expenses**" means losses, liabilities, claims, penalties, damages (compensatory, exemplary, and punitive), fines, payments, attorneys' fees, experts' fees, court costs, costs associated with investigating and defending against claims, settlement amounts, judgments, assessments, compromises, compensation for damages to Franchisor's reputation and goodwill, and all other costs associated with any of the foregoing losses and expenses. The fees and expenses of counsel incurred by Franchisor will be considered Losses and Expenses for purposes of this Agreement.

SECTION 10--DISPUTE RESOLUTION AND GOVERNING LAW

10.1. Governing Law.

Except to the extent governed by the United States Trademark Act (the Lanham Act) or the Federal Arbitration Act, this Agreement and all disputes directly or indirectly related to or arising from this Agreement or the parties' business relationship shall be governed, interpreted, and construed under the laws of the State of Georgia, which laws shall prevail in the event of any conflict of law, without regard to the application of any Georgia conflict-of-law rules. Nothing in this Section is intended by the parties to subject this Agreement to any franchise or similar law, rule, or regulation of the State of Georgia to which it would not otherwise be subject.

10.2. Alternative Dispute Resolution Procedure.

Except as otherwise provided in Section 10.3 (Exceptions to Alternative Dispute Resolution), any claim, dispute, suit, action, controversy, or proceeding of any type whatsoever between (i) the Franchisee Parties or any of their officers, directors, and employees (the "**Franchisee Related Parties**") and (ii) Franchisor, its Affiliates, or each of their respective former and current owners, stockholders, members, managers, predecessors, successors, assigns, agents, directors, officers, employees, representatives, attorneys, divisions, benefits administrators, investors, or funds (the "**Franchisor Related Parties**") relating to (a) this Agreement, (b) the relationship of any of the Franchisor Related Parties with any of the Franchisee Related Parties, or (c) the Franchised Business, including disputes related to compliance with franchise, labor, or employment laws (collectively, (a) through (c), the "**Covered Disputes**") must be resolved in accordance with the alternative dispute resolution procedures described in this Section 10.2. The Franchisee Related Parties and any Franchisor Related Parties shall all be considered third-party beneficiaries of this Agreement and shall be included in the term "parties" or "party" in this Section 10.2.

(a) Informal Negotiation. To initiate the dispute resolution process, the party alleging a Covered Dispute must provide the other party with written notice setting forth the factual and legal bases for the alleged Covered Dispute in detail and requesting a meeting (the "**Dispute Notice**"). Each Covered Dispute must be discussed in a face-to-face meeting or, upon agreement of the parties, in a video or telephone conference call held within 30 days after such Dispute Notice is provided to the other party. Unless otherwise agreed by the parties, the party initiating the process must wait at least thirty (30) days after the Dispute Notice has been delivered to the other party before submitting the dispute to mediation.

(b) Mediation. If the Covered Dispute is not resolved informally as provided in Section 10.2(a) (Informal Negotiation), the party alleging the Covered Dispute must submit the Covered Dispute for non-binding mediation. All parties must attend and participate in the mediation with a representative having authority to resolve the Covered Dispute. The mediation shall be governed by the rules of the American Arbitration Association (the "**AAA**") before one mediator selected by the parties, and if the parties cannot agree upon the mediator, then a mediator selected by the AAA. It is the intent of the parties that mediation shall be held not later than 30 days after a written request for mediation shall have been served on the other parties, unless the parties agree otherwise. The mediation shall be held in the metropolitan area of Franchisor's then-current principal place of business (currently, Atlanta, Georgia) and shall not last more than one day, unless the parties agree otherwise. The parties will split equally the cost of any mediation. Any party may be represented by counsel and may bring persons appropriate to the proceeding.

(c) Arbitration. If the parties do not resolve the Covered Dispute after the conclusion of the mediation, such Covered Dispute must be subject to and resolved exclusively by binding arbitration. **This means that all Covered Disputes that either party would otherwise have the legal right to sue for in court shall be subject to final and binding arbitration under the arbitration provisions setforth in this Section 10.2(c) and not decided by a court or a jury.** If there are any ambiguities in the terms or conditions of this Section 10, it is the parties' intent that all ambiguities be resolved in favor of arbitration. For the purposes of this Section 10.2(c), Covered Disputes will not include disputes that an applicable federal statute provides cannot be arbitrated or cannot be subject to a pre-dispute agreement to arbitrate.

(i) Arbitration Procedure. Either party may commence arbitration by sending written demand for arbitration to the other party and filing the same with the AAA. The arbitration proceeding shall be conducted in accordance with the then-current Commercial Arbitration Rules of the AAA. All arbitration proceedings will be held at the offices of the AAA or other suitable offices that Franchisor selects in the metropolitan area in which its principal place of business is then located (currently, Atlanta, Georgia) The arbitrator shall have no authority to select a different hearing locale. All matters relating to arbitration will be governed by the Federal Arbitration Act (9 U.S.C. §§ 1 et seq.).

(ii) Selection of the Arbitrator. The arbitration proceeding shall be presided over and decided by a single arbitrator if neither party seeks relief exceeding $500,000 in total, inclusive of any claims for attorneys' fees, costs, and other expenses of the proceeding (excluding arbitrators' fees). Alternatively, if either party seeks relief exceeding $500,000 in total, inclusive of any claims for attorneys' fees, costs, and other expenses of the proceeding (excluding arbitrators' fees), the arbitration proceeding shall be presided over and decided by a panel of three arbitrators. In either event, the arbitrator(s) shall be selected under the procedures of the AAA then in effect at the time of filing the arbitration demand, with the single arbitrator or at least one of the panel arbitrators, as the case may be, who have primarily practiced franchise law for at least five years.

(iii) Scope. The arbitrator (and not a court) shall decide all issues with respect to any Covered Dispute, including issues regarding the non-availability of class arbitration, timeliness, arbitration procedures, statute of limitations, and all other issues regarding the application, interpretation, enforceability, coverage, and implementation of Section 10.2(c), including whether the parties have entered into this Agreement. In accordance with Section 10.6 (Mutual Waiver of Class or Collective Actions), the arbitrator shall have no authority to consider or resolve any claim or issue in a Covered Dispute on any basis other than on an individual basis and may not consolidate or join one or more Covered Disputes pertaining to Franchisee or another Franchisee Related Party with any other dispute(s).

(iv) Relief. The arbitrator shall have the power and authority in a Covered Dispute to award any remedy or relief available under Georgia law, including actual damages (with interest on unpaid amounts from the date due), specific performance, injunctive relief, and attorneys' fees and costs (in accordance with Section 10.10 (Enforcement Expenses)), except the arbitrator may not (a) declare any Mark generic or otherwise invalid or (b) award any indirect, special, consequential, exemplary, lost profits (excluding liquidated damages as detailed in Section 6.4 (Liquidated Damages)), or punitive damages against either party, except as expressly provided in Section 10.5 (Mutual Limitation of Liability and Waiver of Punitive Damages). If the arbitration is presided by a single arbitrator, notwithstanding anything to the contrary in this Agreement, the arbitrator may not grant any party monetary relief exceeding $500,000 in total, inclusive of any claims for attorneys' fees, costs, and other expenses of the proceeding (excluding arbitrators' fees).

(v) Binding Decision. The arbitrator or arbitration panel shall issue a reasoned award. The decision and award of the arbitrator will be final, conclusive, and binding on all parties regarding any claims, counterclaims, issues, or accountings presented or pled to the arbitrator, and judgment on the award, including any partial, temporary or interim award, may be entered in any court of competent jurisdiction (and such proceeding shall not itself be deemed a Covered Dispute).

(vi) Confidentiality. All evidence, testimony, records, documents and information disclosed in any arbitration hearing between the parties will be secret and confidential in all respects. Neither party will disclose any evidence, testimony, records, documents or information from any arbitration hearing to any other person or entity except the party's attorney or as required or expressly permitted by Georgia law.

10.3. Exceptions to Alternative Dispute Resolution.

(a) Excepted Disputes. Unless Franchisor consents in writing otherwise, the following disputes, including Covered Disputes, will not be subject to or resolved through the informal negotiation, non-binding mediation, and binding arbitration procedures specified in Section 10.2 (Alternative Dispute Resolution Procedure) and will instead be resolved through litigation: (a) disputes relating to Franchisee's use of the Marks (including Lanham Act or common law claims); (b) disputes that otherwise relate to the ownership or validity of any of Franchisor's intellectual property or the enforcement of Franchisor's intellectual property rights; (c) disputes that involve protection of Franchisor's Confidential Information; (d) disputes related to the enforcement of Section 8.2 (Exclusive Business, Non-Competition); and (e) disputes related to the payment of sums that any of the Franchisee Related Parties owes to any of the Franchisor Related Parties (collectively, "**Excepted Disputes**"). The parties acknowledge and agree that any dispute or challenge as to whether a claim qualifies as an Excepted Dispute shall be determined by a court and not in arbitration.

(b) Injunctive Relief. Notwithstanding the parties' agreement to resolve Covered Disputes through the informal negotiation, non-binding mediation, and binding arbitration procedures specified in Section 10.2 (Alternative Dispute Resolution Procedure), either party will have the right to seek temporary restraining orders and temporary or preliminary injunctive relief from a court of competent jurisdiction to obtain interim relief when deemed necessary by such court to preserve the status quo or prevent irreparable injury pending resolution of the actual Covered Dispute that would otherwise be subject to arbitration; provided, however, that such party must contemporaneously submit the Covered Dispute for informal negotiation, non-binding mediation, and binding arbitration on the merits as provided in Section 10.2 (Alternative Dispute Resolution Procedure). In addition to any other relief available at law or equity, Franchisor will have the right to obtain restraining orders or temporary or permanent injunctions to, among other things: (a) enforce the provisions of this Agreement related to the use or protection of the Marks, Confidential Information, other components of the System, or other intellectual property of any of the Franchisor Related Parties; (b) enforce the non-compete covenants in Section 8.2 (Exclusive Business, Non-Competition); (c) enforce the obligations of any Franchisee Related Party on termination or expiration of this Agreement; and (d) prohibit any act or omission by any Franchisee Related Party that is a violation of Applicable Laws or that threatens to harm the Marks, the System, or the business of other franchisees or the Franchisor Related Parties. Franchisee agrees that the Franchisor Related Parties will not be required to prove actual damages or post a bond in excess of $1,000 or other security in seeking or obtaining injunctive relief (both preliminary and permanent) and/or specific performance with respect to this Agreement.

(c) Forum for Litigation. Any litigation related to an Excepted Dispute or for injunctive relief pursuant to Section 10.3(b) must be filed exclusively in the state court or United States District Court for the district in which Franchisor has its principal place of business at the time of filing (currently, Atlanta, Georgia) (the "**Exclusive Forum**"). The parties waive all objections or challenges to personal jurisdiction and venue in the Exclusive Forum, including forum *non conveniens* and transfer under 28 U.S.C. § 1404. Notwithstanding the foregoing, Franchisor may enforce this Agreement in the courts of the state or states in which Franchisee is domiciled or the Franchised Business is operated.

(d) Related Claims. If Franchisor files any litigation seeking injunctive relief or asserting any claims related to any Excepted Disputes, Franchisor may assert and resolve all related claims, including claims related to Covered Disputes, in the same litigation action, notwithstanding Section 10.2 (Alternative Dispute Resolution Procedure).

10.4. MUTUAL WAIVER OF JURY TRIAL.

THE PARTIES EACH KNOWINGLY, VOLUNTARILY, AND IRREVOCABLY WAIVE ANY RIGHT TO A TRIAL BY A JURY IN ANY COVERED DISPUTE AND ANY RIGHT TO HAVE A COVERED DISPUTE BE DECIDED BY A COURT OR A JURY.

10.5. MUTUAL LIMITATION OF LIABILITY AND WAIVER OF PUNITIVE DAMAGES.

EXCEPT FOR (A) CLAIMS RELATED TO THE FRANCHISEE RELATED PARTIES' OBLIGATION TO INDEMNIFY FRANCHISOR AND THE FRANCHISOR INDEMNITIES FOR THIRD-PARTY CLAIMS UNDER SECTION 9.4 (INDEMNIFICATION), (B) CLAIMS RELATED TO ANY OF THE FRANCHISEE RELATED PARTIES' INFRINGEMENT OF ANY OF THE FRANCHISOR RELATED PARTIES' INTELLECTUAL PROPERTY, AND (C) CLAIMS RELATED TO ANY FRANCHISEE RELATED PARTIES' BREACH OF ITS OBLIGATIONS

UNDER SECTION 8.1 (CONFIDENTIAL INFORMATION), NEITHER PARTY WILL BE ENTITLED TO RECOVER INDIRECT, SPECIAL, CONSEQUENTIAL, EXEMPLARY, OR PUNITIVE DAMAGES FOR ANY CLAIM UNDER OR RELATED TO THIS AGREEMENT OR THE PARTIES' BUSINESS RELATIONSHIP.

10.6. MUTUAL WAIVER OF CLASS OR COLLECTIVE ACTIONS.

FRANCHISOR AND FRANCHISEE EACH WAIVE ANY RIGHT TO BRING ANY CLAIMS ON A CLASS-WIDE OR GROUP, REPRESENTATIVE, CONSOLIDATED, JOINT, OR COLLECTIVE BASIS. EACH PARTY MUST BRING ANY CLAIMS AGAINST THE OTHER PARTY ON AN INDIVIDUAL BASIS AND MAY NOT JOIN ANY CLAIM IT MAY HAVE WITH CLAIMS OF ANY OTHER PERSON OR ENTITY OR OTHERWISE PARTICIPATE IN A CLASS OR COLLECTIVE ACTION AGAINST THE OTHER PARTY.

10.7. ONE-YEAR LIMITATION ON CLAIMS.

ANY AND ALL CLAIMS ARISING OUT OF OR RELATING TO THIS AGREEMENT OR COVERED DISPUTES WILL BE BARRED UNLESS AN ARBITRATION OR JUDICIAL PROCEEDING IS COMMENCED IN THE PROPER FORUM WITHIN ONE YEAR FROM THE DATE ON WHICH THE VIOLATION, ACT, OMISSION, OR CONDUCT GIVING RISE TO THE CLAIM OCCURS, REGARDLESS OF WHEN THE PARTY ASSERTING THE CLAIM KNEW OR SHOULD HAVE KNOWN OF THE FACTS GIVING RISE TO THE CLAIM, except for claims (which may be brought by any Franchisor Related Party against any Franchisee Related Party at any time): (a) relating to third-party claims or suits brought against any Franchisor Related Party as a result of the operation of the Franchised Business; (b) relating to the enforcement of any intellectual property rights of any Franchisor Related Party; (c) relating to Franchisee's non-payment or underpayment of amounts owed to a Franchisor Related Party; (d) concerning the obligations of any Franchisee Related Party under Section 8.1 (Confidential Information) or Section 8.2 (Exclusive Business, Non-Competition) of this Agreement; (e) related to the non-compliance of any Franchisee Related Parties with any post-termination obligations under this Agreement; and (f) regarding an assignment of this Agreement or any ownership interest therein.

10.8. No Collateral Estoppel.

No arbitration finding, conclusion or award may be used to collaterally estop or otherwise preclude either party from raising any like or similar claim, issue, or defense against third parties, including Franchisees, in any subsequent arbitration, litigation, court hearing or other proceeding.

10.9. Remedies Not Exclusive.

Except as provided for in Section 10.5 (Mutual Limitation of Liability and Waiver of Punitive Damages), no right or remedy that the parties have under this Agreement is exclusive of any other right or remedy under this Agreement or under Georgia law. Each and every such remedy will be in addition to, and not in limitation of or substitution for, every other remedy available at law or in equity or by statute or otherwise.

10.10. Enforcement Expenses.

(a) Payable by Franchisee. Franchisee agrees to reimburse Franchisor (or the relevant Franchisor Related Party) for all costs and expenses Franchisor and any Franchisor Related Party reasonably incurs (including accountants', attorneys', investigators', and expert witness fees, cost of investigation and proof of facts, court costs, arbitration fees, other litigation expenses, and travel, and living expenses) (i) to enforce the terms of this Agreement or any Related Agreement owed to Franchisor or any Franchisor Related Party by Franchisee and/or any Franchisee Related Party (whether or not Franchisor or the Franchisor Related Party initiates a legal proceeding, including arbitration, unless Franchisor or the Franchisor Related Party initiates and fails to substantially prevail in such court or formal legal proceeding, including arbitration); and (ii) in the defense of any claim Franchisee and/or any Franchisee Related Party asserts against Franchisor or any Franchisor Related Party on which Franchisor or the Franchisor Related Party substantially prevails in court or other formal legal proceedings, including arbitration.

(b) Payable by Franchisor. Franchisor agrees to reimburse Franchisee for all expenses Franchisee reasonably incurs (including accountants', attorneys', investigators', and expert witness fees, cost of investigation and proof of facts, court costs, arbitration costs, other litigation expenses, and travel, and living expenses): (i) to enforce the terms of this Agreement or any obligation owed to Franchisee by Franchisor (whether or not Franchisee initiates a legal proceeding, including arbitration, unless Franchisee initiates and fails to substantially prevail in such court or formal legal proceeding, including arbitration); and (ii) in the defense of any claim Franchisor asserts against Franchisee on which Franchisee substantially prevails in court or other formal legal proceedings, including arbitration.

10.11. No Recourse.

Franchisee and its Owners acknowledge and agree that, except as provided under an express statutory liability for such conduct, (a) Franchisor's Affiliates and (b) Franchisor's and its Affiliates' respective former and current owners, stockholders, members, managers, predecessors, successors, assigns, agents, directors, officers, employees, representatives, attorneys, parent companies, divisions, subsidiaries, benefits administrators, investors, affiliates, funds, vendors, and service providers will not be liable for (i) any of Franchisor's obligations or liabilities relating to or arising from this Agreement, (ii) any claim against Franchisor based on, in respect of, or by reason of, the relationship between any Franchisee Party and Franchisor, or (iii) any claim against Franchisor based on any of Franchisor's alleged unlawful acts or omissions. For the avoidance of doubt, this provision constitutes an express waiver of any claims based on a theory of vicarious liability to the fullest extent allowed under Applicable Laws, unless such vicarious claims are authorized by an express written guarantee of performance or a statutory obligation.

SECTION 11--OTHER PROVISIONS

11.1. Franchisor's Right to Exercise its Business Judgment.

Franchisor has the right to operate, develop, and change the System in any manner that is not specifically prohibited by this Agreement. Whenever Franchisor has reserved in this Agreement, or is deemed to have, a right to take or to withhold an action, or to grant or decline to grant Franchisee a right to take or omit an action, Franchisor may make such decision or exercise its right and/or discretion on the basis of Franchisor's judgment of what is in Franchisor's best interests, including Franchisor's judgment of what is in the best interests of the franchise network, at the time Franchisor's decision is made or its right or discretion is exercised, without regard to whether: (a) other reasonable alternative decisions or actions, or even arguably preferable alternative decisions or actions, could have been made by Franchisor; (b) Franchisor's decision or the action taken promotes Franchisor's financial or other individual interest; (c) Franchisor's decision or the action it takes applies differently to Franchisee and one or more other franchisees or Franchisor's company-owned or affiliate-owned operations; or (4) Franchisor's decision or the exercise of its right or discretion is adverse to Franchisee's interests. In the absence of an applicable statute, Franchisor will have no liability to Franchisee for any such decision or action. Franchisor and Franchisee intend that the exercise of Franchisor's right or discretion will not be subject to limitation or review. If Applicable Laws imply a covenant of good faith and fair dealing in this Agreement, Franchisor and Franchisee agree that such covenant shall not imply any rights or obligations that are inconsistent with a fair construction of the terms of this Agreement and that this Agreement grants Franchisor the right to make decisions, take actions, and/or refrain from taking actions that are not inconsistent with Franchisee's rights and obligations under this Agreement.

11.2. Modification of System.

Because complete and detailed uniformity under many varying conditions is not generally possible or practical, Franchisee acknowledges that Franchisor specifically reserves the right, in its sole discretion, to vary the System standards for any franchisee based upon the peculiarities of any condition or factors that Franchisor considers important to that franchisee's successful operation. Any policies that Franchisor adopts and implements from time to time to guide Franchisor in its decision-making are subject to change, are not a part of this Agreement and are not binding on Franchisor.

11.3. Variations.

Franchisee also acknowledges and agrees that Franchisor may impose requirements on Franchisee relating to aspects of the development and operation of the Franchised Business that may not be uniformly imposed on all franchisees. These aspects may include training, equipment, reporting, sales and marketing, participation in Franchisor programs, operational, and other requirements. The differences in requirements may be based on the franchisee's experience, the demographics of the marketing area, the density of the population, whether the area is a metro area, and other reasonable factors as determined by Franchisor. Franchisee has no right to require Franchisor to grant it a similar variation or accommodation. Franchisee acknowledges that some present franchisees of Franchisor may operate under different forms of franchise agreements and, consequently, that Franchisor's obligations and rights with respect to its various franchisees may differ materially in certain circumstances.

11.4. Waiver of Obligations.

Franchisor and Franchisee may by written instrument unilaterally waive or reduce any obligation of or restriction upon the other under this Agreement, effective upon delivery of written notice thereof to the other or such other effective date stated in the notice of waiver. Whenever this Agreement requires Franchisor's prior approval or consent, Franchisee shall make a timely written request therefor, and such approval shall be obtained in writing. Franchisor makes no warranties or guarantees upon which Franchisee may rely, and assumes no liability or obligation to Franchisee, by granting any waiver, approval or consent to Franchisee, or by reason of any neglect, delay or denial of any request therefor. Any waiver granted by Franchisor shall be without prejudice to any other rights Franchisor may have, will be subject to continuing review by Franchisor, and may be revoked, in Franchisor's sole discretion, at any time and for any reason, effective upon receipt by Franchisee of 10 days prior written notice. Franchisor shall not be deemed to have waived or impaired any right, power or option reserved by this Agreement (including, without limitation, its right to demand exact compliance with every term, condition and covenant herein, to declare any breach thereof to be a default, and, upon the expiration of the applicable cure period (if any), to terminate this Agreement), by virtue of any custom or practice of the parties at variance with the terms hereof; any failure by Franchisor or Franchisee to demand strict compliance with this Agreement; any waiver, forbearance, delay, failure or omission by Franchisor to exercise any right, power or option, whether of the same, similar or different nature, against other Franchised Businesses or the acceptance by Franchisor of any payments due from Franchisee after any breach of this Agreement. No acceptance by Franchisor of any payment by Franchisee and no failure, refusal or neglect of Franchisor or Franchisee to exercise any right under this Agreement or to insist upon full compliance by the other with its obligations hereunder, including, without limitation, any mandatory specification, standard or operating procedure, shall constitute a waiver of any provision of this Agreement.

11.5. Force Majeure.

Neither Franchisor nor Franchisee will be liable for loss or damage to the other, or be in breach of, this Agreement if Franchisor's or Franchisee's failure to perform their respective obligations results from: (a) compliance with the orders, requests, regulations, or recommendations of any federal, state, or municipal government; (b) acts of God; (c) strikes or lock-outs; (d) fires, embargoes, insurrection, war, acts of terrorism or similar events, or riots; (e) epidemic, pandemic, or mass casualty event; or (f) any other similar event or cause beyond the reasonable control of either party or their Affiliates (a "**Force Majeure Event**"). Any delay resulting from a Force Majeure Event will extend performance or excuse performance, in whole or in part, as may be reasonable, except that a Force Majeure Event will not excuse payments of amounts owed at the time of the Force Majeure Event or payment of Operating Fees or other amounts due Franchisor.

11.6. Notices.

All written notices, reports and payments permitted or required under this Agreement will be deemed delivered at the time of delivery by express courier or messenger service, one business day after sending by facsimile or e-mail transmission and three business days after placed in the U.S. mail by Registered or Certified Mail, Return Receipt Requested, postage prepaid and addressed to the party to be notified at its most current principal business address of which the notifying party has been advised, or to any other place designated by either party. Franchisee agrees to provide Franchisor with its e-mail address and facsimile number and any changes thereto. Franchisee agrees and acknowledges that Franchisor may determine the method of document delivery and execution, including without limitation, use of electronic signature programs.

11.7. Public Offerings.

Despite any other provisions in this Agreement, Franchisee and its Owners may not, without Franchisor's prior written consent (which Franchisor may grant or withhold for any or no reason), attempt to raise or secure funds by selling or offering to sell any ownership interest in Franchisee (including, without limitation, common or preferred stock, bonds, debentures, membership interests, or general or limited partnership interests) in a public offering for which a registration statement must be filed with the Securities Exchange Commission or with any similar state regulatory authority having jurisdiction over the sale of securities where registration is required as a condition of the sale of securities in that state.

11.8. Franchisee Parties.

Franchisee is responsible for ensuring that the Franchisee Parties comply with any terms of this Agreement that are applicable to such party and do not violate the terms of this Agreement. If an Affiliate or Owner of Franchisee breaches this Agreement or causes Franchisee to breach this Agreement, Franchisor, in its sole discretion, may hold Franchisee liable for such breach. If Franchisee is two or more persons, the covenants on the part of the Franchisee will be joint and severable covenants of those persons.

11.9. No Third-Party Beneficiaries.

Except as expressly otherwise provided herein, no third party shall have the right to claim any of the benefits conferred under this Agreement.

11.10. Time is of the Essence.

Time is of the essence as to all of the provisions of this Agreement, including but not limited to the payment of monies and the opening of the Franchised Business.

11.11. Entire Agreement; Modifications to Agreement.

This Agreement and all exhibits and other documents attached to this Agreement are incorporated in this Agreement by reference and constitute the full and entire agreement between the parties. This Agreement supersedes all previous representations, inducement, agreements or understandings between the parties and such previous representations, inducements, agreements and/or understandings, if any, are merged into this Agreement and superseded by this Agreement. No officer or employee or agent of Franchisor has any authority to make any representation, inducement, or promise not contained in this Agreement or Related Agreements, or in any Franchise Disclosure Document for prospective franchisees required by Georgia law. Nothing in this Agreement or any Related Agreement is intended to disclaim or to require Franchisee to waive reliance on any representation in the Franchise Disclosure Document delivered to Franchisee or in its exhibits or amendments. This Agreement cannot be amended or modified other than by an agreement in writing executed by both parties, except as provided in Section 11.15 and except by Franchisor amending its policies or Manual or as otherwise specifically provided for in this Agreement.

11.12. Severability and Substitution of Valid Provisions.

Except as expressly provided to the contrary in this Agreement, each section, paragraph, term, and provision of this Agreement is severable, and if for any reason any part is held to be invalid or contrary to or in conflict with any applicable present or future law or regulation in a final, unappealable ruling issued by any court, agency, or tribunal with competent jurisdiction, that ruling will not impair the operation of, or otherwise affect, any other portions of this Agreement, which will continue to have full force and effect and bind the parties.

11.13. Binding Effect.

This Agreement is binding upon Franchisor and Franchisee and their respective executors, administrators, heirs, beneficiaries, permitted assigns, and successors in interest.

11.14. Construction.

Section headings are for reference purposes only and do not in any way modify or limit the statements contained in any Section. All words in this Agreement are deemed to include any number or gender as the context or sense of this Agreement requires. The words "**include**," "**includes**," "**including**," and words of similar import shall be interpreted to mean "including, but not limited to" and the terms following such words shall be interpreted as examples of, and not an exhaustive list of, the appropriate subject matter. The term "**Franchisee**" includes all persons or entities who succeed to the interest of the original Franchisee by transfer or operation of law. The term "**Affiliate**" or "**affiliate**" (singular or plural) means, with respect to a party, any person or entity directly or indirectly owned or controlled by, under common control with, or owning or controlling, such party. For purposes of this definition, "**control**" means the power to direct or cause the direction of management and policies.

11.15. Amendment of Prior Agreements.

In order to obtain uniformity and quality of operation, performance, dispute resolution and other matters, Franchisor amends its standard Franchise Agreement from time to time. As a result, this Agreement may be different than other franchise agreements Franchisee may have signed in the past and may contain revised provisions regarding modifications to the System, manner of payment of fees and late fees, minimum performance requirements, duties of franchisee, protection of trademarks, status and protection of Manual and confidential information, advertising, insurance, accounting and records, transfers, default and termination, obligations on termination, franchisee covenants, taxes, indemnification, approvals and waivers, notices, construction of agreement, Georgia law and/or other matters. To cooperate with Franchisor in the achievement of these goals and as a condition of the grant of an additional franchise, Franchisee and its Owners (on behalf of the Franchisee Parties) agree that all existing franchise agreements between a Franchisee Party and Franchisor or its Affiliates are amended to include all the provisions of this Agreement (if the existing franchise agreements do not already include these provisions), which will replace any provisions in the existing franchise agreements that are inconsistent with the provisions of this Agreement; provided that, the following provisions of the existing franchise agreements will not be changed by the signing of this Agreement: (a) the Marketing Area designated in each of the existing franchise agreements (although the right of Franchisor to change the Marketing Areas based on certain circumstances may be affected); (b) the amount of royalty payable under each of the existing franchise agreement; and (c) the length of the term of each of the existing franchise agreements. **FRANCHISEE AND ITS OWNERS ACKNOWLEDGE AND UNDERSTAND THAT THIS SECTION AMENDS ALL OF FRANCHISEE'S (AND ITS AFFILIATES') EXISTING FRANCHISE AGREEMENTS WITH FRANCHISOR OR ITS AFFILIATES AND THAT ANY SUCH AMENDMENT WILL SURVIVE THE EXPIRATION OR TERMINATION OF THIS AGREEMENT.** Franchisee shall sign or cause the other Franchisee Parties to sign any further documents that Franchisor requests to confirm or otherwise document this amendment, though no other documentation shall be deemed necessary to make the amendments described in this Section automatically enforceable upon the execution of this Agreement.

11.16. Franchisor's Reliance.

Franchisee recognizes that Franchisor has entered into this Agreement in reliance upon and in recognition of the fact that Franchisee will have full responsibility for the management and operation of the business licensed by this Agreement.

11.17. Not Withhold Payments.

Franchisee agrees that it will not, on grounds of the alleged nonperformance by Franchisor of any of its obligations hereunder, withhold payment of any Royalty Fees, Advertising Fees, amounts due to Franchisor or its Affiliates for products or services purchased by Franchisee or any other amounts due to Franchisor or its Affiliates. If there is a dispute regarding the amount of any Royalty Fee/Advertising Fee invoice, Franchisee must pay first the disputed invoice amount in full and submit in writing to Franchisor the reason and nature of the dispute. Franchisor will in good faith investigate the dispute and within sixty (60) days submit back to Franchisee its findings and adjust as Franchisor deems necessary.

11.18. Survival.

Each provision of this Agreement that expressly or by reasonable implication is to be performed, in whole or in part, after the expiration, termination, or Transfer of this Agreement will survive such expiration, termination, or Transfer, including Sections 3 (Protection of the Franchise System), 6 (Obligations and Rights on Termination or Expiration), 8 (Confidentiality and Non-competition), 9.4 (Indemnification), and 10 (Dispute Resolution and Governing Law).

11.19. Acknowledgements for All Franchisees.

To induce Franchisor to sign this Agreement and grant Franchisee the rights under this Agreement, Franchisee (on behalf of itself and its Owners) represents, warrants and acknowledges to Franchisor that:

(a) no Franchisee Parties' property or interests are subject to being blocked under, and Franchisee and its Owners otherwise are not in violation of, Executive Order 13224 issued by the President of the United States, the USA PATRIOT Act, or any other federal, state, or local law, ordinance, regulation, policy, list or other requirement of any governmental authority addressing or in any way relating to terrorist acts or acts of war; and

(b) in all of their dealings with Franchisor and its Affiliates, the Franchisee Parties' respective officers, employees, and agents act only in a representative, and not in an individual, capacity and that business dealings between Franchisee and them as a result of this Agreement are only between Franchisee and Franchisor.

11.20. Acknowledgements for Franchisees in Certain States.

The following acknowledgements apply to all franchisees and Franchised Businesses, except those that are subject to the state franchise disclosure laws in California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, or Wisconsin:

(a) Risk of Operation. Franchisee recognizes the uncertainties inherent in all business ventures and that an investment in a Franchised Business involves business risks. Franchisee acknowledges that Franchisee's business abilities and efforts are vital to Franchisee's success and that obtaining and retaining customers for the Franchised Business will require Franchisee (among other things) to make consistent marketing and promotional efforts and to maintain a high level of customer service and strict adherence to the System and the Standards.

(b) Representations. Franchisee agrees that it has executed this Agreement without reliance upon any representation or promise other than those contained in this Agreement or Related Agreements or in any Franchise Disclosure Document provided by Franchisor. Further, Franchisee agrees and acknowledges that, except as specifically set forth in this Agreement and in Franchisor's Franchise Disclosure Document, no representations or warranties, express or implied, have been made to Franchisee, either by Franchisor or anyone acting on its behalf or purporting to represent it, including but not limited to representations or warranties as to the prospects for successful operations, the level of business, profits, costs, or expenses that Franchisee might reasonably expect, the desirability, profitability, or expected traffic volume or profit, costs, or expenses of the Unit franchised by this Agreement. Franchisee acknowledges that all such factors are necessarily dependent upon variables beyond Franchisor's control including, without limitation, the ability, motivation, and amount and quality of effort expended by Franchisee. Franchisee further acknowledges that neither Franchisor's sales personnel nor any employee, officer, or director of Franchisor is authorized to make any claims or statements as to the earnings, sales, profits, costs, expenses, prospects, or chances of success that any franchisee can expect or that present or past franchisees have had, except as may be set forth in Franchisor's Franchise Disclosure Document. Franchisee agrees that it has not relied on, and that Franchisor will not be bound by, any representations as to earnings, sales, profits, costs, expenses, prospects, or chances of success, except as may be set forth in Franchisor's Franchise Disclosure Document. Franchisee acknowledges that any information Franchisee has acquired from other system franchisees regarding their sales, profits or cash flows is not information obtained from Franchisor, and Franchisor makes no representation about that information's accuracy.

(c) Franchisee's Investigation. Franchisee acknowledges that it has conducted an independent investigation of the business licensed by this Agreement and that it has had an adequate opportunity to be advised by advisors of its own choosing regarding all pertinent aspects of this Agreement and the franchise relation created by it. Franchisee has read this Agreement and Franchisor's Franchise Disclosure Document and understands and accepts that the terms and covenants in this Agreement are reasonable and necessary for Franchisor to maintain its high standards of quality and service, as well as the uniformity of those standards at Franchises Businesses, and to protect and preserve the goodwill of the Marks.

11.21. No Waiver or Disclaimer of Reliance in Certain States.

The following provision applies only to franchisees and Franchised Businesses that are subject to the state franchise disclosure laws in California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, or Wisconsin:

> No statement, questionnaire, or acknowledgement signed or agreed to by Franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by Franchisor, any franchise seller, or any other person acting on behalf of Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

11.22. Additional Terms; Inconsistent Terms.

The parties may provide additional terms by including the terms on Exhibit 1. To the extent that any terms or provisions on Exhibit 1 are in direct conflict with the terms or provisions of this Agreement, the terms or provisions on Exhibit 1 shall control.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the ____ day of____________, 20__.

TWO MEN AND A TRUCK SPE LLC:

By: ____________________________________
Randy Shacka, President

FRANCHISEE:

____

By: ____________________________________
Name, Title: _____________________________

EXHIBIT 1

FRANCHISE-SPECIFIC TERMS

1. **"Effective Date"** means:

2. **"Franchisee"** means: ___________________________, a [state] [type of entity] OR ________________, an individual

3. **Recital A: "Approved Services"** means junk removal services, Resale Services, and other products and services that Franchisor may designate as part of the System in the future. "**Resale Services**" include reselling to third parties items that Franchisee pick-up from customers.

4. **Recital B: The "Primary Mark"** is: TWO MEN AND A JUNK TRUCK®

5. **Recital B:** The "**Marks**" include the following, which may be added to, deleted, or modified by the Franchisor from time to time:

Trademark	Registration Number	Registration Date
TWO MEN AND A JUNK TRUCK	7,259,702	January 2, 2024

Intent to use application:

Trademark	Application Number	Application Date
TWO MEN AND A JUNK TRUCK	98,164,535	September 5, 2023

6. **Section 1.1 (Marketing Area):** The "**Marketing Area**" is: ____________________

   In the event that any of the above listed zip codes are subdivided by the United States Postal Service during the term of this Agreement and new zip codes are created, Franchisor reserves the right to determine whether the new zip codes will become part of the Marketing Area.

7. **Section 1.1(c) (Selection of Site for Franchised Business):** The Franchise Location is:

8. **Section 2.7 (Insurance):** At a minimum, Franchisee must obtain insurance policies that include the following:

   (i) Commercial general liability insurance coverage in the amount of $2,000,000, per person/per occurrence for bodily injury and property damage; this insurance must also have products/completed operations coverage with an aggregate limit of $1,000,000, personal and advertising insurance with a limit of $1,000,000, fire damage coverage with a limit for any one fire of $50,000, medical expense coverage with a limit for any one person of $5,000;

   (ii) Motor vehicle liability coverage, which must include bodily injury and property damage, on all leased, owned, rented, hired, or borrowed motor vehicles having a combined single limit of at least $2,000,000 resulting from each occurrence;

(iii) Umbrella policy (covering general liability, auto, and employer's liability) with a limit of $1,000,000, if you operate more than five trucks. No umbrella policy is required if you operate one to five trucks;

(iv) Worker's Compensation coverage as mandated by Applicable Law. Worker's Compensation coverage must be provided as a benefit to Franchisee's employees whether or not it is required by Applicable Laws and must include employer's liability insurance in the amount of $1,000,000; and

(v) All other insurance coverage required by Applicable Laws or that Franchisor otherwise requires.

The liability policies must provide coverage for Franchisee's contractual indemnity obligations to Franchisor.

If Franchisee operates more than five trucks or reaches certain revenue thresholds, Franchisor may require Franchisee to comply with additional minimum policy requirements.

In addition to the recommendations in Section 2.7(a), Franchisor strongly recommends that Franchisee meet with its insurance agent at least annually to consider additional optional coverage that protects Franchisee, including: (1) business personal property insurance (2) employee dishonesty insurance and third-party dishonesty bond insurance; and (3) employment practices liability insurance and third-party discrimination liability coverage (including sexual harassment, wrongful termination and discrimination coverage), including coverage for wage and hour defense costs.

9. **Section 2.12(b)(ii) (Minimum Local Marketing Spend):** The Minimum Local Marketing Spend is:

If Franchisee is operating a new Unit (rather than acquiring or renewing an existing Unit), the Minimum Local Marketing Spend shall be determined in accordance with the following chart:

Minimum Local Marketing Spend that Must be Spent in Each Specified Time Period		
First Six Months of Operation	**Remainder of Calendar Year after Six Months of Operation**	**Next Full Calendar Year of Operation and Thereafter (the "Standard Minimum Expenditure")**
$18,000	$2,000 times the number of months in such remaining year	The greater of (a) 5% of Gross Sales in the previous calendar year or (b) $24,000

For example, a new Unit that completed its first job on March 1st must spend $18,000 on Eligible Marketing between March 1 and August 31 (the first six months of operation). For the remainder of the year, from September 1 to December 31, the franchisee must spend $8,000 ($2,000 x four months) on Eligible Marketing. Beginning in the next calendar year, the franchisee must spend the Minimum Local Marketing Spend on Eligible Marketing. If the first job is completed on November 1, the franchisee must spend $18,000 on Eligible Marketing between November 1 and April 30 (the first six months of operation). For the remainder of the year, from May 1 to December 31, the franchises must spend $16,000 ($2,000 x eight months) on Eligible Marketing. Beginning in the next calendar year, they must spend the Minimum Local Marketing Spend on Eligible Marketing.

If Franchisee is acquiring or renewing an existing Unit, the Minimum Local Marketing Spend shall be the Standard Minimum Expenditure based on the existing Unit's Gross Sales in the prior calendar year.

If the Franchised Business has negative growth for a calendar year or is in the bottom 10% of average growth for all Units in the franchise system in a calendar year, Franchisor may, in its sole discretion, increase the Minimum Local Marketing Spend to 6% of the Gross Sales earned in the previous calendar year.

10. **Section 2.20 (Minimum Performance Requirements):** Currently, the "**Minimum Performance Requirement**" is as follows:

(1) Minimum Sales. For the 1st through 4th years of operation of a Unit in the Marketing Area, Franchisee must achieve annual Gross Sales (defined in Section 4.2) of at least the following amounts: (i) $75,000 for the 1st year of operation; (ii) $125,000 for the 2nd year of operation; (iii) $175,000 for the 3rd year of operation; and (iv) $225,000 for the 4th year of operation. For purposes of this provision, a year of operation is the 12-month period beginning on the first date of operation of a Unit in the Marketing Area and each anniversary of that date. However, if the first date of operation of a Unit in the Marketing Area is not the first day of the month, a year of operation will be the 12-month period beginning on the first day of the calendar month after the first day of operation and each anniversary of that date.

After a Unit has been operating in the Marketing Area for four years, the measurement period changes from a year of operation to the calendar year. For each calendar year after the Unit has been operating in the Marketing Area for four years, Franchisee must achieve all of the following: (A) Gross Sales of at least $300,000 in each calendar year; and (B) an annual growth percentage of Gross Sales that is in the top 90% of all Units in the applicable measuring group.

(2) Minimum Quality Standards. In addition, Franchisee must achieve satisfactory scores, as specified in the Manual or otherwise in writing, in Franchisor's Achievements in Excellence rankings or a similar Franchisor ranking system (the Achievements in Excellence rankings is a balanced scorecard approach used by Franchisor to measure the overall success of the Franchised Business as a whole, including various areas within the customer experience, the franchise experience, and the employee experience) and in any customer satisfaction/referral survey scores.

(3) Additional Renewal Requirements. As a condition for renewing the franchise, in addition, to complying with parts (1) and (2) above, at the time of renewal of the franchise, Franchisee must have achieved an average customer satisfaction/referral rating over the then-current term of this Agreement that is not 3% or more below the average customer satisfaction/referral rating for all the Units in the applicable measuring group.

11. **Section 2.23 (Customer Sales Support and Appointment Center Services):** Currently, Franchisor does not provide customer sales support or appointment services. If Franchisor provides

call answering, sales support, and other customer service and communication services in the future, the fee for such services will not exceed 5% of Gross Sales for all jobs booked through Franchisor.

12. **Section 3.7 (Permitted Business Name):** The permitted "doing business as" name is: TWO MEN AND A JUNK TRUCK® ____________ (City) or TWO MEN AND A JUNK TRUCK® #____

13. **Section 4.1 (Franchise Fee):** The franchise fee is $50,000 unless otherwise stated.

14. **Section 4.2 (Royalty Fee):** The Royalty Fee is 7% of Gross Sales of the Franchised Business.

    In addition, if Franchisee fails to achieve the minimum Gross Sales levels requirements specified in the Minimum Performance Requirements in any measurement year, in addition to any other remedies Franchisor may elect to exercise, Franchisee must pay Franchisor upon demand an amount equal to the difference between (a) $5,250 in the 1st year of operation, $8,750 in the 2nd year of operation, $12,250 in the 3rd year of operation, $15,750 in the 4th year of operation, and $21,000 in each subsequent calendar year and (b) the actual Royalty Fees paid by Franchisee to Franchisor during such year.

15. **Section 4.3 (Advertising Fee):** The Advertising Fee is 7% of Gross Sales of the Franchised Business.

16. **Section 4.4 (Technology and Support Fee):** The current Technology and Support Fee is 1% of Gross Sales of the Franchised Business per month, which may be increased, in Franchisor's sole discretion, to up to 2% of Gross Sales of the Franchised Business per month.

17. **Section 5.1 (Term and Renewal):** The initial term of this Agreement begins on the Effective Date and ends 10 years from the Effective Date. The renewal term of this Agreement is one additional 10-year term. Franchisor is not obligated to offer additional renewal terms beyond the one renewal term described in this Agreement, but Franchisor may do so, in its sole discretion.

18. **Section 8.2(a)(i) (Competing Business):** "Competing **Business**" means: (a) a business that is identical to or similar to a business using the System; (b) any business that offers Competing Services; or (c) a business or entity that franchises, licenses, or otherwise grants to others the right to operate a business described in Subsections (a) and (b) of this paragraph. "Competitive Business" does not include any business that is authorized by Franchisor or its Affiliates to use the System and the Primary Mark. "**Competing Services**" includes (i) junk removal services, (ii) Resale Services, and (iii) other products or services designated as part of the System or that Franchisee is otherwise authorized to provide under this Agreement.

19. **Section 11.22 (Additional Terms; Inconsistent Terms): The following additional terms amend the applicable Sections of the Agreement:**

    A. **Section 1.1 (Marketing Area)** is amended by adding the following Section 1(j):

    (i) <u>Off-Site Sales</u>. If Franchisee is authorized to sell any collected items at a location other than the Franchise Location, the location for such sales must be approved in writing by Franchisor.

    B. **Section 2.5(a) (Purchases)** is deleted and replaced with the following:

(a) Purchases. If Franchisor issues specifications or sourcing requirements for a particular good or service used in the development and operation of the Franchised Business (such as equipment, parts, inventory, supplies, components of the Automation System, insurance, consulting services, and other goods and services), Franchisee must purchase such goods and services in accordance with such specifications or sourcing requirements. To the extent Franchisor issues specifications or sourcing requirements, the specifications and requirements will be set forth in the Manual or in the Automation System.

[EXHIBIT 1 SIGNATURE PAGE FOLLOWS]

Signature Page for Exhibit 1 (Franchise Specific Terms)

This Exhibit 1 is signed on this ___ day of ____________, 20__.

____
Franchisee's Corporate or Business name

By: ______________________________
Name
Title

TWO MEN AND A TRUCK SPE LLC

By: ________________________________
Randy Shacka, President

EXHIBIT 2--OBLIGATIONS AND REPRESENTATIONS OF INDIVIDUAL INTERESTED PARTIES

This is an attachment to the Franchise Agreement between **TWO MEN AND A TRUCK SPE LLC** ("**Franchisor**") and the Franchisee named below dated ______________________, 20_____ ("**Franchise Agreement**"). All capitalized terms not defined in this Exhibit will have the same meaning ascribed to them in the Franchise Agreement.

Each of the individuals signing below (each an "**Interested Party**") is directly or indirectly beneficially interested in the Franchised Business as a shareholder, partner, member, or owner of Franchisee. As such, each Interested Party hereby agrees to and shall be jointly, severally, and personally bound by all the terms and provisions of the Franchise Agreement, other than those requiring the payment of money by Franchisee, to the same extent and in the same manner as Franchisee is bound, including but not limited to the confidentiality covenants, the non-competition covenants, the non-solicitation covenants, and all other restrictive covenants set forth in the Franchise Agreement, whether or not Interested Party's status as a shareholder, partner, member, and/or owner of Franchisee may change or cease during or after the term of the Franchise Agreement. This document will not impair any separate instrument of guaranty that any Interested Party signing below has executed or may execute in the future.

Each Interested Party represents that the Interested Parties identified below constitute all the owners of a beneficial interest in Franchisee. Each Interested Party acknowledges and agrees that any change in the ownership of Franchisee represented below is subject to the transfer provisions of Section 7 of the Franchise Agreement and requires prior notice and approval from Franchisor.

Each Interested Party signing below represents and warrants to Franchisor that the following is correct and true:

Legal Name of Franchisee: ____

Type of Entity and State of Organization (sole proprietorship, corporation, partnership, limited liability company, etc.): ____
____

d/b/a (if applicable):____

Address of Franchisee: ____
____

Business Telephone: ____

Name, Address, Phone No., Title and % of Ownership of each Interested Party:

Name ____
Address____
Telephone ____
Title ______________________________ % Ownership ____________

Name ____
Address____
Telephone ____
Title ______________________________ % Ownership____________

Name ____
Address____
Telephone ____
Title ______________________________________ % Ownership______________

(Attach additional sheets if necessary)

Acknowledged and Agreed by Each Undersigned Interested Party:

/S/____ Dated: ____________________

____
(*Print Name Above)*

/S/____ Dated: ____________________

____
(*Print Name Above)*

/S/____ Dated: ____________________

____
(*Print Name Above)*

EXHIBIT 3--GUARANTY

(To be signed by the owners of Franchisee if Franchisee is a corporation, partnership or other limited liability entity and by Affiliates of Franchisee involved with or that provide assets or services to the Franchised Business)

The persons signing below (each a "**Guarantor**"), in order to induce **TWO MEN AND A TRUCK SPE LLC** ("**Franchisor**") to enter into a Franchise Agreement and related agreements of which this is a part with the Franchisee identified in the Franchise Agreement ("**Franchisee**"), unconditionally, jointly and severally:

1. guaranty to Franchisor, its successors and assigns, the prompt and full payment and performance of all obligations of the Franchisee to Franchisor including, without limitation, all obligations arising out of the Franchise Agreement or any Related Agreement (as defined within the Franchise Agreement), all without Franchisor first having to proceed against Franchisee or otherwise enforce or commence to enforce payment of those obligations;

2. agree to pay Franchisor all costs and expenses, including reasonable attorneys' fees, incurred in enforcing this Guaranty;

3. waive acceptance of this Guaranty by Franchisor and waive presentment, demand for payment, protest, notice of dishonor, and any other notice or demand of any kind and the necessity of Franchisor instituting legal proceedings against the Franchisee;

4. consent that Franchisor will have the right, without notice, to deal in any way at any time with Franchisee or any other guarantor, or to grant any such party any extensions of time for payment of any indebtedness, or to sell, release, surrender, exchange, substitute, settle, compromise, waive, subordinate, or modify, with or without consideration and on such terms and conditions as may be acceptable to Franchisor, any and all collateral, security, guaranties, obligations, indebtedness, liabilities, notes, instruments, or other evidence of indebtedness concerning which payment is guaranteed hereby, or grant any other indulgences or forbearances whatever, without in any way affecting Guarantor's liabilities under this Guaranty;

5. agree that any indebtedness by the Franchisee to Guarantor, for any reason, currently existing, or which might arise after this Guaranty, will at all times be inferior and subordinate to any indebtedness owed by the Franchisee to Franchisor;

6. agree that as long as the Franchisee owes any monies to Franchisor (other than payments that are not past due) the Franchisee will not pay and Guarantor will not accept payment of any part of any indebtedness owed by the Franchisee to Guarantor, either directly or indirectly, without the consent of Franchisor;

7. agree that the liability of Guarantor is independent of any other guaranties at any time in effect with respect to all or any part of Franchisee's indebtedness to Franchisor, and that the liability created hereby may be enforced regardless of the existence of any other guaranties;

8. agree that this Guaranty will be binding on the heirs, devisees, successors and assigns of Guarantor and will inure to the benefit of Franchisor's successor and assigns;

9. agree that the obligations of the Guarantors under this Guaranty (if there is more than one Guarantor) are joint and several;

10. agree that this Guaranty will be governed by and construed and enforced in accordance with the laws of the State of Georgia (without reference to the conflict of law provisions). Guarantor irrevocably submits to the jurisdiction of the State or Federal Courts for the city in which Franchisor's principal office is located (currently, Atlanta, Georgia) and waives all questions or personal jurisdiction and venue for the purpose of carrying out this provision. Venue for any proceeding relating to or arising out of this Guaranty will be the State or Federal Counts for the city in which Franchisor's principal office is located (currently, Atlanta, Georgia); provided, however, with respect to any action that includes injunctive relief of other extraordinary relief, Franchisor may bring such action in any Court in any state that has jurisdiction.; and

11. GUARANTOR AND FRANCHISOR ACKNOWLEDGE THAT THE RIGHT TO TRIAL BY JURY IS A CONSTITUTIONAL ONE, BUT THAT IT MAY BE WAIVED. EACH PARTY, AFTER CONSULTING (OR HAVING HAD THE OPPORTUNITY TO CONSULT) WITH COUNSEL OF THEIR CHOICE, KNOWINGLY AND VOLUNTARILY, AND FOR THEIR MUTUAL BENEFIT, WAIVES ANY RIGHT TO TRIAL BY JURY IN THE EVENT OF LITIGATION REGARDING THE PERFORMANCE OR ENFORCEMENT OF, OR IN ANY WAY RELATED TO, THIS GUARANTY OR THE INDEBTEDNESS COVERED BY THIS GUARANTY.

(Individual Guarantors)

Dated: _______________ ______________________________
GUARANTOR

Dated: _______________ ______________________________
GUARANTOR

____
Entity Guarantor

Dated: _______________ By: ______________________________

Its: ______________________________

EXHIBIT 4--ASSIGNMENT OF IDENTIFIERS

TWO MEN AND A TRUCK SPE LLC

This Assignment is made between **TWO MEN AND A TRUCK SPE LLC** of One Glenlake Parkway, 14th Floor, Atlanta, Georgia 30328 ("**Franchisor**") and ______________________________, whose address is ____ ("**Franchisee**").

1. Introduction. Franchisee has obtained a license from Franchisor for the operation of a business using Franchisor's Franchised Business system ("**System**"), which business Franchisee acquired by signing a Franchise Agreement dated ________________ (the "**Franchise Agreement**"). In consideration of Franchisor granting the license to Franchisee, Franchisee has agreed to assign all Identifiers (as defined below) that are associated with Franchisee's Franchised Business (the "**Franchised Business**") and/or the System to Franchisor. "**Identifiers**" includes all authorized and unauthorized telephone numbers, Internet domain names, e-mail addresses, websites, social media (such as Facebook, LinkedIn, Twitter, YouTube), blogs, vlogs (social videos), online social networks, wikis, forums, content sharing communities, other internet tools, post office boxes, and classified and other directory listings relating to, or used in connection with, the Franchised Business or the marks licensed to Franchisee, including in connection with advertising and marketing for the Franchised Business (collectively, "**Identifiers**").

2. Assignment of Identifiers/Power of Attorney. Franchisee assigns all Identifiers to Franchisor or its successor or assign. Franchisee hereby appoints an officer of Franchisor as Franchisee's attorney-in-fact to transfer the Identifiers to Franchisor and to sign, on behalf of Franchisee, all documents necessary to accomplish the transfer.

3. Limited License; Responsibility for Costs. Franchisor grants Franchisee a limited license to use the Identifiers in connection with the Franchised Business only during the term of the Franchise Agreement and only as long as Franchisee complies with the policies and procedures specified by Franchisor. On the expiration without renewal or termination of the Franchise Agreement, this limited license will terminate, and Franchisee must cease all use of the Identifiers. On the termination of this license, Franchisee must cooperate with Franchisor and provide any authorizations as may be necessary for Franchisor to assert its rights in the Identifiers. While this limited license is in effect, Franchisee is responsible for all costs associated with the Identifiers and, unless otherwise specified by Franchisor, must pay those costs directly to the providers of the Identifiers.

5. Access to Identifiers. Franchisor will have the right to access all accounts relating to the Identifiers. Franchisee must provide to Franchisor all information necessary to allow Franchisor to access those accounts, including usernames, passwords, security codes, and all changes to any of that information.

6. Consent. Franchisee hereby consents and authorizes any and all telephone companies, postal services, registrars, Internet Service Providers, social media companies, listing agencies, or other public or private businesses using, authorizing, or providing any of the Identifiers to immediately recognize this Assignment upon receipt of written notice from Franchisor. Franchisee agrees that a copy of this Assignment, certified by an officer of Franchisor, will be as valid and binding as the original.

7. Notices. Franchisor may give notice of its acceptance of the Assignment of the Identifiers by sending written notice by first class mail and certified or registered mail with postage fully paid and depositing them in the United States Mails. Notices may be sent in accordance with this Section to Franchisee and to all telephone companies, Internet companies and other businesses that are to recognize the Assignment. All notices to the Franchisee must be addressed to the address indicated above, or to any

subsequent address of which Franchisor receives written notice. Any notice delivered by mail in the manner set forth in this Section will be deemed delivered and received three days after mailing.

8. Miscellaneous. If any part of this Agreement is found to be unenforceable, such findings will not invalidate the other parts of this Agreement. This Agreement expresses the entire understanding of the parties with respect to the subject matter herein. This Agreement will be construed in accordance with the laws of the State of Georgia and will be deemed to have been made in the State of Georgia. This Agreement may not be changed orally, but only by an agreement in writing and signed by the party against whom enforcement of any change is sought.

Signed and effective this ____ day of _________________, 20__.

TWO MEN AND A TRUCK SPE LLC	______________________________ (Franchisee's Name)
By: ______________________________ Randy Shacka, President	By: ______________________________
	Its: ______________________________

EXHIBIT 5--SOFTWARE LICENSE ADDENDUM

TWO MEN AND A TRUCK SPE LLC, a Delaware limited liability company, has its principal office at One Glenlake Parkway, 14th Floor, Atlanta, Georgia 30328 ("**Franchisor**") and hereby grants this computer software license ("**License**") to ___________________________________ with offices at _______________________ _________________________ ("**Franchisee**"), upon the terms set forth in this Agreement and subject to all the terms of the **TWO MEN AND A JUNK TRUCK®** Franchise Agreement between Franchisor and Franchisee dated _______________________ ("**Franchise Agreement**"):

1. **License Grant:** Franchisor grants to Franchisee a non-exclusive license to access and use its designated software program and any other software or access to the computer and/or automation systems Franchisor may make available for use within the **TWO MEN AND A JUNK TRUCK®** franchise system ("**Product**") and all subsequent upgrades, so long as this Agreement remains in effect. This License does not extend to other parties, even if they use the same computer equipment.

2. **Title:** Franchisor has ownership of and will maintain title to the Product.

3. **Term:** This License shall run for the term of the Franchise Agreement unless: (a) written notice to the contrary is given by Franchisor, or (b) this License is terminated as provided in this Agreement.

4. **Payment for Use and Maintenance of Product:** During the term of this Agreement and upon commencing its Franchised Business, Franchisee must pay Franchisor a monthly Technology and Support Fee as described in the Franchise Agreement, or if the amount is not explicitly stated in the Franchise Agreement, in an amount described in this Agreement or, if not explicitly stated in this Agreement, an amount as stated on Franchisor's fee schedule. Failure to make any payments due under this Agreement and/or the Franchise Agreement will constitute a material breach of this Agreement and the Franchise Agreement and entitle Franchisor to the rights and remedies described in paragraph 12.

5. **Maintenance:** Franchisor or its agent will be responsible for maintaining the Product. Franchisee is required to maintain, at its expense, telephone and/or broadband lines for simultaneous voice and Internet connections with Franchisor. The technical support Franchisor provides will include responses to questions related to the use of the Product, assistance in installing and using the Product and assistance in installing and using any Product upgrades offered. Franchisor will not provide support for the computer equipment, third-party software products, non-current versions of the Product, or general operating systems.

6. **Training:** Franchisor will provide initial training in the use of the Product for Franchisee, either at Franchisor's offices or over the telephone. Franchisor or an agent designated by Franchisor may provide additional training Franchisee requests provided Franchisee pays all the expenses for such training.

7. **Making Copies and Other Manipulation of the Product:** Franchisee must not copy, disassemble, decompile, or otherwise reverse-engineer the Product in whole or in part, nor permit other persons or entities to do so. Franchisee agrees not to create derivative works from the Product, or use or attempt to obtain any techniques, algorithms, processes, trade secrets, or proprietary information contained in the Product.

8. **Protection of Product:** Franchisee agrees not to make available to any party the Product or any of its parts. Franchisee agrees to take appropriate action with its employees and any other parties with access to the Product to obtain assurances of non-disclosure consistent with this Agreement.

Franchisee recognizes that the Product is Franchisor copyrighted property and represents a large investment of human and financial resources of Franchisor, is a trade secret of Franchisor, and contains confidential information. Franchisee agrees to keep the Product, and all related materials, confidential. Franchisee will use its best efforts, including any reasonable security precautions as Franchisor may request, to ensure that the proprietary rights of Franchisor are preserved to the fullest extent possible under the law. In addition to the rights described under paragraph 12 of this Agreement, Franchisor can seek appropriate injunctive relief in connection with any violation of its copyrighted materials or trade secrets and can bring an action at law where appropriate.

9. **Assignment, Transfer and Sub-Licensing:** This License cannot be assigned or sub-licensed by Franchisee to any other person or entity, unless written authorization is given by Franchisor's President to do so. Franchisee cannot rent, lease, transfer, network, reproduce, display, or otherwise distribute the Product except as specifically provided in this License. Franchisee understands that unauthorized reproduction of copies or use, or transfer of the Product will entitle Franchisor to recover damages and reasonable attorneys' fees for enforcing its rights under this Agreement.

10. **Limited Warranty; Disclaimer of Other Warranties:** Franchisor does not and cannot warrant the performance or results that may be obtained by use of the Product, although it states that, to the best of its knowledge, the Product is free of any material defects. Franchisee acknowledges that the Product is of such complexity that it may have certain defects. Franchisee agrees that Franchisor's sole liability will be to correct program errors in the Product. Franchisor will not be responsible for correcting problems due to: (a) defects in Franchisee's computer hardware; (b) interaction with other non-standard software; and (c) Franchisee's incorrect handling of or use of the Product. All warranties hereunder extend only to the Franchisee.

FRANCHISEE'S USE OF THE PRODUCT AND CONTENT ACCESSIBLE THROUGH THE PRODUCT IS ENTIRELY AT FRANCHISEE'S OWN RISK. EXCEPT AS DESCRIBED ABOVE IN THIS SECTION, THE PRODUCT IS PROVIDED "AS IS" AND "AS AVAILABLE." TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, FRANCHISOR, ITS AFFILIATES, AND ITS THIRD-PARTY SERVICE OR DATA PROVIDERS, LICENSORS, DISTRIBUTORS OR SUPPLIERS (COLLECTIVELY REFERRED TO AS, "**SUPPLIERS**") DISCLAIM ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY THAT THE PRODUCT IS FIT FOR A PARTICULAR PURPOSE, TITLE, MERCHANTABILITY, DATA LOSS, NON-INTERFERENCE WITH OR NON-INFRINGEMENT OF ANY INTELLECTUAL PROPERTY RIGHTS, OR THE ACCURACY, RELIABILITY, QUALITY OR CONTENT IN OR LINKED TO THE PRODUCT. FRANCHISOR AND ITS AFFILIATES AND SUPPLIERS DO NOT WARRANT THAT THE SOFTWARE IS SECURE, FREE FROM BUGS, VIRUSES, INTERRUPTION, ERRORS, THEFT OR DESTRUCTION. FURTHER, FRANCHISOR DOES NOT WARRANT ACCESS TO THE INTERNET OR TO ANY OTHER SERVICE, CONTENT, OR DATA TRANSMITTED THROUGH THE PRODUCT. IF THE EXCLUSIONS FOR IMPLIED WARRANTIES DO NOT APPLY TO FRANCHISEE, IMPLIED WARRANTIES ARE LIMITED TO 60 DAYS FROM THE DATE OF FIRST USE OF THE PRODUCT.

FRANCHISOR AND ITS AFFILIATES AND SUPPLIERS DISCLAIM ANY REPRESENTATIONS OR WARRANTIES THAT FRANCHISEE'S USE OF THE PRODUCT WILL SATISFY OR ENSURE COMPLIANCE WITH ANY LEGAL OBLIGATIONS OR LAWS OR REGULATIONS. THIS DISCLAIMER APPLIES TO, BUT IS NOT LIMITED TO FEDERAL, STATE, AND LOCAL INCOME, PAYROLL, SALES TAX AND OTHER TAX LAWS, THE HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996 ("**HIPAA**"), THE GRAMM-LEACH-BLILEY ACT OF 1999, THE SARBANES-OXLEY ACT OF 2002, OR OTHER FEDERAL OR STATE STATUTES OR REGULATIONS. FRANCHISEE IS SOLELY RESPONSIBLE FOR ENSURING THAT

FRANCHISEE'S USE OF THE PRODUCT IS IN ACCORDANCE WITH APPLICABLE LAW. FRANCHISEE IS ADVISED TO CONSULT WITH ITS TAX, ACCOUNTING AND/OR LEGAL REPRESENTATIVES TO ENSURE THAT FRANCHISEE'S USE OF THE PRODUCT AND THE CALCULATIONS, RETURNS, REPORTS, AND OTHER RESULTS PRODUCED OR COMPILED BY THE PRODUCT COMPLY WITH APPLICABLE LAWS. FRANCHISEE ACKNOWLEDGES THAT IT IS RESPONSIBLE FOR AND IS NOT RELYING ON FRANCHISOR OR THE PRODUCT FOR COMPLIANCE WITH APPLICABLE LAWS.

11. **Limitation of Liability; Indemnity:** SUBJECT TO GEORGIA LAW, FRANCHISOR AND ITS AFFILIATES AND SUPPLIERS ARE NOT LIABLE FOR ANY OF THE FOLLOWING: (A) INDIRECT, INCIDENTAL, OR CONSEQUENTIAL DAMAGES, INCLUDING, BUT NOT LIMITED TO, LOSS OF BUSINESS, REVENUE, PROFITS OR INVESTMENT FROM ANY CAUSE ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE PRODUCT; (B) ANY CLAIM OR DEMAND BY OR AGAINST FRANCHISEE ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE PRODUCT; (C) DAMAGES RELATING TO FAILURES OF TELECOMMUNICATIONS, THE INTERNET, ELECTRONIC COMMUNICATIONS, CORRUPTION, SECURITY, LOSS OR THEFT OF DATA, VIRUSES, OR SPYWARE. Clause (B) of the previous sentence shall not apply to any claim or demand by or against Franchisee arising out of or in any way connected with the use of the Product in a Franchised Business that is subject to the Washington Franchise Investment Protection Act.

Franchisee agrees to indemnify and hold harmless Franchisor and its Affiliates and Suppliers from any and all claims, liability and expenses, including reasonable attorneys' fees and costs, arising out of Franchisee's use of the Product or breach of this Agreement (collectively referred to as "**Claims**"). Franchisor reserves the right, in its sole discretion and at its own expense, to assume the exclusive defense and control of any Claims. Franchisee agrees to reasonably cooperate as requested by Franchisor in the defense of any Claims.

12. **Termination by Franchisor:** The parties agree that any of the following will be a default under the terms of this Agreement, will entitle Franchisor to terminate this Agreement, and will authorize Franchisor to terminate Franchisee's access to the Product upon ten (10) days written notice, or as written notice is required under the terms of Franchisee's Franchise Agreement, whichever is less:

a. Failure to maintain Franchisee's franchise in good standing;

b. Failure to make timely payments of any kind to Franchisor, and failure to timely cure same;

c. Failure to comply with any and all of the terms and/or covenants of this Agreement or the Franchise Agreement;

d. Termination of the Franchise Agreement for any reason;

e. Franchisee's declaration of bankruptcy or in the event of Franchisee's insolvency;

f. Appointment on behalf of Franchisee of a trustee or receiver.

Even if Franchisor enforces its rights under this paragraph 12, Franchisor can also enforce any and all other rights and/or remedies it may have under law and/or under the terms of this Agreement and/or the Franchise Agreement.

13. **Termination by Franchisee:** If Franchisor breaches this Agreement; Franchisee must give Franchisor written notice of the breach. Franchisor will have ten (10) days from the date notice is provided to cure the breach. If the breach is not cured within the 10-day period, Franchisee will be entitled to immediately terminate this Agreement.

14. **Miscellaneous:** If any part of this Agreement is found to be unenforceable, such findings will not invalidate the other parts of this Agreement. This Agreement expresses the entire understanding of the parties with respect to the subject matter herein. This Agreement will be construed in accordance with the laws of the State of Georgia and will be deemed to have been made in the State of Georgia. This Agreement may not be changed orally, but only by an agreement in writing and signed by the party against whom enforcement of any change is sought. Modifications may only be approved on behalf of Franchisor by its President.

Signed and effective this ____ day of _________________, 20__.

TWO MEN AND A TRUCK SPE LLC	______________________________ (Franchisee's Name)
By: ______________________________ Randy Shacka, President	By: ______________________________
	Its: ______________________________

EXHIBIT 6--AUTOMATION SYSTEMS USER AGREEMENT TERMS OF USE

TWO MEN AND A TRUCK SPE LLC

TWO MEN AND A TRUCK SPE LLC ("**Franchisor**") has developed and may in the future develop automation systems for use by franchisees in the operation of your **TWO MEN AND A JUNK TRUCK®** franchise (the "**Automation Systems**"). The Automation Systems allow franchisees and their employees to input and access information, reports, customer information, job estimates, job scheduling, customer communication templates, employee information, and numerous management reports, view and print Franchisor's confidential information, to download approved local advertising materials, to communicate with Franchisor and each other, and to have access to many other confidential resources. By logging onto Franchisor's Automation Systems for the first time, you confirm that you are eligible to access Franchisor's Automation Systems and that you and your employees agree to observe and be bound by all these Terms of Use. If specified by Franchisor, each of your employees, including all officers and directors of your franchise, must sign a Non-Disclosure Agreement in a form provided by Franchisor prior to their access to Franchisor's Automation Systems.

Section 1: Introduction

These Terms of Use constitute a part of Franchisor's Manual. Franchisor reserves the right to modify these Terms of Use, just as it reserves the right to modify, amend or supplement its Manual.

The Automation Systems are provided "AS-IS" and "AS AVAILABLE". Franchisor assumes no responsibility for the timeliness, deletion, mis-delivery or failure to store any of your communications or settings.

To use the Automation Systems, you must be able to access the Internet, and you must pay any Internet access fees associated with your access. You must also provide all equipment necessary to connect to the Internet, including a computer or other access device.

Section 2: Passwords and Security

You must employ adequate measures to maintain the security of the Automation Systems and the information contained in the Automation Systems, as determined by Franchisor or any applicable vendor.

You will receive your initial User ID and passwords from Franchisor. Franchisor does not retain the passwords. Because anyone who uses your User ID and passwords gains access to Franchisor's confidential Manual and other confidential information, you must take great care to maintain the confidentiality of your passwords and User ID. Neither you nor your employees may use another's User ID and passwords to access the Automation Systems.

You should memorize your User ID and passwords. You are responsible for maintaining the confidentiality of your User ID and passwords, and you are responsible for all activities that occur under your User ID and passwords. If you are a Franchisee, you are also responsible for the use your employees may make of their User IDs and passwords. You are responsible for maintaining the security and accuracy of your distribution groups for your franchise. You must immediately report to Franchisor any issues or changes relating to the distribution groups for your franchise.

You agree: (a) to notify Franchisor immediately of any unauthorized use of your User ID or passwords, or any other breach of security that comes to your attention, and (b) to log out of the Automation Systems account at the end of each session and to not store your passwords in browsers or shared computers.

Franchisor will not be liable for any loss or damage arising from your failure to comply with the requirements of this Section 2.

Section 3: Privacy and Data Collection

Your first and last names are transmitted with each message sent under your User ID. Franchisor will record your User ID when it is issued to you. Franchisor records each instance that your User ID and password are used to access the Automation Systems. Franchisor may also record the time, duration, and any other information available of each session of your User ID's use of the Automation Systems. Franchisor may record the number of instances that you access certain information on the Automation Systems. You acknowledge and agree that the exchange of information between you and Franchisor, including information on your customers accessed through the Automation Systems, is not a sale of that information, but is in the nature of one party acting as a service provider to the other party. Franchisor will not provide information you provide about your customer base, customer profile and other demographic information to our third-party vendors without notification to you.

Section 4: Confidentiality of Certain Information

All items pertaining to the Automation Systems will be considered Confidential Information for purposes of the provisions of Section 8.1 of the Franchise Agreement (Confidential Information).

Section 5: Conduct

As a condition of your continuing use of the Automation Systems, you promise that you will not use it for any purpose that is unlawful or prohibited by these Terms of Use. Franchisor provides the Automation Systems to Franchisees and their employees only for exchanges of information and other uses directly related to Franchisor's franchise system. You may use the Automation Systems only for purposes related to the operation of your franchise and not for personal or unrelated business use. Your use of the Automation Systems must be made in compliance with all applicable laws, including laws and regulations relating to consumer privacy. Any unauthorized use of the Automation Systems is expressly prohibited, and Franchisor reserves the right to delete inappropriate material and to suspend the account of any person who uses the Automation Systems for an unauthorized purpose.

You should understand that all messages, data, text, photographs, graphics, video, and other materials or information transmitted via the Automation Systems (except information that Franchisor posts), whether posted for general viewing or transmitted privately ("**User Content**"), are the sole responsibility of the person from whom an item of User Content originated. If you upload, post, e-mail or otherwise transmit any User Content, you are responsible for its compliance with these Terms of Use. Franchisor does not screen, edit, or control User Content, and Franchisor does not accept responsibility for the truthfulness, accuracy or suitability of User Content. Under no circumstances will Franchisor be liable in any way for any User Content, including errors or omissions in any User Content, or for any loss or damage of any kind incurred as a result of the use of any User Content posted, e-mailed or otherwise transmitted via the Automation Systems.

You agree not to use the Automation Systems to:

1. upload, post, e-mail, text, instant message, or otherwise transmit any User Content that is unlawful, harmful, threatening, abusive, harassing, tortious, defamatory, vulgar, obscene, libelous, invasive of another's privacy, hateful, or racially, ethnically, or otherwise offensive;

2. impersonate any person or entity;

3. disguise the authorship or origin of any User Content you transmit;

4. upload, post, e-mail, text, instant message, or otherwise transmit any User Content that you do not have a right to transmit under any law or under contractual or fiduciary relationships (such as inside information, proprietary information and confidential information);

5. upload, post, e-mail, text, instant message, or otherwise transmit any User Content that infringes any patent, trademark, trade secret, copyright, or other proprietary rights of any person;

6. upload, post, e-mail, text, instant message, or otherwise transmit any unsolicited or unauthorized advertising, promotional materials, "junk mail," "spam," "chain letters," or any other form of solicitation;

7. upload, post, e-mail, text, instant message, or otherwise transmit any material that contains software viruses or any other computer code, files, or programs designed to interrupt, destroy, or limit the functionality of any computer software or hardware or telecommunications equipment;

8. disrupt the normal flow of dialogue, cause a screen to "scroll" faster than normal, or otherwise act in a manner that negatively affects other users' ability to engage in orderly exchanges;

9. interfere with or disrupt servers or networks connected to the Automation Systems;

10. "stalk" or otherwise harass another;

11. collect or store personal data about other users;

12. store any credit card numbers;

13. store any personal health information of customers or employees;

14. store any social security numbers; or

15. store any customer banking information.

Franchisor reserves the right, in its sole discretion, to block or remove any objectionable User Content that you transmit available via the Automation Systems. Without limiting the breadth of Franchisor's right, you are advised that Franchisor has the right to remove any User Content that violates these Terms of Use, your Franchise Agreement or is otherwise objectionable (in Franchisor's sole discretion).

Franchisor stores and preserves User Content in accordance with established policy and may disclose it if required by law or in the good faith belief that such disclosure is reasonably necessary: (a) to comply with legal process, (b) to enforce these Terms of Use, (c) to respond to claims that any User Content violates the rights of third-parties, or (d) to protect the rights, property, and personal safety of Franchisor and its employees, franchisees and third-party vendors.

Franchisor can transmit and store your User Content over various networks, computer servers and other technological means, and it can modify your User Content to conform and adapt it to technical requirements of connecting networks or devices.

Franchisor will immediately suspend or terminate the rights of any User ID that it believes, in its sole discretion, is being used to disseminate spam or other unsolicited bulk e-mail.

Section 6: Ownership of User Content

Any User Content that you transmit via the Automation Systems will be Franchisor's property, and Franchisor may reproduce, distribute, transmit, publish, sell or otherwise commercially exploit any such User Content in any manner or through any medium it chooses. You agree that Franchisor will not be liable to you for any claims, losses or damages arising from or related to Franchisor's access to or use of any User Content, including but not limited to any errors or omissions in the User Content obtained by Franchisor or in the User Content shared by Franchisor with third parties (including other franchisees or prospective franchisees). You waive and release Franchisor from any such liability.

Section 7: Indemnity

You agree to indemnify and hold harmless Franchisor and its subsidiaries, affiliates, officers, directors, agents, employees, co-branders or other partners, from any claim or demand, including reasonable attorneys' fees, made by any third-party with respect to or arising out of User Content you submit, post to or transmit through the Automation Systems, your use of the Automation Systems, your violation of these Terms of Service, or your violation of any rights of another.

Section 8: Use and Storage

Franchisor can establish general practices and limits concerning use of the Automation Systems, including the maximum number of days that e-mail messages, message board postings, messages generated from other communication methods, or other uploaded User Content will be retained on or by the Automation Systems, the maximum number of e-mail messages that can be sent from or received by an account, the maximum size of any e-mail message that can be sent from or received by an account, the maximum disk space that will be allotted on our servers on your behalf, and the maximum number of times (and the maximum duration for which) you can access the Automation Systems in a given period. Franchisor disclaims any responsibility or liability for the deletion or failure to store any messages and other communications or other User Content maintained or transmitted by the Automation Systems. Franchisor has the right to change these general practices and limits at any time, in its sole discretion, with or without notice.

Section 9: Modifications to the Automation Systems

Franchisor reserves the right at any time to modify or discontinue, temporarily or permanently the Automation Systems (or any of its features), with or without notice. You agree that Franchisor will not be liable to you, your agents, employees, assigns or to any third parties for any modification, suspension or discontinuance of the Automation Systems.

Section 10: Termination

Franchisor may suspend your password, your e-mail account, or other use of the Automation Systems, and remove and discard any of your User Content if you violate these Terms of Use. Any violation or breach of these Terms of Use by you or your employees will be deemed a breach of your Franchise Agreement. If you repeatedly breach these Terms of Use, Franchisor can terminate your password, e-mail account, or other use of the Automation Systems and thereafter supply you with paper copies of the Manual, including but not limited to bulletins and other materials that it is required to provide you under the terms of your Franchise Agreement. Franchisor will not be liable to you, your agents, employees, assigns or any third parties for any termination or suspension of your access to the Automation Systems.

Section 11: Links and Advertising

The Automation Systems may provide, or third parties (i.e., other franchisees) may provide, links to other Internet sites or resources. Franchisor is not responsible for the availability of such external sites or resources, and it neither endorses nor assumes any responsibility for any content, advertising, products, or other materials on or available from such sites or resources. Franchisor will not be responsible or liable, directly or indirectly, for any damage or loss caused or alleged to be caused by or in connection with use of or reliance on any such content, goods, or services available on or through any such site or resource.

Your business dealings with, or participation in promotions of, advertisers found on or through the Automation Systems, including payment and delivery of related goods or services, and any other terms, conditions, warranties or representations associated with such dealings, are solely between you and the advertiser. Franchisor will not be responsible or liable for any loss or damage of any kind you incur as the result of any such dealings or as the result of the presence of such advertisers on the Automation Systems.

Franchisor may link the Automation Systems to the websites of third parties, including other electronic service providers, affiliates, vendors, and other providers of goods and services.

Franchisor may place legal notices, disclaimers, its corporate logos and slogans, advertisements, endorsements, trademarks, and other identifying information on the Automation Systems, all of which it may modify, expand or eliminate at its option. All consideration (monetary and non-monetary) received by Franchisor on account of the placement or sale of advertisements, endorsements, and sponsorships on the Automation Systems will belong only to Franchisor.

Section 12: Intellectual Property Rights

Franchisor grants you a personal, non-transferable, and non-exclusive right and license to use the object code of the Software (defined below) on your computers. You promise not to copy, modify, create a derivative work of, reverse engineer, reverse assemble or otherwise attempt to discover any source code, or to sell, assign, sublicense, grant a security interest in or otherwise transfer any right in the Software, either directly or through your employees or independent contractors. You agree not to modify the Software in any manner or form, or to use modified versions of the Software for any purpose, including (without limitation) that of obtaining unauthorized access to the Automation Systems. You agree not to access the Automation Systems by any means other than the interface Franchisor specifies for use in accessing it.

Franchisor is the owner**,** and will retain all rights, title and interest in and to all Owner Content (as defined below) prepared for, or used on, the Automation Systems, and all intellectual property rights in or to any of them.

"**Owner Content**" means all text, images, sounds, files, videos, designs, animations, layouts, color schemes, trade dress, concepts, methods, techniques, processes, and data used in connection with, displayed on, or collected from or through the Automation Systems that posts or provides information.

"**Software**" means computer programs and computer code (*e.g.*, HTML, SharePoint) used for, with or on the Automation Systems, excluding any software programs owned by third parties.

Section 13: Disclaimer of Warranties

YOU EXPRESSLY UNDERSTAND AND AGREE THAT:

1. YOUR USE OF THE AUTOMATION SYSTEMS IS AT YOUR SOLE RISK. THE AUTOMATION SYSTEMS ARE PROVIDED ON AN “AS IS” AND “AS AVAILABLE” BASIS. FRANCHISOR EXPRESSLY DISCLAIMS ALL WARRANTIES OF ANY KIND, WHETHER EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NON-INFRINGEMENT.

2. FRANCHISOR MAKES NO WARRANTY THAT: (i) THE AUTOMATION SYSTEMS WILL BE UNINTERRUPTED, TIMELY, SECURE, OR ERROR-FREE, (ii) THE RESULTS THAT MAY BE OBTAINED FROM THE USE OF THE AUTOMATION SYSTEMS WILL BE ACCURATE OR RELIABLE, (iii) THE QUALITY OF ANY PRODUCTS, SERVICES, INFORMATION, OR OTHER MATERIAL YOU PURCHASE OR OBTAIN THROUGH THE AUTOMATION SYSTEMS WILL MEET YOUR EXPECTATIONS, AND (iv) ANY ERRORS IN THE SOFTWARE WILL BE CORRECTED.

3. FRANCHISOR DISCLAIMS ANY REPRESENTATIONS OR WARRANTIES THAT YOUR USE OF THE AUTOMATION SYSTEMS WILL SATISFY OR ENSURE COMPLIANCE WITH ANY LEGAL OBLIGATIONS OR LAWS OR REGULATIONS. THIS DISCLAIMER APPLIES TO BUT IS NOT LIMITED TO FEDERAL, STATE, AND LOCAL INCOME, PAYROLL, SALES TAX AND OTHER TAX LAWS, THE HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996 ("**HIPAA**"), THE GRAMM-LEACH-BLILEY ACT OF 1999, THE SARBANES-OXLEY ACT OF 2002, OR OTHER FEDERAL OR STATE STATUTES OR REGULATIONS. YOU ARE SOLELY RESPONSIBLE FOR ENSURING THAT YOUR USE OF THE AUTOMATION SYSTEMS IS IN ACCORDANCE WITH APPLICABLE LAW. YOU ARE ADVISED TO CONSULT WITH YOUR TAX, ACCOUNTING AND/OR LEGAL REPRESENTATIVES TO ENSURE THAT YOUR USE OF THE AUTOMATION SYSTEMS AND THE CALCULATIONS, RETURNS, REPORTS, AND OTHER RESULTS PRODUCED OR COMPILED BY THE AUTOMATION SYSTEMS COMPLY WITH APPLICABLE LAWS. YOU ACKNOWLEDGE THAT YOU ARE RESPONSIBLE FOR AND ARE NOT RELYING ON FRANCHISOR OR THE AUTOMATION SYSTEMS FOR COMPLIANCE WITH APPLICABLE LAWS.

Section 14: Limitation of Liability

YOU EXPRESSLY UNDERSTAND AND AGREE THAT NEITHER FRANCHISOR NOR OUR AFFILIATES, CONTRACTORS, SPONSORS OR LICENSORS SHALL BE LIABLE FOR ANY DIRECT, INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL OR EXEMPLARY DAMAGES, INCLUDING DAMAGES FOR LOSS OF PROFITS, GOODWILL, USE, DATA, OR OTHER INTANGIBLE LOSSES (EVEN IF FRANCHISOR HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES), RESULTING FROM: (i) YOUR USE OF OR INABILITY TO USE THE AUTOMATION SYSTEMS; (ii) THE COST OF PROCUREMENT OF SUBSTITUTE GOODS AND SERVICES RESULTING FROM ANY GOODS, DATA, INFORMATION OR SERVICES PURCHASED OR OBTAINED OR MESSAGES RECEIVED OR TRANSACTIONS ENTERED INTO THROUGH OR FROM THE AUTOMATION SYSTEMS; (iii) UNAUTHORIZED ACCESS TO OR ALTERATION OF YOUR TRANSMISSIONS, DATA OR OTHER USER CONTENT; (iv) STATEMENTS OR CONDUCT OF ANY THIRD-PARTY ON THE AUTOMATION SYSTEMS; OR (v) ANY OTHER MATTER RELATING TO THE AUTOMATION SYSTEMS.

Section 15: Notices

Notices to you or Franchisor may be made by any manner permitted in your Franchise Agreement. In addition, the Automation Systems may also provide notices of changes to these Terms of Use or other matters by displaying notices or links to notices to you generally on the Automation Systems.

Section 16: General

These Terms of Use constitute the entire agreement between you and Franchisor relating to your use of the Automation Systems and govern your use of the Automation Systems, superseding any prior agreements between you and Franchisor. You also may be subject to additional terms and conditions that may apply when you use affiliate services, third-party content or third-party software. These Terms of Use and the relationship between you and Franchisor are governed by the laws of the State of Georgia without regard to its conflict of law provisions.

Franchisor's failure to exercise or enforce any right or provision of these Terms of Use will not constitute a waiver of such right or provision. If any provision of these Terms of Use is found by a court of competent jurisdiction to be invalid, the parties nevertheless agree that the court should endeavor to give effect to the parties' intentions as reflected in the provision, and the other provisions of these Terms of Use remain in full force and effect. You agree that, regardless of any statute or law to the contrary, any claim or cause of action arising out of or related to use of the Automation Systems or these Terms of Use must be filed within one year after such claim or cause of action arose or be forever barred. The section titles in these Terms of Use are for convenience only and have no legal or contractual effect.

Section 17: Violations

Please report any violations of these Terms of Use to Franchisor's Chief Executive Officer.

[signatures on following page]

ACCEPTED FOR:

____
Franchisee

By:

_______________________________________ ____________________
Signature Date

____
Print Name

Its: ____________________________________
(Title)

TWO MEN AND A TRUCK SPE LLC

By: ____________________________________
Randy Shacka, President

EXHIBIT 7

ELECTRONIC FUNDS TRANSFER AUTHORIZATION FORM

This authorizes Two Men and a Truck SPE LLC ("**Franchisor**") and any of its affiliates (collectively, with Franchisor, the "**Authorized Parties**") to use the banking information provided below in accordance with the terms of the Franchise Agreement.

Franchisee: ____

Name of bank: ____

Address of bank: ______________________________________

Name of account holder: ________________________________

Name as it appears on account: __________________________

Address of account holder: ______________________________

Account Number: ______________________________________

Routing Number: ______________________________________

Type of Account: Checking OR Savings

Franchisee hereby authorizes the Authorized Parties to debit the checking/savings account identified above in order to pay all fees, charges, and any other amounts owed pursuant to the terms of the Franchise Agreement entered into between Franchisee and Franchisor and any other agreement between Franchisee and the Authorized Parties (including ongoing operating fees, the cost of any products or services purchased from the Authorized Parties, and any other amounts owing to the Authorized Parties under the Franchise Agreement or any other agreement with the Authorized Parties, including interest and late fees); and, if necessary, to initiate adjustments for any transactions debited in error. These debits are related to the operation of a franchised business and the amount of each debit will vary from month to month. This authorization will remain in full force and effect until Franchisor has received written notification from Franchisee of its termination in such time and in such manner as to afford Franchisor a reasonable opportunity to act on it. Termination of this authorization may result in the termination of the Franchise Agreement, unless an alternate means of payment acceptable to Franchisor is provided.

By: __________________________
Name:_________________________
Title:__________________________
Date:__________________________

OFFICE USE ONLY

Account Code: ____
Store Name / Location: _________________________________
Date: _________________ User: _________________________

EXHIBIT 8

GENERAL RELEASE

GENERAL RELEASE

THIS GENERAL RELEASE ("**Release**") is executed on ________________________________ by:

(i) ___________________________, a [state] [individual or type of entity] with a principal address at ___________________________________ (**"Franchisee"**);

(ii) ___________________________, a [state] [individual or type of entity] with a principal address at ___________________________________ [and ___________________________, a [state] [individual or type of entity] with a principal address at ___________________________________] (**"Owners"**); and, if applicable,

(iii) ___________________________, a [state] [individual or type of entity] with a principal address at ___________________________________ (**"Transferee"**).

RECITALS

A. Two Men and a Truck SPE LLC (**"Franchisor"**) and Franchisee are parties to the following Franchise Agreements (collectively, the "**Franchise Agreements**"):

Franchise Agreement Number(s)	Date of Agreement

B. Franchisee, Owners, and (if applicable) Transferee are executing this Release as a condition of (check one):

___ (i) Franchisor consenting to a transfer of any interest in the Franchise Agreement or Franchisee's business or entity;
____ (ii) Franchisor agreeing to enter into a successor Franchise Agreement with Franchisee; or
____ (iii) Franchisor agreeing to amend the Franchise Agreement or waive any of its rights under the Franchise Agreement.

If this Release is executed under the conditions set forth in (ii) or (iii) above, all references in this Release to "Transferee" should be ignored.

AGREEMENT

In consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, it is hereby agreed as follows:

1. Release by Franchisee, Transferee, and Owners. Franchisee and Transferee (on behalf of themselves and their parents, subsidiaries, and affiliates and their respective past and present officers, directors, shareholders, managers, members, agents, and employees, in their corporate and individual capacities), and Owners (on behalf of themselves and their respective heirs, representatives, successors and assigns) (collectively, the **"Releasors"**) freely and without any influence unconditionally and irrevocably forever release and discharge (i) Franchisor, (ii) Franchisor's past and present officers, directors, shareholders, managers, members, agents, and employees, in their corporate and individual capacities, and

(iii) Franchisor's past and present parents, subsidiaries, predecessors, and affiliates and their respective past and present officers, directors, shareholders, managers, members, agents, and employees, in their corporate and individual capacities (collectively, the **"Released Parties"**), from any and all charges, complaints, claims, debts, demands, liabilities, obligations, promises, agreements, controversies, damages, actions, suits, rights, judgments, costs, losses, debts and expenses of whatever kind or nature, and causes of action of whatever kind or nature (based upon any legal or equitable theory, whether contractual, common law, statutory, federal, state, local, or otherwise), whether known or unknown, vested or contingent, or suspected or unsuspected (collectively, **"Claims"**), which any Releasor ever owned or held, now owns or holds, or may in the future own or hold arising out of, or relating to, any act, omission, or event occurring on or before the date of this Release, including, without limitation, Claims arising out of, or relating to, (a) violations of federal, state, and local laws, rules, and ordinances, unless specifically prohibited by such laws, (b) the Franchise Agreement and any other agreements between any Releasor and Franchisor or Franchisor's parents, subsidiaries, or affiliates, (iii) the business relationship between any of the Releasors and any of the Released Parties, (iv) the offer, sale, or execution of the Franchise Agreement, (v) Franchisor's performance of its obligations under the Franchise Agreement including, but not limited to, any actions for breach of contract, fraud or misrepresentation, violation of any franchise laws or regulations, violation of any state or federal antitrust or securities laws or regulations, or violation of common law, or (vi) any purchase of product, fees, or other items purchased or paid for by Franchisee from any of the Released Parties.

2. Risk of Changed Facts. Franchisee, Transferee, and Owners (on behalf of all Releasors) (a) understand that the facts in respect of which the release in Section 1 is given may turn out to be different from the facts now known or believed by them to be true and (b) hereby accept and assume the risk of the facts turning out to be different and agree that the release in Section 1 shall nevertheless be effective in all respects and not subject to termination or rescission by virtue of any such difference in facts.

3. Covenant Not to Sue. Franchisee, Transferee, and Owners (on behalf of all Releasors) covenant not to initiate, prosecute, encourage, assist, or (except as required by law) participate in any civil, criminal, or administrative proceeding or investigation in any court, agency, or other forum, either affirmatively or by way of cross-claim, defense, or counterclaim, against any person or entity released under Section 1 with respect to any Claim released under Section 1.

4. No Prior Assignment and Competency. Franchisee, Transferee, and Owners (on behalf of all Releasors) represent and warrant that: (a) the Releasors are the sole owners of all Claims and rights released in Section 1 and that the Releasors have not assigned or transferred, or purported to assign or transfer, to any person or entity, any Claim released under Section 1; (b) each Releasor has full and complete power and authority to execute this Release, and that the execution of this Release shall not violate the terms of any contract or agreement between them or any court order; and (c) this Release has been voluntarily and knowingly executed after each of them has had the opportunity to consult with counsel of their own choice.

5. No Liability. Franchisee, Transferee, and Owners (on behalf of all Releasors) jointly and severally, agree that no past, present, or future director, officer, employee, incorporator, member, partner, shareholder, affiliate, controlling party, vendor, service provider, agent, or attorney of Franchisor, or entity under common control, ownership, or management with Franchisor, will have any liability for (a) any of Franchisor's obligations or liabilities relating to or arising from the Franchise Agreement, (b) any claim against Franchisor based on, in respect of, or by reason of, the relationship between Franchisee and Franchisor, or (c) any claim against Franchisor based on any alleged unlawful act or omission.

6. Complete Defense. Franchisee, Transferee, and Owners (on behalf of all Releasors): (a) acknowledge that the release in Section 1 shall be a complete defense to any Claim released under Section

1; and (b) consent to the entry of a temporary or permanent injunction to prevent or end the assertion of any such Claim.

7. Waiver of Statutory Preservation Provisions. Franchisee, Transferee, and Owners (on behalf of all Releasors) each expressly waives any rights or benefits conferred by the provisions of Section 1542 of the California Civil Code, to the extent such provision would be applicable, which provides as follows:

> A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

This waiver extends to any other statute or common law principle of similar effect in any applicable jurisdiction, including without limitation, California and or any other jurisdiction in which the Releasors reside. Franchisee, Transferee, and Owners (on behalf of all Releasors) acknowledge and represent that they have each consulted with legal counsel before executing this release and that they understand its meaning, including the effect of Section 1542 of the California Civil Code, and expressly consent that this release shall be given full force and effect according to each and all of its express terms and provisions, including, without limitation, those relating to the release of unknown and unsuspected claims, demands, and causes of action.

8. Claims Under Washington Franchise Investment Protection Act. This Release shall not apply to any Claims arising under the Washington Franchise Protection Act, RCW 19.100, and the rules adopted thereunder.

9. Successors and Assigns. This Release will inure to the benefit of and bind the successors, assigns, heirs, and personal representatives of the Released Parties and each Releasor.

10. Counterparts. This Release may be executed in two or more counterparts (including by scanned copy), each of which shall be deemed an original, and all of which shall constitute one and the same instrument.

IN WITNESS WHEREOF, Franchisee, Transferee, and Owners have executed this Release as of the date shown above.

FRANCHISEE:

By: ______________________________

Print Name: ______________________________

Title: ______________________________

Date: ______________________________

TRANSFEREE:

By: ______________________________

Print Name: ______________________________

Title: ______________________________

Date: ______________________________

OWNER:

____

Print Name: ______________________________

Date: ______________________________

OWNER:

____

Print Name: ______________________________

Date: ______________________________

OWNER:

____

Print Name: ______________________________

Date: ______________________________

Exhibit D to the FDD

PRELIMINARY APPROVAL AGREEMENT

TWO MEN AND A TRUCK SPE LLC
PRELIMINARY APPROVAL AGREEMENT

THIS AGREEMENT is made this ____ day of _______________, 20____, by **TWO MEN AND A TRUCK SPE LLC,** a Delaware limited liability company (the "**Franchisor**"), whose address is One Glenlake Parkway, 14th Floor, Atlanta, Georgia 30328, and _________________________________, whose address is ____________________ ____ ("**Applicant**").

1. **Introduction.** Applicant has applied to become a **TWO MEN AND A JUNK TRUCK®** franchisee and wants: (a) to be preliminarily approved to acquire a **TWO MEN AND A JUNK TRUCK®** franchise ("**Franchise**") subject to the terms of this Agreement and the Franchisor's Franchise Agreement, a form of which Applicant has had an opportunity to review; and (b) the right to execute a **TWO MEN AND A JUNK TRUCK®** Franchise Agreement ("**Franchise Agreement**") for a marketing area defined in Exhibit A attached to this Agreement (the "**Area**") subject to certain conditions as described below.

2. **Preliminary Approval**. Franchisor grants preliminary approval of Applicant's application to operate a Franchise in the Area ("**Application**"). Franchisor's final approval of the Application, which will be granted at the time Franchisor and Applicant sign a Franchise Agreement for a Franchise in the Area ("**Final Approval**"), is conditioned on the accuracy and truth of the disclosures Applicant made in the Application, Applicant's success in obtaining financing, Applicant maintaining all required qualifications to become a franchisee, and Applicant's success in completing other start-up related tasks that we may specify.

3. **Franchise Reservation Fee**. In consideration of Franchisor reserving the Area for Applicant for the Term and Franchisor's lost opportunities associated with reserving the Area, Applicant has paid a non-refundable franchise reservation fee in the amount of $10,000 for a Metro Market Franchise and $5,000 for a Mod Market Franchise ("**Franchise Reservation Fee**") to Franchisor. A "**Metro Market Franchise**" is a franchise in which the Area incudes a population of approximately 420,000 to 600,000 people. A "**Mod Market Franchise**" is a franchise in which the Area includes a population of approximately 100,000 to 250,000 people. If the parties sign a Franchise Agreement, this Agreement will terminate, and the Franchise Reservation Fee will be applied to the initial franchise fee due under the Franchise Agreement. If this Agreement expires or terminates for any reason other than Applicant's execution of a Franchise Agreement, the Franchisor will retain the Franchise Reservation Fee.

4. **Duties of Applicant**. Applicant agrees to:

(a) to the extent Applicant has not already done so, provide Franchisor with all information or materials, financial or otherwise, requested by Franchisor;

(b) undergo any preliminary training specified by Franchisor;

(c) use its best efforts to obtain a trucking authority from Applicant's state governmental agency issuing such authorities; and

(d) if Franchisor grants Final Approval of the Application, sign the Franchise Agreement and all other applicable agreements described in Franchisor's Franchise Disclosure Document.

5. **Duties of Franchisor**. Franchisor agrees to:

(a) not grant a Franchise for the Area to any other person during the Term of this Agreement;

(b) continue to analyze Applicant's qualifications for the granting or denial of Final Approval of Applicant's application for a Franchise Agreement; and

(c) promptly determine whether Applicant qualifies for Final Approval once Applicant informs Franchisor it has provided all documentation and information Applicant intends to provide to obtain Final Approval.

6. **Term and Termination.**

(a) Term. The term of this Agreement shall run for a period of ___ months, commencing with the date of this Agreement (the "**Term**").

(b) Termination by Applicant. Subject to all the terms of this Agreement, including but not limited to the terms of Paragraph 3 above, Applicant may terminate this Agreement and withdraw its application at any time on written notice to Franchisor.

(c) Termination by Franchisor. Franchisor may terminate this Agreement on written notice to Applicant if:

(i) Franchisor denies Final Approval of the Application, as described in Paragraph 2 above;

(ii) Applicant or any of the principals of Applicant dies or becomes permanently disabled;

(iii) Applicant has made or makes willful inaccurate or untruthful representations to Franchisor; or

(iv) Applicant's personal abilities, aptitudes, financial and/or other qualifications required to obtain Final Approval of the Application detrimentally and materially change.

(d) Termination on Signing of Franchise Agreement. This Agreement will automatically terminate on the signing of a Franchise Agreement by the parties.

7. **Providing Applicant with Confidential Information.** During the Term of this Agreement, Applicant understands that he/she/it may receive preliminary training and otherwise have access to certain of Franchisor's Confidential Information. Applicant acknowledges Franchisor's ownership of this Confidential Information and recognizes the value of this Confidential Information to Franchisor's business. Accordingly, and in consideration of having access to this Confidential Information, Applicant agrees as follows:

(a) Defining Confidential Information. Franchisor possesses certain confidential information described in this subsection ("**Confidential Information**") relating to developing and operating TWO MEN AND A JUNK TRUCK® businesses, including (without limitation):

(i) Manuals, training methods, operations methods, techniques, processes, policies, procedures, systems and data;

(ii) specifications and information about products or services:

(iii) marketing techniques, knowledge, and experience, and marketing and advertising programs used in developing and operating the Franchises, including (without limitation) websites and social media;

(iv) all information regarding the identities and business transactions of customers and suppliers;

(v) the Automation Systems, computer software, including proprietary software and similar technology that is developed by or for Franchisor or its agents, which is proprietary to Franchisor, including, without limitation, digital passwords and identifications and any source code of, and data, reports, and other printed materials generated by, the software or similar technology;

(vi) knowledge of the operating results and financial performance of TWO MEN AND A JUNK TRUCK® businesses;

(vii) all knowledge, information, reports, data, source code and documents that franchisees acquire or have access to pertaining to services provided by third party vendors in connection with any agreements between third party vendors and Franchisor; and

(viii) other property that Franchisor describes as being confidential information or trade secrets of the TWO MEN AND A JUNK TRUCK® franchise system.

(b) Ownership and Use of Confidential Information. Applicant acknowledges that Franchisor owns the Confidential Information and/or the rights to use the Confidential Information and agrees that Applicant will not acquire any interest in the Confidential Information, other than the right to use it as Franchisor specifies during the term of this Agreement. The Confidential Information or the right to use the Confidential Information is proprietary to Franchisor and is disclosed to Applicant only on the condition that Applicant agrees that he/she/it will:

(i) not use the Confidential Information in any business or in any capacity except in connection with training that Franchisor may provide to Applicant during the Term of this Agreement;

(ii) keep each item deemed to be part of Confidential Information absolutely confidential, both during the Term and then thereafter for as long as the item is not generally known in the junk removal or other relevant industries;

(iii) not make unauthorized copies of any Confidential Information disclosed via electronic medium or in written or other tangible form; and

(iv) adopt and implement reasonable procedures to prevent unauthorized use or disclosure of Confidential Information, including, without limitation, restricting its disclosure to Applicant's employees and agents. If Franchisor authorizes Applicant to disclose Confidential Information to any of Applicant's employees or agents, Applicant will require individuals having access to Confidential Information to sign non-disclosure and non-competition agreements in a form satisfactory to Franchisor and Franchisor will be deemed to be a third-party beneficiary of those agreements with independent enforcement rights.

(c) Expiration or Termination of Agreement. Applicant agrees that when this Agreement expires, or is terminated, Applicant will immediately cease using any and all of the Confidential Information in any business or otherwise, and return to Franchisor all copies of all Confidential Information that Applicant has in his/her/its possession. Applicant acknowledges and agrees that it will be liable to Franchisor for any use of the Confidential Information not authorized by this Agreement.

8. **Promise Not to Compete.** Applicant acknowledges that having access to Franchisor's Confidential Information would enable Applicant to use such Confidential Information in a Competing Business (as defined below). Recognizing Franchisor's right to protect its Confidential Information and the unfair competition that would result if Applicant did use the information in a Competing Business, Applicant agrees as follows:

(a) During the Term and for one (1) year from and after the expiration or termination of the rights and obligations under this Agreement (other than a termination caused by Applicant's signing of a Franchise Agreement) or from and after the date Applicant ceases the prohibited competition, if later, neither Applicant nor any of its principals, shareholders, members, spouses of any of them, or affiliates will, without Franchisor's prior written consent, directly or indirectly (either as an individual or in partnership or in conjunction with any other person as principal, agent, shareholder, member or in any other capacity whatsoever) carry on, be engaged in, or be concerned with, or interested in, or advise, lend money to, lease real or personal property to, consult with, guarantee the debts of or obligations of, or be employed by any person engaged in or concerned with or interested in any business that is involved, in whole or in part, in a Competing Business, which business is located within the Area or within any marketing area of any Franchise as defined within each TWO MEN AND A JUNK TRUCK® franchisee's franchise agreement existing at the time this Agreement terminates or expires. If any covenant that restricts competitive activity is deemed unenforceable by virtue of its scope in terms of area, business activity prohibited, and/or length of time, but would be enforceable if modified, the parties agree that the covenant will be enforced to the fullest extent permissible under the laws and public policies applied in the jurisdiction whose law determines the covenant's validity.

(b) For purposes of this Agreement, the term "**Competing Business**" means: (i) a business that is identical to, or similar to a business using the TWO MEN AND A JUNK TRUCK® system; (ii) any business that offers Competing Services; or (iii) a business or entity that franchises, licenses, or otherwise grants to others the right to operate a business described in subsections (i) and (ii) of this paragraph. "**Competing Services**" includes (x) junk removal services, (y) Resale Services, and (z) other products or services designated as part of the TWO MEN AND A JUNK TRUCK® system or that franchisees are otherwise authorized to provide.

9. **Injunctive Relief.** Applicant acknowledges that any violation of the confidentiality or non-competition provisions of this Agreement will irreparably harm Franchisor and Franchisor will have the right, without the posting of any bond or security and without the need to prove irreparable injury, to obtain specific enforcement of the confidentiality and non-competition provisions of this Agreement from a court of competent jurisdiction, by temporary or permanent injunctions or other equitable relief. Franchisor's rights to obtain injunctive relief under this Agreement are in addition to all other remedies available to Franchisor under this Agreement or applicable law.

10. **<u>Acknowledgements of Applicants in Certain States</u>**. The following acknowledgements apply to Applicant, unless Applicant or the franchise are subject to the state franchise disclosure laws in California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, or Wisconsin:

(a) Applicant has conducted an independent investigation and financial assessment of the business venture contemplated by the Franchise Agreement that may be signed by Applicant and recognizes that it involves business risks making the success of the venture largely dependent on the business abilities of Applicant as well as other variables.

(b) Applicant has no knowledge of any representations by Franchisor or its officers, directors, shareholders, employees or agents about the business contemplated by the Franchise Agreement that are contrary to the terms of the Franchise Agreement or the documents incorporated in the Franchise Agreement or the disclosure contained in the Franchisor's Disclosure Document delivered to Applicant. Applicant has made no misrepresentations in obtaining preliminary approval of the Application.

(c) Applicant has received, read and understood the Franchise Agreement and the disclosure contained in the Franchisor's Disclosure Document, Franchisor has fully and adequately explained the provisions of each to Applicant's satisfaction and Franchisor has afforded Applicant ample time and opportunity to consult with advisors about the potential benefits and risks of entering into the Franchise Agreement.

11. **<u>No Assignment by Applicant</u>.** Applicant's rights under this Agreement may not be assigned to any other person without the written consent of Franchisor.

12. **<u>Georgia Law and Jurisdiction</u>.** This Agreement and its construction and any disputes between the parties will be governed by the laws of the State of Georgia (without reference to the conflicts of law provisions). Unless otherwise precluded by law, any legal proceedings between the parties must be brought and conducted only in a State or Federal Court in the jurisdiction in which the principal place of business of Franchisor is located (currently, Atlanta, Georgia), and Applicant consents to those Courts having personal jurisdiction of Applicant.

13. **<u>Entire Agreement; Modification</u>.** This Agreement constitutes the full and entire agreement between the parties. This Agreement supersedes all previous representations, agreements or understandings between the parties and such previous representations, agreements and/or understandings, if any, are merged into this Agreement and superseded by this Agreement. No officer or employee or agent of Franchisor has any authority to make any representation or promise not contained in this Agreement or related agreements, or in any Disclosure Document for prospective franchisees required by applicable law. Nothing in this Agreement or any related agreement is intended to disclaim or to require Franchisee to waive reliance on any representation in the Franchise Disclosure Document delivered to Franchisee or in its exhibits or amendments.

The parties have signed this Agreement on the date set forth at the beginning of this Agreement.

TWO MEN AND A TRUCK SPE LLC
Franchisor

By: ______________________________	___________________________________
	Applicant
Its: ______________________________	Name:_____________________________

EXHIBIT A TO PRELIMINARY APPROVAL AGREEMENT

The “Area” for purposes of the Preliminary Approval Agreement is:

____
____
____
____
____

TWO MEN AND A TRUCK SPE LLC
Franchisor

By: ______________________________

Its: ______________________________

____
Applicant

Name:____________________________

Exhibit E to the FDD

ADDENDUM TO FRANCHISE AGREEMENT—RENEWAL

TWO MEN AND A TRUCK SPE LLC
ADDENDUM TO FRANCHISE AGREEMENT—RENEWAL

THIS ADDENDUM is made this _____ day of ____________, 20___ and modifies a Franchise Agreement of the same date ("**Franchise Agreement**") entered into by **TWO MEN AND A TRUCK SPE LLC**, a Delaware limited liability company with its principal office at One Glenlake Parkway, 14th Floor, Atlanta, Georgia 30328 ("**Franchisor**") and ____ with its principal office at ____ ("**Franchisee**").

A. **Introduction.** Franchisor and Franchisee are parties to a franchise agreement dated ________________ ("**Expiring Agreement**"), the term of which expired or will expire on _______________, 20____ ("**Expiration Date**"). Franchisee desires to renew its franchise relationship with Franchisor and has signed a new franchise agreement to which this Addendum it attached ("**Franchise Agreement**"). Franchisor has approved the renewal, subject to any additional obligations described in this Addendum. Franchisor and Franchisee desire to amend the Franchise Agreement to reflect Franchisee's status as an existing franchisee renewing an ongoing relationship and to specify any additional obligations applicable on the renewal.

B. **Release of Franchisor.** As a condition of renewal, Franchisee hereby releases and forever discharges Franchisor and its subsidiaries and affiliates and their respective officers, directors, shareholders, representatives, agents, members, managers and employees, in their corporate and individual capacities, from all liability, right, claim, debt and cause of action whatsoever, known or unknown, suspected or unsuspected, which Franchisee ever had, now has or may have at any time based on any agreement entered into between the parties on or before the date of this Addendum, including but not limited to the Expiring Agreement, or based on any act or omission occurring on or before the date of this Addendum. Section B does not apply to claims arising under the Washington Franchise Investment Protection Act, Chapter 19.100 RCW, or the rules adopted thereunder.

C. **Renewal Fee.** Franchisee is not required to pay the initial franchise fee referenced in Section 4.1 of the Franchise Agreement. Franchisee must pay a renewal fee in the amount of $____________. The renewal fee is payable at the time of signing the Franchise Agreement and is not refundable.

D. **Initial Training.** Unless otherwise specified in this Addendum, Franchisor will not be required to provide, and Franchisee will not be required to attend and complete the initial training course provided by Franchisor.

E. **Opening of Franchised Business.** Section 2.3(b) of the Franchise Agreement entitled "Opening of the Franchised Business" is deleted in its entirety and replaced with the following: "Franchisee is already operating the Franchised Business and operations must continue on renewal without interruption."

F. **Additional Obligations of Franchisee.** *[Specify any conditions for renewal described in Section 2.1 of the existing Franchise Agreement that must be performed after renewal, such as training, a renewal visit, upgrades, maintenance, and other listed obligations.]*

G. **Surviving Provisions of Expiring Agreement.** Any provision in the Expiring Agreement, which by its terms or reasonable implication imposes an obligation to be performed, in whole or in part, after the Expiration Date, will survive the termination or expiration of the Expiring Agreement and will remain in full force and effect, including, but not limited to indemnification obligations arising from acts or omissions occurring before the Expiration Date.

H. **Legal Effect.** All terms not otherwise defined in this Addendum will have the same meaning as in the Franchise Agreement. Except as modified by this Addendum, the Franchise Agreement will remain in full force and effect and is incorporated into this Addendum by reference.

The parties have signed this Addendum on the date set forth at the beginning of this Addendum.

TWO MEN AND A TRUCK SPE LLC	______________________________
"Franchisor"	"Franchisee"
By: ______________________________	By: ______________________________
Randy Shacka, President	
	Its: ______________________________

Exhibit F to the FDD

AGREEMENT TO PROVIDE OPTIONAL SERVICES

TWO MEN AND A TRUCK SPE LLC
AGREEMENT TO PROVIDE OPTIONAL SERVICES

THIS AGREEMENT is made effective the ____ day of _______________, 20____, by **TWO MEN AND A TRUCK SPE LLC,** a Delaware limited liability company, whose address is One Glenlake Parkway, 14th Floor, Atlanta, Georgia 30328 ("**Franchisor**") and __________________________________, whose address is ___________________ ____ ("**Franchisee**").

1. **Introduction.** Franchisor and Franchisee are parties to a Franchise Agreement dated _______________, 20____ (the "**Franchise Agreement**") for the operation of a **TWO MEN AND A JUNK TRUCK®** Franchised Business at the following location: ____ (the "**Franchised Business**"). Franchisor offers to provide the services listed below to its franchisees. Franchisee has elected to acquire the services marked below from Franchisor subject to the terms of this Agreement and Franchisor's policies relating to the marked services. This Agreement will apply to the services marked below by checking the applicable box or boxes:

□ Records and Bookkeeping Services □ Digital Advertising

(each a "**Service**" and together the "**Services**"). Accordingly, in consideration of the mutual covenants contained in this Agreement and other valuable consideration, the receipt and sufficiency of which are acknowledged, the parties agree as follows:

2. **Obligations of Franchisor and Franchisee.** The obligations of Franchisor in connection with each Service provided by Franchisor under this Agreement are detailed in the applicable policy relating to the Service (each a "**Policy**" and together the "**Policies**"). Franchisor agrees to provide each Service as provided in the applicable Policy. Franchisee will have obligations relating to each Service, which will be detailed in the Policy for that Service. Franchisee agrees to comply with its obligations relating to each Service as provided in the applicable Policy.

3. **Fees for Services.** The fees that Franchisee must pay for the Services are detailed in the Policies. These fees will be paid in the manner and at the times described in the Policies. During the current term of the Franchise Agreement, (a) the fees for records and bookkeeping services will not exceed $120 per hour and (b) the fees for local digital advertising services will not exceed 100% of the amounts billed to us by all managed ad platforms, plus an administrative fee of 15% to 20% of the media spend. If you enter into a renewal term for the Franchise Agreement, different fee caps may apply.

4. **Policies Subject to Change.** The Policies are subject to change by Franchisor at any time. Franchisee will be provided reasonable notice of changes in a Policy and Franchisee will be bound by the revised Policy on the effective date of the changes as stated in the notice. Unless otherwise provided in the Policy, Franchisee may terminate this Agreement as to a Service on notice to Franchisor effective on the effective date of the Policy change for that Service if the change in the Policy is not acceptable to Franchisee. If Franchisee does not terminate the Agreement as to that Service before the effective date of the Policy change, Franchisee will be deemed to have accepted the Policy change.

5. **Term and Termination.** This Agreement will continue until terminated as provided in this Agreement or the Policies. This Agreement may be terminated as provided in Section 4 or as follows:

(a) Expiration or Termination of Franchise Agreement. This Agreement will automatically terminate in its entirety on expiration (without renewal) or termination of the Franchise Agreement.

(b) Termination for Cause. Franchisor or Franchisee (the "non-defaulting party') may terminate this Agreement based on the breach of this Agreement by the other party (the "defaulting party") and the failure of the defaulting party to cure that breach within a reasonable period of time after written notice from the non-defaulting party (the notice need not exceed 10 days for non-payment or 30 days for other breaches). A party may elect to terminate this Agreement in its entirety or only as to the Services to which the defaults relate. The scope of the termination must be described in the notice of breach.

(c) Termination without Cause. Except as otherwise provided in a Policy, either party may terminate this Agreement in its entirety or only as to certain Services by providing 30 days written notice to the other party.

(d) Discontinuance of Service. Franchisor may terminate this Agreement on 30 days written notice to Franchisee as to a Service if Franchisor, in its discretion, decides to no longer offer the Service or no longer provides the Service as an optional service.

6. Effect of Termination. After the effective date of termination, the parties will not have any further rights or obligations under this Agreement except: (a) Franchisee will be obligated to pay for Services provided up to the date of termination; and (b) Franchisor and Franchisee will continue to be bound by provisions of this Agreement or the Policies that by their terms or intent survive termination of this Agreement.

7. Acknowledgements of Franchisee; No Warranties. Franchisee acknowledges that the Services provided by Franchisor under this Agreement are limited and do not replace Franchisee's need to have personnel on staff to handle the day-to-day operations of the Franchised Business. Franchisor does not Warrant the Services or guarantee any results and Franchisee hereby releases Franchisor from any claims, demands, or liability for any loss in profits, damages, or disputes that arise in connection with the Services provided by Franchisor. Franchisor disclaims any representations or warranties in connection with the Services, including but not limited to representations or warranties that the Services will satisfy or ensure compliance with any legal obligations or laws or regulations. Franchisee acknowledges that it is solely responsible for and is not relying on Franchisor for compliance with applicable laws. No officer or employee or agent of Franchisor has any authority to make any representation or warranty not contained in this Agreement. Nothing in this Agreement or any related agreement is intended to disclaim or to require Franchisee to waive reliance on any representation in the Franchise Disclosure Document delivered to Franchisee or in its exhibits or amendments.

8. Limitations on Remedies. Franchisee's sole remedy for any breach of this Agreement by Franchisor will be termination of this Agreement under Section 5 above. Franchisor will, in no event, be liable for lost revenue or other consequential damages and Franchisee releases Franchisor from any such liability and waives any claims Franchisee may have to such damages.

9. Indemnification. Franchisee will indemnify and hold harmless Franchisor, its officers, directors, employees, and agents, from all fines, charges, suits, proceedings, claims, demands, damages, liabilities, costs, and settlements with customers and/or others, including the payment of reasonable attorney's fees, arising out of any action and/or inaction of Franchisee and/or any lawsuit, proceeding of any kind or nature and/or settlement negotiations that relate in any way to the Services provided by Franchisor under this Agreement.

10. Only Franchisee Has the Right to Control Its Employees. Franchisor does not control, and does not have the right to control, Franchisee's decisions regarding hiring, disciplining, or terminating Franchisee's employees or agents. Franchisor does not control or have the right to control Franchisees other day-to-day business activities. The Services provided by Franchisor under this Agreement do not constitute Franchisor's representation or approval or disapproval of any employee or prospective employee of Franchisee and Franchisor will not have any liability to Franchisee or others in connection with those employees or prospective employees. In all cases Franchisee will remain solely responsible for employment-related decisions and obligations, including decisions regarding hiring and maintaining employees and determinations of whether prospective employees meet hiring and performance standards or are suitable for an employment position.

11. Non-Discrimination. The parties agree that in the course of their activities and performance under this Agreement they will not discriminate against any person on a basis as prohibited by law.

12. No Assignment by Franchisee. Franchisee's rights under this Agreement may not be assigned to any other person without the written consent of Franchisor.

13. Effect of Franchise Agreement. This Agreement does not modify or supersede any rights or obligations of the parties under the Franchise Agreement. However, Franchisee acknowledges that a default under this Agreement will constitute a default under the Franchise Agreement (as a default under any other agreement between the parties).

14. Georgia Law and Jurisdiction. This Agreement and its construction and any disputes between the parties will be governed by the laws of the State of Georgia (without reference to the conflicts of law provisions). Unless otherwise precluded by law, any legal proceedings between the parties must be brought and conducted only in a State or Federal Court in the jurisdiction in which the principal place of business of Franchisor is located (currently, Atlanta, Georgia), and Franchisee consents to those Courts having personal jurisdiction of Franchisee.

15. Entire Agreement; Modification. This Agreement constitutes the full and entire agreement between the parties as to the matters covered. This Agreement supersedes all previous representations, agreements, inducements, or understandings between the parties and such previous representations, agreements, inducements, and/or understandings, if any, are merged into this Agreement and superseded by this Agreement. This Agreement may not be modified except by a written agreement between the parties.

16. Binding Effect. Except as provided in Section 12, this Agreement is binding on Franchisor and Franchisee and their respective executors, administrators, heirs, beneficiaries, permitted assigns, and successors in interest.

17. Section Heading; Pronouns and Plurals. Section headings are for reference purposes only and do not in any way modify or limit the statements contained in any Section. All words in this Agreement are deemed to include any number or gender as the context or sense of this Agreement requires.

18. Severability. Except as expressly provided to the contrary in this Agreement, each section, paragraph, term, and provision of this Agreement is severable, and if for any reason any part is held to be invalid or contrary to or in conflict with any applicable present or future law or regulation in a final, unappealable ruling issued by any court, agency, or tribunal with competent jurisdiction, that ruling will not impair the operation of, or otherwise affect, any other portions of this Agreement, which will continue to have full force and effect and bind the parties.

The parties have signed this Agreement on the dates beside their signatures to be effective on the date at the beginning of this Agreement.

TWO MEN AND A TRUCK SPE LLC

Franchisor

Dated: ______________________ By: ______________________________________

Its: ______________________________________

____

Franchisee

Dated: ______________________ By: ______________________________________

Its: ______________________________________

Exhibit G to the FDD

NON-DISCLOSURE AND CONFIDENTIALITY AGREEMENT--
PROSPECTIVE FRANCHISEES

NON-DISCLOSURE AND CONFIDENTIALITY AGREEMENT
FOR THE PROTECTION OF CONFIDENTIAL INFORMATION OF
TWO MEN AND A TRUCK SPE LLC

I/We, in consideration of the approval by **TWO MEN AND A TRUCK SPE LLC** (the "Company") to review certain confidential information, which may include, without limitation, manuals, policies, procedures, business practices, training techniques, and financial, business, marketing and operational information, client lists, proposed products and services, pricing information and/or supplier information and/or other information relating to the operation of a **TWO MEN AND A JUNK TRUCK®** junk removal business (in the aggregate "**Confidential Information**") before completing my/our contemplated purchase of such franchise, hereby agree to maintain the confidentiality of all such Confidential Information in recognition that such information is confidential and is ordinarily divulged only to franchisees in the **TWO MEN AND A JUNK TRUCK®** franchise system. If I/we are unable, or an affiliate that I/we create or form is unable, to consummate the contemplated purchase of a **TWO MEN AND A JUNK TRUCK®** franchise or to otherwise become a **TWO MEN AND A JUNK TRUCK®** franchisee, I/we will not disclose any of this information to any other person. I/we further represent and warrant that I/we will not use such information in any other capacity except as an authorized **TWO MEN AND A JUNK TRUCK®** franchisee. I/we hereby acknowledge that I/we will not reproduce any Confidential Information provided to me/us during the time I/we are assessing the feasibility of becoming a **TWO MEN AND A JUNK TRUCK®** franchisee, nor will I/we make any oral or written notes regarding any of the Confidential Information. ™

I/we acknowledge and agree that disclosure or unauthorized use of any of the Confidential Information presented to me/us is likely to cause the Company immediate and irreparable harm, which is not compensable in money damages. In the event of my/our unauthorized use or disclosure of such Confidential Information, I/we hereby consent to the entry of injunctive relief in favor of the Company, including temporary restraining orders and preliminary and permanent injunctions, without the requirement of bond, under the usual equity rules. I/we acknowledge that the Company does not waive any rights it may have to recover money damages, including the right hereunder to collect attorney's fees, costs and expenses the Company incurs to enforce its rights under this Agreement if I/we are found by the court to have breached the terms of this Agreement.

I/We agree and acknowledge that if the Company believes or understands that I/we have breached the terms of this Agreement, it can bring legal action against me/us in a Georgia state court in Atlanta, Georgia or in a federal court within the Northern District of Georgia and that such court will have exclusive jurisdiction of the legal proceeding, and I/we agree that such court will have personal jurisdiction over me/us and I/we waive any objection to such courts' jurisdiction and waive any claim that such a lawsuit will have been brought in an inconvenient forum.

I/WE HAVE READ THE ABOVE NON-DISCLOSURE AND CONFIDENTIALITY AGREEMENT AND UNDERSTAND ITS TERMS. I/WE WOULD NOT SIGN THIS AGREEMENT IF I/WE DID NOT UNDERSTAND IT AND AGREE TO BE BOUND BY ITS TERMS.

Dated:______________________________ ______________________________
(Prospective Franchisee)

Dated:______________________________ ______________________________
(Prospective Franchisee)

Exhibit H to the FDD

ADDENDUM TO PERMIT OFFICE OPERATION OF MARKETING AREA(S) FROM OTHER FRANCHISE MARKETING AREA(S)

TWO MEN AND A TRUCK SPE LLC
ADDENDUM TO PERMIT OPERATION WITHOUT OFFICE IN MARKETING AREA

This Addendum is between **TWO MEN AND A TRUCK SPE LLC**, a Delaware limited liability company ("Franchisor") and _____________, a _______________ ("Franchisee), licensed to operate **TWO MEN AND A JUNK TRUCK®** franchises pursuant to **TWO MEN AND A JUNK TRUCK®** Franchise Agreement dated ___________________ (the "#_________________, ___ Franchise Agreement"), and Franchise Agreements dated __________ (the "#_______________"Franchise Agreement"), (the "#_____________________Franchise Agreement"), and (the "#__________________________ Franchise Agreement") (the referenced Franchise Agreements are each referred to as a "Franchise Agreement" and collectively as the "Franchise Agreements").

Whereas, Franchisee and/or its affiliates have been successful in operating and growing at least one other **TWO MEN AND A JUNK TRUCK®** franchise, or have otherwise demonstrated a capability of operating successful **TWO MEN AND A JUNK TRUCK®** franchises; and

Whereas, Franchisor and Franchisee, simultaneously with the execution of (the "#__________________________ Franchise Agreement"), (the "#__________________________ Franchise Agreement"), (the "#__________________________ Franchise Agreement"), and (the "#__________________________ Franchise Agreement") are entering into this Addendum to permit Franchisee to operate the marketing area described in Exhibit 1 of (the "#__________________________ Franchise Agreement"), (the __________________________ Franchise Agreement"), and (the "#__________________________ Franchise Agreement"), from a physical business location in the marketing area described in Exhibit 1 of ("the #__________________________ Franchise Agreement") (the marketing areas described in the Franchise Agreements are each referred to as a "Marketing Area" and collectively as the "Marketing Areas");

NOW, THEREFORE, notwithstanding the terms of (the "#__________________________ Franchise Agreement"), (the "#__________________________ Franchise Agreement"), (the "#__________________________ Franchise Agreement"), and (the "#__________________________ Franchise Agreement"), Franchisor and Franchisee agree to modify (the "#__________________________ Franchise Agreement"), (the "#__________________________ Franchise Agreement"), (the __________________________ Franchise Agreement"), and (the "#__________________________ Franchise Agreement") as follows:

1. Providing a Business Plan and Requirement to Open Physical Business Locations.

(a) Prior to entering into this Addendum, Franchisee must submit a business plan to Franchisor for Franchisor's written approval. The business plan must, among other things, disclose (i) the area of the proposed physical business location(s), (ii) the date the physical business location(s) is/are intended to be opened, (iii) the reasons for selecting the proposed physical business location(s) and (iv) the location, if known, and/or allocation, per franchise, of the junk removal trucks and containers Franchisee intends to purchase for the franchises identified in this Addendum. Franchisor must approve the business plan prior to entering into this Addendum.

(b) Prior to signing a lease and/or opening physical business location(s) in a/the Marketing Area(s), Franchisee must disclose to Franchisor and receive Franchisor's written approval of the proposed specific physical business location(s) identified by street address, city/township, state, and zip code along with the type of location(s) proposed.

(c) Franchisee currently operates from ______ physical business location. Franchisee is required to have a minimum of one (1) physical business location and may be required to maintain an additional minimum number of physical business locations. Franchisor approval is required to close any current physical business location.

(d) Annually Franchisor and Franchisee will review the need for an additional physical business location. If Franchisor determines there is a need for an additional physical location, Franchisee must open the additional physical business location. If the determination is made no later than October 31st of the current year, Franchisee must open the additional physical business location no later than March 31st of the following year. If the determination is made after October 31st of the current year, Franchisee must open the additional physical business location by no later than _________ of the following year.

Failure to open and maintain the number of physical business locations specified in this Addendum and any additional physical business locations determined by Franchisor will constitute a material default under each of the Franchise Agreements for which no physical business location approved by Franchisor has been opened in the Marketing Area described in that Franchise Agreement. Any such material default will constitute good cause for Franchisor to terminate the Franchise Agreements for which no physical business location approved by Franchisor has been opened in the Marketing Area described in that Franchise Agreement, and upon thirty (30) days written notice (or lengthier notice period if required by law) all such Franchise Agreements and this Addendum with respect to such Franchise Agreements will automatically terminate.

2. Consolidated Books and Records. Franchisee must maintain separate revenue records for each Marketing Area, but may otherwise consolidate the record keeping whether or not Franchisee has a physical business location in that Marketing Area. The consolidated books and records must include all financial and accounting matters in accordance with generally accepted accounting principles (GAAP), and as otherwise required by the Franchise Agreements and Franchisor policy. To enable Franchisor to access/extract Franchisee's financial data for benchmarking or other purposes, and to ensure that proper allocation and accounting principles are utilized, Franchisor may request, and Franchisee must furnish its accounting application username and password (for the Marketing Areas) with read-only access. Franchisor will link Franchisee's approved accounting application file to one site with the currently authorized hosting service provider to access and utilize 'read only' access. The password must be for 'read only' access and must not be an administrator password. Franchisee is responsible for setting the appropriate authorization for this password. To protect the integrity of the brand and assess the financial standing, an independent review and/or audit performed by an approved certified public accounting firm may be required by Franchisor. The cost of such audit or review will be the responsibility of Franchisee. Normally Franchisor will require the review or audit to occur within ninety (90) days of the end of the calendar year to be reviewed or audited.

3. Audit, Inspection, or Investigation Deficiencies; Obligation to Pay for Expenses. Without limiting Franchisor's rights under the Franchise Agreements, Franchisee acknowledges that Franchisor has the right to inspect, audit, investigate and review Franchisee's books, records and other business matters as authorized by the most recently dated of the Franchise Agreements. If any financial audit, inspection, investigation or review for any reporting period discloses a deficiency in Gross Sales (as defined in Section 4.2(b) of the most recently dated of the Franchise Agreements), then Franchisee will bear the reasonable expenses of the audit, inspection, and investigation. Franchisee's obligation to pay the expenses will not affect any other right Franchisor has arising out of such under-reporting, or other violations of the terms of the applicable Franchise Agreement or this Addendum. If any audit, inspection or investigation reveals an item of non-compliance with the applicable Franchise Agreement or this Addendum, Franchisor's policies, or applicable law, or reveals that Franchisee has failed to meet a benchmark specified by Franchisor, Franchisee must take prompt action to resolve the items of non-compliance in the manner specified by

Franchisor. This may include, without limitation, requiring Franchisee to submit a written action plan for resolving the items of non-compliance. If actions are not taken in the manner specified by Franchisor or continued non-compliance exists, Franchisor may perform a follow-up audit, inspection, and/or investigation at Franchisee's expense or take other steps specified in Franchisor's policies, which may include imposing liquidated damages and/or requiring Franchisee to engage a consultant, at Franchisee's expense.

4. Telephone Numbers and Lines, and Email addresses. Unless Franchisor approves otherwise, Franchisee must maintain separate telephone numbers, facsimile numbers, email addresses, and websites for each Marketing Area identified in this Addendum, but telephone calls or facsimiles directed to the telephone lines for each of those Marketing Areas may be "rolled over" or "forwarded" to the telephone lines of the other Marketing Areas as authorized by Franchisor policy, which policy is subject to change.

5. Telephone System. Franchisee must use a telephone system or other reasonably reliable method to track certain metrics and key benchmarks as specified by Franchisor.

6. Minimum Growth Requirements. Notwithstanding and in lieu of the Minimum Performance Requirements of Section 2.20 of (the "#__________________________ Franchise Agreement"), (the "#__________________________ Agreement"), (the "#__________________________ Franchise Agreement"), and (the "#__________________________ Franchise Agreement"), each calendar year (a "Performance Year") the average percentage growth rate of each Marketing Area (calculated as the percentage difference between Gross Sales in the Performance Year and Gross Sales in the immediately preceding year) (the "Marketing Area Growth Rate") must equal or exceed the average percentage growth rate of the entire franchise system for that Performance Year (the "System Growth Rate"). This System Growth Rate will not include franchises that have been in operation less than 18 months at the start of the Performance Year.

If the Marketing Area Growth Rate is less than the System Growth Rate in any Performance Year in a Marketing Area where the franchise does not have a physical business location, Franchisor reserves the right to require that Franchisee spend an additional amount in local marketing spend, over and above Franchisee's previous year spend, which shall be calculated as the Gross Sales earned in the Performance Year multiplied by the difference between the System Growth Rate and Marketing Area Growth Rate in the Performance Year multiplied by 7%. Franchisor must approve the additional spend but will work with Franchisee to identify how the funds will be allocated.

Failure to meet these minimum growth requirements for any Marketing Areas (including Marketing Areas that include a physical business location) for two consecutive years or for one year by a margin of more than 4% below the System Growth Rate for such Performance Year will constitute a material default of this Addendum. Any such material default will constitute good cause for Franchisor to terminate this Addendum, and Franchisor may, upon 30 days written notice, terminate this Addendum and require Franchisee to open physical business locations in all of the Marketing Areas within 180 days.

7. Franchisee Agrees to be a System Leader. Franchisee agrees to:

- Be an early adopter of tools, programs, software, and resources and provide Franchisor with frequent and specific feedback on such initiatives as Franchisor requests;

- Host regional or other training sessions.

- If requested, visit Franchisor along with key management personnel as requested to provide feedback to Franchisor on the state of the Marketing Areas, use of and employee feedback on the system's tools, programs, and other resources provided by Franchisor, and to present a brief business plan for the following year.

8. Term and Expiration of Addendum. The term of this Addendum for each Franchise Agreement shall run concurrently with the term of that Franchise Agreement. The term of this Addendum expires with respect to each Franchise Agreement upon the first occurrence of one of the following events:

- Upon the expiration of the applicable Franchise Agreement; or

- Upon the transfer of the rights under the applicable Franchise Agreement.

Franchisee acknowledges that Franchisor is under no obligation to continue to permit Franchisee the rights afforded by this Addendum for any additional period of time. If a decision is made to extend the period for permitting Franchisee the rights afforded by this Addendum, Franchisee acknowledges that such extension will be solely at the discretion of Franchisor, and that Franchisor has no duty or obligation to grant such extension.

9. Termination of Addendum. In addition to the termination provisions of Paragraph 9 of this Addendum, Franchisee's breach of any one or more of the provisions of this Addendum or of any of the Franchise Agreements, which remains uncured for 30 days after written notice of such breach, will constitute good cause and grounds for Franchisor to terminate this Addendum. On termination of this Addendum, Franchisee must open physical business locations in all of the Marketing Areas within 180 days.

Franchisee may terminate this Addendum for convenience for any upcoming calendar year by providing written notice to Franchisor on or before July 1st of the prior calendar year. Franchisee must open physical business locations in all of the Marketing Areas and otherwise be in compliance with the requirements for each physical business location under all of the Franchise Agreements by December 31st of the calendar year in which it gives notice of termination, or Franchisee's notice of termination will be considered null and void and this Addendum will remain in effect for the upcoming calendar year.

10. Effect of this Addendum on the Provisions of the Franchise Agreements. Except as modified by this Addendum, the provisions contained in the Franchise Agreements will remain in full force and effect and are incorporated herein by reference. This Addendum is an Addendum to each of the Franchise Agreements and the parties to each of the Franchise Agreements are executing this Addendum as reflected by their signatures below. Except as may otherwise be provided in this Addendum, words defined in the Franchise Agreements will have the same meaning in this Addendum.

11. Reservation of Rights. Except as its rights are modified by this Addendum, Franchisor reserves all rights it has under the Franchise Agreements and all other rights in law and in equity.

The parties have executed this Addendum on the _____ day of _____ 20___.

TWO MEN AND A TRUCK SPE LLC
Franchisor

By: ___________________________

Franchisee
d/b/a **TWO MEN AND A JUNK TRUCK** #___________________________
d/b/a **TWO MEN AND A JUNK TRUCK** #___________________________
d/b/a **TWO MEN AND A JUNK TRUCK** #___________________________
d/b/a **TWO MEN AND A JUNK TRUCK** #___________________________

Exhibit I to the FDD

ADDENDUM TO FRANCHISE AGREEMENT
MOD MARKET FRANCHISE

TWO MEN AND A TRUCK SPE LLC
ADDENDUM TO FRANCHISE AGREEMENT—MOD MARKET FRANCHISE

THIS ADDENDUM is made this _____ day of ____________, 20___ and modifies a Franchise Agreement of the same date ("**Franchise Agreement**") entered into by **TWO MEN AND A TRUCK SPE LLC**, a Delaware limited liability company with its principal office at One Glenlake Parkway, 14th Floor, Atlanta, Georgia 30328 ("**Franchisor**") and _____________________________ with its principal office at ____ ("**Franchisee**").

A. **Introduction.** Franchisor offers a variation to its Metro Market Franchise, which is called the "**Mod Market Franchise**." The Mod Market Franchise is different than the Metro Market Franchise because the Marketing Area has a smaller population than a Metro Market Franchise and there are some differences in fees, performance requirements, Franchisor's right to re-purchase the franchise, and other requirements relating to the franchise. Franchisee desires to acquire a Mod Market Franchise from Franchisor, and Franchisor is willing to sell a Mod Market Franchise to Franchisee. The purpose of this Addendum is to modify the Franchise Agreement to reflect the provisions applicable to a Mod Market Franchise.

Accordingly, in consideration of the foregoing, the mutual covenants of the parties contained in this Addendum and other valuable consideration, the receipt and sufficiency of which are acknowledged, the parties agree to modify the Franchise Agreement as provided in this Addendum.

B. **Business Plans.** Franchisee has submitted a business plan to Franchisor relating to the development and operation of the Franchised Business and will submit a business plan to Franchisor annually after beginning operation of the Franchised Business (the "**Business Plans**"). Franchisee understands that Franchisor's willingness to sell a Mod Market Franchise to Franchisee is based on Franchisee's representation that it will follow the Business Plans. Franchisee's deviation from the Business Plans without approval by Franchisor will constitute a material breach of the Franchise Agreement.

C. **Minimum Number of Trucks.** Section 2.3(a) entitled "Development of the Franchised Business" shall be amended by deleting the fifth sentence and replacing it with the following:

> Franchisee must purchase or lease, prior to opening the Franchised Business, and maintain and/or acquire at all times thereafter, all equipment, phones, computer hardware and software, fixtures, signs, inventory, supplies, and other goods or services Franchisor specifies for use in the Franchised Business, including at least one junk truck and two containers that display Franchisor's **TWO MEN AND A JUNK TRUCK**® Mark and other Marks.

D. **Hours of Operation.** Section 2.9(a) of the Franchise Agreement entitled "Obligation to Personally Supervise and Manage Day-to-Day Operations" shall be amended by adding the following to the end of the section:

> In the event Franchisee is operating a Mod Market Franchise, in addition to other management requirements as contained within this Section, Franchisor may, in writing to Franchisee, allow Franchisee to (i) reduce the minimum hours of operation for a Franchisee that operates a Mod Market Franchise, and (ii) be flexible on the requirements relating to staffing requirements at the Franchised Business.

E. **Records and Bookkeeping Services.** Section 2.14(a) of the Franchise Agreement entitled "Obligations to Keep Complete and Accurate Records" shall be amended to add the following to the end of the Section 2.14(a):

> In the event Franchisee is operating a Mod Market Franchise, in addition to other records contained within this Section, Franchisee must obtain records and bookkeeping services from Franchisor at Franchisee's expense, as long as Franchisor continues to offer those services, unless otherwise approved by the Franchisor. Franchisee must sign a separate Agreement to Provide Optional Services relating to those services.

F. **Minimum Local Marketing Spends**. Paragraph 9 of Exhibit 1 to the Franchise Agreement entitled "Section 2.12(b)(ii) (Minimum Local Marketing Spend)" shall be deleted in its entirety and replaced with the following:

> If Franchisee is operating a new Unit (rather than acquiring or renewing an existing Unit), the Minimum Local Marketing Spend shall be determined in accordance with the following chart:

Minimum Local Marketing Spend that Must be Spent on Eligible Marketing in Each Specified Time Period		
First Six Months of Operation	**Remainder of Calendar Year after Six Months of Operation**	**Next Full Calendar Year of Operation and Thereafter (the "Standard Minimum Expenditure")**
$15,000	$2,000 times the number of months in such remaining year	The greater of (a) 2% of Gross Sales earned in the previous calendar year or (b) $12,000

> For example, a new Unit that completed its first job on March 1st must invest $15,000 on Eligible Marketing between March 1 and August 31 (the first six months of operation). For the remainder of the year, from September 1 to December 31, the franchisee must spend $8,000 ($2,000 x four months) on Eligible Marketing. Beginning in the next calendar year, the franchisee must spend the Minimum Local Marketing Spend on Eligible Marketing. If the first job is completed on November 1, the franchisee must spend $15,000 on Eligible Marketing between November 1 and April 30 (the first six months of operation). For the remainder of the year, from May 1 to December 31, the franchises must spend $16,000 ($2,000 x eight months) on Eligible Marketing. Beginning in the next calendar year, they must spend the Minimum Local Marketing Spend on Eligible Marketing.
>
> If Franchisee is acquiring or renewing an existing Unit, the Minimum Local Marketing Spend shall be the Standard Minimum Expenditure based on the existing Unit's Gross Sales in the prior calendar year.
>
> If the Franchised Business has negative growth for a calendar year or is in the bottom 10% of average growth for all Units in the franchise system in a calendar year, Franchisor may, in its sole discretion, increase the

Minimum Local Marketing Spend to 3% of the Gross Sales earned in the previous calendar year.

G. **Minimum Performance Requirements.** Paragraph 10 of Exhibit 1 to the Franchise Agreement entitled "Section 2.20 (Minimum Performance Requirements)" is amended by deleting subpart (1) entitled "Minimum Sales" in its entirety and replacing it with the following:

(1) Minimum Sales. For the 1st through 4th years of operation of a Unit in the Marketing Area, Franchisee must achieve annual Gross Sales (defined in Section 4.2(b)) of at least the following amounts: (i) $50,000 for the 1st year of operation; (ii) $72,000 for the 2nd year of operation; (iii) $100,000 for the 3rd year of operation; and (iv) $125,000 for the 4th year of operation. For purposes of this provision, a year of operation is the 12-month period beginning on the first date of operation of a Unit in the Marketing Area and each anniversary of that date. However, if the first date of operation of a Unit in the Marketing Area is not the first day of the month, a year of operation will be the 12-month period beginning on the first day of the calendar month after the first day of operation and each anniversary of that date.

After a Unit has been operating in the Marketing Area for four years, the measurement period changes from a year of operation to the calendar year. For each calendar year after the Unit has been operating in the Marketing Area for four years, Franchisee must achieve all of the following: (A) Gross Sales of at least $150,000 in each calendar year; and (B) an annual growth percentage of Gross Sales that is in the top 90% of all Units in the applicable measuring group.

H. **Franchise Fee.** Paragraph 13 of Exhibit 1 to the Franchise Agreement entitled "Section 4.1 (Franchise Fee)" is deleted in its entirety and replaced with the following:

In consideration of the rights and license granted by Franchisor, Franchisee agrees to pay, at the time of signing of this Agreement, a franchise fee in the amount of $30,000. The franchise fee is non–refundable.

I. **Royalty Fee.** Paragraph 14 of Exhibit 1 to the Franchise Agreement entitled "Section 4.2 (Royalty Fee)" is deleted in its entirety and replaced with the following:

The Royalty Fee is 7% of Gross Sales of the Franchised Business.

In addition, if Franchisee fails to achieve the minimum Gross Sales levels requirements specified in the Minimum Performance Requirements in any measurement year, in addition to any other remedies Franchisor may elect to exercise, Franchisee must pay Franchisor upon demand an amount equal to the difference between (a) $3,500 in the 1st year of operation, $5,040 in the 2nd year of operation, $7,000 in the 3rd year of operation, $8,750 in the 4th year of operation, and $8,750 in each subsequent calendar year and (b) the actual Royalty Fees paid by Franchisee to Franchisor during such year.

J. **Legal Effect.** All terms not otherwise defined in this Addendum will have the same meaning as in the Franchise Agreement. Except as modified by this Addendum, the Franchise Agreement will remain in full force and effect and is incorporated into this Addendum by reference.

The parties have signed this Addendum on the date set forth at the beginning of this Addendum.

TWO MEN AND A TRUCK SPE LLC	______________________________
"Franchisor"	"Franchisee"
By: ______________________________	By: ______________________________
Randy Shacka, Brand President	
	Its: ______________________

Exhibit J to the FDD

LIST OF FRANCHISEES AS OF DECEMBER 31, 2024

LIST OF FRANCHISEES AS OF DECEMBER 31, 2024

#	Name	Franchisee Name	Contact	Address	Suite	City	State	Zip	Telephone
6042	Sacramento North	Mark of Excellence, Inc.	Mark Snyir	8362 Galena Ave	Ste B	Sacramento	CA	95828	916.852.7411
6043	Sacramento South	Mark of Excellence, Inc.	Mark Snyir	8362 Galena Ave	Ste B	Sacramento	CA	95828	916.852.7411
6064	Norwich	Satriano Transportation, LLC	Vincent Satriano	841 Route 32	Ste 2	North Franklin	CT	06254	203.548.9279
6060	Delaware South	J-Bro Enterprises, LLC	Jeremy Brown	1169 S Dupont Hwy		Dover	DE	19901	302.734.5017
6052	Pompano	LanServ Enterprises, Inc.	Joseph Lanier, Susan Lanier	2150 N Andrews Ave		Pompano Beach	FL	33069	561.994.1616
6022	Treasure Coast	J4S, LLC	Janelle Dowley, Joel Dowley, Shauna Bledsoe, James Bledsoe	1800 SE Village Green Dr	Ste 102	Port St. Lucie	FL	34952	772.398.9995
6023	Tampa	Knowles Junk, Inc	Jeff Knowles, Ryan Knowles	11431 US Hwy 301 N		Thonotosassa	FL	33592	813.988.7388
6032	Champaign	SHUNK JUNK, Inc.	Rene Shunk, Daniel Shunk	701 W Bradley Ave		Champaign	IL	61820	217.398.2636
6006	Chicago #1	TMAAJT CHI, LLC	Doug Haber	2423 W Hubbard St		Chicago	IL	60612	312.291.2668
6007	Chicago #2	TMAAJT CHI, LLC	Doug Haber	2423 W Hubbard St		Chicago	IL	60612	312.291.2668
6008	Chicago #3	TMAAJT CHI, LLC	Doug Haber	2423 W Hubbard St		Chicago	IL	60612	312.291.2668
6009	Chicago #4	TMAAJT CHI, LLC	Doug Haber	2423 W Hubbard St		Chicago	IL	60612	312.291.2668
6029	St. Louis East	TMAAJT STLE, LLC	Doug Haber	19 ABC Pkwy		Collinsville	IL	62234	618.301.4100
6005	Chicago #5	TMAAJT CHI, LLC	Doug Haber	1900 Raymond Dr		Northbrook	IL	60062	314.963.7766
6056	Peoria	Hometown Companies, Inc.	Kevin Christensen, Jen Christensen, Cory Christensen, Margaret Christensen	1030 W Olympia Dr		Peoria	IL	61615	309.689.1600
6065	Springfield	SHUNK JUNK, Inc.	Rene Shunk, Daniel Shunk	210 N Grand Ave W		Springfield	IL	62702	217.331.6076

#	Name	Franchisee Name	Contact	Address	Suite	City	State	Zip	Telephone
6010	Indianapolis North	Solutum Junk Removal, Inc	Andrew Werling	11787 Technology Dr		Fishers	IN	46038	317.489.5750
6039	Fort Wayne	Pride Moving, Inc.	Matthew Schiffeneder	5695 Industrial Rd		Fort Wayne	IN	46825	260.471.6683
6011	Indianapolis South	Solutum Junk Removal, Inc	Andrew Werling	5777 Decatur Blvd	Ste 300	Indianapolis	IN	46241	317.644.0700
6012	Indianapolis West	Solutum Junk Removal, Inc	Andrew Werling	5777 Decatur Blvd	Ste 300	Indianapolis	IN	46241	317.644.0700
6066	Lafayette	SHUNK JUNK, Inc.	Rene Shunk, Daniel Shunk	1400 Teal Rd	Ste 23	Lafayette	IN	47905	765.250.4822
6036	South Bend	Elite Junk Removal SB, Inc.	Jay Mellentine	903 S Main St		South Bend	IN	46601	574.309.9868
6028	Kansas City	EJR KC, LLC	Curtis Newman, Justin Tangeman, Kevin Newman, Stephen Newman, Tyler Whalen	7225 W 95th St		Overland Park	KS	66212	816.393.0441
6003	Annapolis	Old Glory, LLC	Nathan Berns, Terrance O'Melia	2709 Rolling Rd	Ste 121	Baltimore	MD	21244	410.774.5618
6044	Baltimore	Old Glory, LLC	Nathan Berns, Terrance O'Melia	2709 Rolling Rd	Ste 121	Baltimore	MD	21244	410.774.5618
6045	Bethesda	Old Glory, LLC	Nathan Berns, Terrance O'Melia	9050 Red Branch Rd	Ste F	Columbia	MD	21045	410.774.5618
6046	Columbia	Old Glory, LLC	Nathan Berns, Terrance O'Melia	9050 Red Branch Rd	Ste F	Columbia	MD	21045	410.774.5618
6061	Maryland Eastern Shore	J-Bro Enterprises, LLC	Jeremy Brown	9154 Ocean Hwy		Delmar	MD	21875	302.734.5017
6035	Bay City	Elite Junk Removal Tri-City, LLC	Jay Mellentine, Christine Thomas	5910 2 Mile Rd		Bay City	MI	48706	989.895.5252
6031	Wayne North	Mango Ventures, LLC	Michael Stafford, Garrett Newhouse	39201 Schoolcraft Rd	Ste B16	Livonia	MI	48150	734.722.6683
6013	Minneapolis South	Blitzen Hauling, LLC	Nick Bailey	3401 Burnsville Pkwy		Burnsville	MN	55337	952.894.8606
6017	Minneapolis SW	Blitzen Hauling, LLC	Nick Bailey	125 Jackson Ave N	Ste 200	Hopkins	MN	55343	952.516.7400

#	Name	Franchisee Name	Contact	Address	Suite	City	State	Zip	Telephone
6014	St. Paul North	Blitzen Hauling, LLC	Nick Bailey	550 1st St SW		New Brighton	MN	55112	651.756.1796
6015	Minneapolis NW	Blitzen Hauling, LLC	Nick Bailey	2330 Co Rd 137 C		Waite Park	MN	56387	763.478.0100
6047	St. Cloud	Blitzen Hauling, LLC	Nick Bailey	2330 Co Rd 137 C		Waite Park	MN	56387	320.228.1767
6016	St. Paul SE	Blitzen Hauling, LLC	Nick Bailey	7805 Hudson Rd	Ste 120	Woodbury	MN	55125	651.645.1279
6027	Kansas City	EJR KC, LLC	Curtis Newman, Justin Tangeman, Kevin Newman, Stephen Newman, Tyler Whalen	9301 E 47th St	Ste B	Kansas City	MO	64133	816.393.0441
6000	St. Louis	TMAAJT STL, LLC	Doug Haber	10966 Gravois Industrial Ct		St. Louis	MO	63128	314.963.7766
6053	Durham	Henry Bird Hauling, LLC	Jacquelyn Brooke Gardner Wilson, Leslie Wilson Jr	1816 S Briggs Ave		Durham	NC	27703	919.285.0010
6054	Raleigh	Henry Bird Hauling, LLC	Jacquelyn Brooke Gardner Wilson, Leslie Wilson Jr	1816 S Briggs Ave		Durham	NC	27703	919.285.0010
6051	Fargo	TMT FARGO REMOVALS, LLC	Joshua Hutchins, Michael Reps, Giuseppe Lanzino, Megan Reps	3317 Fiechtner Dr		Fargo	ND	58103	701.566.6581
6062	Omaha	Elevated Junk Removal Omaha, LLC	Curtis Newman, Justin Tangeman, Kevin Newman, Stephen Newman, Tyler Whalen	4512 S 68th St		Omaha	NE	68117	402.597.6683
6063	Albuquerque	EJR ABQ, LLC	Curtis Newman, Justin Tangeman, Kevin Newman, Stephen Newman, Tyler Whalen	514 Carmony Rd NE		Albuquerque	NM	87107	505.872.8787
6001	Columbus	Phoenix Removal, LLC	Stephanie Clarey, Justin Clarey	5083 Westerville Rd		Columbus	OH	43231	614.901.1570
6020	Pittsburgh South	Junk Collective, LLC	Jason Coll, Lisa Klein	3555 Valley Dr	Ste 2	Pittsburgh	PA	15234	412.881.1111

#	Name	Franchisee Name	Contact	Address	Suite	City	State	Zip	Telephone
6021	Pittsburgh North	Junk Collective, LLC	Jason Coll, Lisa Klein	3555 Valley Dr	Ste 2	Pittsburgh	PA	15235	412.881.1111
6030	Sioux Falls	TMAAJT SF, LLC	Doug Haber	222 N Marion Rd	Ste B	Sioux Falls	SD	57107	605.610.4199
6018	Brentwood	GSNRJUNK, LLC	Gordon Shaffer, Nicholas Roerig, Charles Gibbons	1715 Columbia Ave	Ste 330	Franklin	TN	37064	615.595.5929
6019	Nashville	GSNRJUNK, LLC	Gordon Shaffer, Nicholas Roerig, Charles Gibbons	1007 Elm Hill Pike		Nashville	TN	37210	615.248.6288
6026	San Marcos	EJR SA, LLC	Curtis Newman, Justin Tangeman, Kevin Newman, Stephen Newman, Tyler Whalen	115 Schumanns Bch Rd		New Braunfels	TX	78130	512.693.4123
6024	San Antonio West	EJR SA, LLC	Curtis Newman, Justin Tangeman, Kevin Newman, Stephen Newman, Tyler Whalen	7634 Reindeer Trl		San Antonio	TX	78238	210.280.1961
6025	San Antonio North	EJR SA, LLC	Curtis Newman, Justin Tangeman, Kevin Newman, Stephen Newman, Tyler Whalen	20935 US Hwy 281 N	Ste 135	San Antonio	TX	78258	210.280.1980
6037	Tyler	Elite Junk Removal ETX, LLC	Jay Mellentine, Christine Thomas	10240 US Hwy 69 N		Tyler	TX	75706	903.403.5957
6038	Longview	Elite Junk Removal ETX, LLC	Jay Mellentine, Christine Thomas	10240 US Hwy 69 N		Tyler	TX	75706	903.403.5957
6004	Alexandria	Junk Truck Northern VA, LLC	Martin Pollack, Elise Parck, Zachary Kildall	5910 Farrington Ave		Alexandria	VA	22304	703.639.0553
6059	Arlington	Junk Truck Northern VA, LLC	Martin Pollack, Elise Parck, Zachary Kildall	5910 Farrington Ave		Alexandria	VA	22304	703.639.0553
6058	Sterling	Junk Truck Northern VA, LLC	Martin Pollack, Elise Parck, Zachary Kildall	21598 Atlantic Blvd	Ste 110	Sterling	VA	20166	703.661.9139
6040	Eau Claire	Blitzen Hauling, LLC	Nick Bailey	7866 Prill Ridge Ct	Ste 1	Eau Claire	WI	54701	715.214.1895
6002	Madison	JR MSN, LLC	Lisa Paley, Timothy Lightner	3817 Kipp St	Ste 150	Madison	WI	53718	608.278.0800

#	Name	Franchisee Name	Contact	Address	Suite	City	State	Zip	Telephone
6050	Waukesha	JR SEW, LLC	Lisa Paley, Timothy Lightner	16205 W Rogers Dr		New Berlin	WI	53151	262.695.2700
6049	Racine	JR SEW, LLC	Lisa Paley, Timothy Lightner	7886 Washington Ave		Racine	WI	53406	262.619.9200
6048	Milwaukee	JR SEW, LLC	Lisa Paley, Timothy Lightner	11800 W Burleigh St	Ste 240	Wauwatosa	WI	53222	414.257.2700

FRANCHISEES WHO HAVE SIGNED FRANCHISE AGREEMENTS, BUT NOT OPENED AS OF DECEMBER 31, 2024

#	Name	Franchisee Name	Contact	Address	Suite	City	State	Zip	Telephone
6055	Rockford, IL	Hometown Companies, Inc.	Kevin Christensen	7206 North Alpine Road		Loves Park	IL	61111	815.633.3600
6057	Quad Cities, IA	Hometown Companies, Inc.	Kevin Christensen	5000 Tremont Avenue, Building 200	Suite 202	Davenport	IA	52807	563.391.2636
6041	Frederick, MD	Trash Talking, Inc.	Robert Simpson	231 East Oakridge Drive	Suite A	Hagerstown	MD	21740	240.366.4110

Exhibit K to the FDD

LIST OF FORMER FRANCHISEES

LIST OF FRANCHISEES THAT LEFT THE SYSTEM
IN THE YEAR ENDING DECEMBER 31, 2024

Listed below are the name, city and state and current business telephone number, or if unknown, the last known home telephone number of every Franchisee who has had a Franchised Business terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under a Franchise Agreement during 2024 or who has not communicated with us within 10 weeks of the date of the disclosure document issuance date.

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

CEASED OPERATIONS:

No franchises ceased operations in 2024.

TRANSFERS:

Former Franchisee	City	State	Telephone
John Judson, Joel Trost, Jason Judson, Brian Stern, Kevin Smith	Chicago	IL	847.544.5050
John Judson, Joel Trost, Jason Judson, Brian Stern, Kevin Smith	Chicago	IL	847.544.5050
John Judson, Joel Trost, Jason Judson, Brian Stern, Kevin Smith	Chicago	IL	847.544.5050
John Judson, Joel Trost, Jason Judson, Brian Stern, Kevin Smith	Chicago	IL	847.544.5050
John Judson, Joel Trost, Jason Judson, Brian Stern, Kevin Smith	Chicago	IL	847.544.5050
John Judson, Jason Judson, Steve West, Naim Gasanov, Tom Schopp, Janet Susuki	St. Louis East	IL	618.301.4100
John Judson, Jason Judson, Steve West, Naim Gasanov, Tom Schopp, Janet Susuki	St. Louis	MO	314.963.7766
John Judson, Jason Judson, Steve West, Joel Trost	Sioux Falls	SD	605.610.4199

Exhibit L to the FDD

FINANCIAL STATEMENTS

GUARANTEE OF PERFORMANCE

For value received, ServiceMaster Systems LLC, a Delaware limited liability company (the "Guarantor"), located at One Glenlake Parkway, 14th Floor, Atlanta, Georgia 30328, absolutely and unconditionally guarantees to assume the duties and obligations of Two Men and A Truck SPE LLC, located at One Glenlake Parkway, 14th Floor, Atlanta, Georgia 30328 (the "Franchisor"), under its franchise registration in each state where the franchise is registered, and under its Franchise Agreement identified in its 2025 Franchise Disclosure Document, as it may be amended, and as that Franchise Agreement may be entered into with franchisees and amended, modified or extended from time to time. This Guarantee continues until all such obligations of the Franchisor under its franchise registrations and the Franchise Agreement are satisfied or until the liability of Franchisor to its franchisees under the Franchise Agreement has been completely discharged, whichever first occurs. The Guarantor is not discharged from liability if a claim by a franchisee against the Franchisor remains outstanding. Notice of acceptance is waived. The Guarantor does not waive receipt of notice of default on the part of the Franchisor. This guarantee is binding on the Guarantor and its successors and assigns.

The Guarantor signs this guarantee at Atlanta, Georgia on this 12th day of May 2025.

Guarantor:

SERVICEMASTER SYSTEMS LLC

By:____________________________

Name: Joshua Burnette

Title: General Counsel

ServiceMaster OpCo Holdings, LLC and Subsidiaries

(An indirect wholly owned subsidiary of RW Purchaser, LLC)

Consolidated Financial Statements

December 31, 2024 and 2023 and for the three years ended December 31, 2024

ServiceMaster OpCo Holdings, LLC and Subsidiaries
(An indirect wholly owned subsidiary of RW Purchaser, LLC)
Index
December 31, 2024 and 2023 and for the three years ended December 31, 2024

Report of Independent Auditors

To the Board of Managers and Management of ServiceMaster OpCo Holdings, LLC**:**

Opinion

We have audited the accompanying consolidated financial statements of ServiceMaster OpCo Holdings, LLC and its subsidiaries (the "Company"), which comprise the consolidated statements of financial position as of December 31, 2024 and 2023, and the related consolidated statements of operations and comprehensive income, of member's equity, and of cash flows for the three years then ended December 31, 2024, including the related notes (collectively referred to as the "consolidated financial statements").

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and the results of its operations and its cash flows for the three years then ended December 31, 2024 in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (US GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date the consolidated financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with US GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with US GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

PricewaterhouseCoopers LLP

Atlanta, Georgia
May 12, 2025

ServiceMaster OpCo Holdings, LLC and Subsidiaries
(An indirect wholly owned subsidiary of RW Purchaser, LLC)
Consolidated Statements of Operations and Comprehensive Income
Years Ended December 31, 2024, 2023 and 2022

(in millions)	2024	2023	2022
Revenue	$ 344.1	$ 361.2	$ 351.4
Cost of services rendered	99.0	115.0	135.5
Selling and administrative expenses	132.9	116.3	92.5
Depreciation and amortization expenses	24.5	24.7	24.3
Impairment charge	-	-	20.5
Operating expenses	256.4	256.0	272.8
Operating income	87.7	105.2	78.6
Interest expense	33.6	34.5	35.3
Other expense	2.0	6.7	2.4
Net income and comprehensive income	$ 52.1	$ 64.0	$ 40.9

The accompanying notes are an integral part of these consolidated financial statements.

ServiceMaster OpCo Holdings, LLC and Subsidiaries
(An indirect wholly owned subsidiary of RW Purchaser, LLC)
Consolidated Statements of Financial Position
December 31, 2024 and 2023

(in millions)	2024	2023
Assets		
Cash and cash equivalents	$ 28.4	$ 1.6
Restricted cash	5.0	15.8
Accounts receivable, net	55.7	53.3
Current portion of notes receivable	0.5	0.9
Inventories	0.8	0.8
Prepaid expenses and other assets	18.2	16.4
Total current assets	108.6	88.8
Property and equipment, net	16.5	16.6
Right-of-use asset	11.8	13.5
Notes receivable, less allowance and current portion	1.1	2.3
Intangible assets, net	1,612.0	1,631.4
Other assets	1.0	0.4
Total assets	$ 1,751.0	$ 1,753.0
Liabilities and Member's Equity		
Accounts payable	$ 8.4	$ 11.7
Accrued payroll and other employee benefits	10.0	13.0
Accrued advertising	3.3	4.0
Accrued interest payable	5.3	5.3
Deferred revenue	1.7	1.7
Current portion of operating lease liability	2.5	2.4
Current portion of long-term debt	10.3	20.3
Other current liabilities	6.1	0.9
Total current liabilities	47.6	59.3
Long-term debt, net of debt issuance costs and current portions	957.2	959.4
Long-term operating lease liability	10.5	12.5
Long-term portion of finance lease liability	-	0.3
Other long-term liabilities	5.9	4.8
Total liabilities	1,021.2	1,036.3
Member's equity	729.8	716.7
Total liabilities and member's equity	$ 1,751.0	$ 1,753.0

The accompanying notes are an integral part of these consolidated financial statements.

ServiceMaster OpCo Holdings, LLC and Subsidiaries
(An indirect wholly owned subsidiary of RW Purchaser, LLC)
Consolidated Statements of Member's Equity
Years Ended December 31, 2024, 2023 and 2022

(in millions)	Member's Equity
Balance at December 31, 2021	$ 728.2
Contribution from Holdings	30.0
Contribution from RW Parent	5.1
Contribution from Member	0.2
Distribution to RW Parent	(2.4)
Distribution to Member	(38.5)
Net income and comprehensive income	40.9
Balance at December 31, 2022	763.5
Share based compensation	1.0
Distribution to Member	(111.8)
Net income and comprehensive income	64.0
Balance at December 31, 2023	716.7
Share based compensation	0.5
Contribution from Member	11.0
Distribution to Member	(50.5)
Net income and comprehensive income	52.1
Balance at December 31, 2024	$ 729.8

The accompanying notes are an integral part of these consolidated financial statements.

ServiceMaster OpCo Holdings, LLC and Subsidiaries
(An indirect wholly owned subsidiary of RW Purchaser, LLC)
Consolidated Statements of Cash Flows
Years Ended December 31, 2024, 2023 and 2022

(in millions)	2024	2023	2022
Cash flows from operating activities			
Net income	$ 52.1	$ 64.0	$ 40.9
Adjustments to reconcile net income to net cash provided by operating activities			
Depreciation and amortization expense	25.6	24.7	24.3
Impairment charge	-	-	20.5
Amortization of debt issuance costs	2.9	2.9	2.9
Amortization of operating right of use assets	1.7	1.8	1.9
Gain on disposal of fixed asset	(0.3)	-	-
Loss on sale of business	-	4.2	-
Bad debt expense	1.3	-	-
Other, net	-	1.6	-
Share based compensation expense	0.5	1.0	5.1
Changes in operating assets and liabilities			
Accounts receivable and notes receivable	(2.1)	9.8	(4.7)
Inventories	-	-	6.4
Prepaid expenses and other assets	(2.3)	(1.3)	(1.4)
Accounts payable	(3.3)	(4.1)	(2.4)
Deferred revenue	1.1	1.5	(0.7)
Operating right of use assets and lease liabilities, net	(1.8)	(1.9)	(0.5)
Accrued and other current liabilities	1.5	(7.1)	(9.1)
Net cash provided by operating activities	76.9	97.1	83.2
Cash flows from investing activities			
Cash paid to acquire property and equipment	(5.5)	(9.9)	(3.9)
Cash received from fixed assets disposal	0.8	-	-
Sale of AmeriSpec and Furniture Medic	-	21.8	-
Distributor acquisitions	-	-	(47.9)
Cash paid to acquire intangible assets	(1.2)	-	-
Net cash (used in) provided by investing activities	(5.9)	11.9	(51.8)
Cash flows from financing activities			
Payments on finance leases	(0.3)	-	-
Borrowings on finance leases	-	0.3	-
Debt payment	(45.2)	(52.0)	(45.4)
Proceeds from borrowings	30.0	30.0	25.0
Distribution to Member	(50.5)	(103.7)	(38.5)
Contribution from Member	11.0	-	0.2
Contribution from Holdings	-	-	30.0
Distribution to RW Parent	-	-	(2.4)
Net cash used in financing activities	(55.0)	(125.4)	(31.1)
Net increase (decrease) in cash, cash equivalents and restricted cash	16.0	(16.4)	0.3
Cash, cash equivalents and restricted cash			
Beginning of year	17.4	33.8	33.5
End of year	$ 33.4	$ 17.4	$ 33.8
Supplemental disclosure of cash flow information			
Cash paid for interest	$ 31.7	$ 31.2	$ 32.3
Supplemental information on noncash transactions			
Noncash distribution to member in connection with asset transfers	$ -	$ 8.1	$ -
Noncash contribution from RW Parent	-	-	5.1

The accompanying notes are an integral part of these consolidated financial statements.

1. Description of Business

ServiceMaster OpCo Holdings, LLC (the "Company") is a limited liability company and a direct, wholly owned subsidiary of RW Purchaser LLC ("RW Purchaser" or "Member"). ServiceMaster Funding LLC (the "Issuer"), an indirect wholly owned subsidiary of the Company, will guarantee the Notes (as defined in Note 6, Long-term Debt, net), together with the other Guarantors (as defined below), pursuant to the Guarantee and Collateral Agreement. Through its direct wholly owned subsidiary ServiceMaster Holdco, LLC ("Holdco"), the Company acts as the manager of the securitization of restoration, cleaning, moving, junk removal and storage solution services to both residential and commercial customers through the following brands: ServiceMaster Restore, ServiceMaster Recovery Management ("SRM"), ServiceMaster Clean, Merry Maids, Two Men and a Truck ("TMTI") and Two Men and a Junk Truck ("TMJT") (collectively, the "ServiceMaster Brands").

References to "we," "us," "our" and "Company" in the accompanying consolidated financial statements (the "financial statements") are to the Company's business unless the context otherwise requires.

2. Significant Accounting Policies

The significant accounting policies described below, together with the other notes that follow, are an integral part of the financial statements.

Principles of Consolidation
The Financial Statements include the accounts of ServiceMaster OpCo Holdings, LLC and all of our consolidated subsidiaries.

Basis of Preparation
The historical results of our operations, financial position and cash flows have been prepared in accordance with accounting principles generally accepted in the United States of America ("US GAAP"). All significant intercompany transactions and balances have been eliminated in consolidation.

Use of Estimates
The preparation of the financial statements requires management to make certain estimates and assumptions required under US GAAP that may differ from actual results. The more significant areas requiring the use of management estimates relate to the valuation of tangible and intangible assets.

Cash, Cash Equivalents and Restricted Cash
Cash and cash equivalents include highly liquid investments with maturity dates of three months or less from the date of purchase and are recorded at cost.

Restricted cash relates to the 2020 and 2021 securitized notes (as described in Note 6, Long-term Debt, net). As part of the transactions, the Company established certain cash and money market mutual fund accounts in the name of the Trustee for the benefit of the Trustee and the noteholders and are restricted in their use. The Company also established management accounts subject to control agreements among the Trustee, financial institutions and the Company. Restricted cash is comprised of cash collections and reserves held by the Trustee and within management accounts to be used for payments of principal, interest, commitment fees and other permissible operating expenses required for the notes of the Company.

Accounts Receivable and Notes Receivable
Accounts receivable consist primarily of national account revenue, royalties and franchise fees due from franchisees. Notes receivable consist primarily of licenses and equipment sold to franchisees. Accounts receivable are carried at their net realizable value. The Company accounts for credit losses using the Current Expected Credit Loss (CECL) model detailed in the Financial Accounting Standards Board ("FASB") Accounting Standards Update ("ASU") No. 2016-13, Financial Instruments – Credit Losses (Topic 326).

The Company's expected loss allowance methodology for accounts receivable is developed using historical collection experience, current and future economic and market conditions and a review of the current status of customers' trade accounts receivable. Due to the short-term nature of such receivables, the estimate of accounts receivable that may not be collected is based on aging of the accounts receivable balances and consideration of customers' financial and macroeconomic conditions. Balances are written off when determined to be uncollectible. The exposure to concentrations of credit risk is limited due to the diverse product offerings and geographic areas covered by our operations.

Estimates are used to determine the allowance. It is based on an assessment of anticipated payment and all other historical, current and future information that is reasonably available.

	December 31, 2024		
(in millions)	Accounts Receivable	Notes Receivable	Total
Receivables	$ 58.1	$ 2.2	$ 60.3
Allowance for credit losses	(2.4)	(0.6)	(3.0)
Receivables, net	$ 55.7	$ 1.6	$ 57.3

	December 31, 2023		
(in millions)	Accounts Receivable	Notes Receivable	Total
Receivables	$ 55.4	$ 3.5	$ 58.9
Allowance for credit losses	(2.1)	(0.3)	(2.4)
Receivables, net	$ 53.3	$ 3.2	$ 56.5

Inventories
Inventories are recorded at the lower of cost (primarily on a weighted-average cost basis) or net realizable value. Our inventories primarily consist of finished goods to be used on the customers' premises or sold to franchisees.

Property and Equipment and Intangible Assets
Property and equipment consist of the following:

	December 31,		Estimated Useful Lives
(in millions)	2024	2023	*(years)*
Leasehold improvements	2.9	2.9	1-39
Technology and communications	18.1	14.5	2-10
Machinery and equipment	4.0	4.1	5-10
Office equipment, furniture and fixtures	8.6	7.8	3-17
Accumulated depreciation	(17.1)	(12.7)	
Property and equipment, net	$ 16.5	$ 16.6	

Depreciation expense of property and equipment was $3.8 million, $4.0 million and $4.7 million for the years ended December 31, 2024, 2023 and 2022, respectively. Additionally, the depreciation expense of rental equipment from SRM in the amount of $1.1 million for the year ended December 31, 2024 was recorded under cost of services rendered in the consolidated statements of operations and comprehensive income.

Property and equipment, leasehold improvements and intangible assets with finite lives are depreciated and amortized on a straight-line basis over their estimated useful lives. Property and equipment lives are based on our previous experience for similar assets, potential market obsolescence and other industry and business data. Amortization of leasehold improvements is provided for on a straight-line method over the estimated benefit period of the related assets or the lease term, if shorter. As required by accounting standards for the impairment or disposal of long-lived assets, property and equipment and finite-lived intangible assets are tested for recoverability whenever events or changes in circumstances indicate their carrying amounts may not be recoverable. If the carrying value is no longer recoverable based upon the undiscounted future cash flows of the asset, an impairment loss could be recognized equal to the difference between the carrying amount and the fair value of the asset. Changes in the estimated useful lives or in the asset values could cause us to adjust the book value or future expense accordingly. There were no triggering events identified for the years ended December 31, 2024, 2023 and 2022.

Indefinite-lived intangible assets, primarily trade names, are assessed annually for impairment during the fourth quarter or earlier upon the occurrence of certain events or substantive changes in circumstances. The Company performed an annual impairment analysis as of October 1, 2024 and 2023, which did not result in any intangible assets impairments to continuing operations. The Company performed an annual impairment analysis as of October 1, 2022, which resulted in a $12.4 million impairment of the Furniture Medic tradename and a $8.1 million impairment to the AmeriSpec tradename. See Note 4, *Intangible Assets*, for our intangible assets balances.

Member's Equity
Our equity on the consolidated statements of financial position represents RW Purchaser’s net investment in us and is presented as Member’s equity. Member’s equity includes net cash transfers and other net asset transfers to and from RW Purchaser and us.

Fair Value Measurement
Fair value is defined as the exchange price that would be received for an asset or an exit price paid to transfer a liability in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques used to measure fair value must maximize the use of observable inputs and minimize the use of unobservable inputs. The fair value hierarchy defines a three-level valuation hierarchy for disclosure of fair value measurements as follows:

Level 1 Valuations based on quoted prices in active markets for identical assets or liabilities that an entity has the ability to access;

Level 2 Valuations based on quoted prices for similar assets or liabilities, quoted prices for identical assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable data for substantially the full term of the assets or liabilities; and

Level 3 Valuations based on inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The categorization of a financial instrument within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement. The carrying value of cash equivalents, accounts receivable, and accounts payable approximate fair value due to their short-term nature. The carrying value of the Company's debt approximates fair value due to the variable rate terms of the debt.

Leases
We determine if an arrangement is a lease at inception. We recognize a right-of-use ("ROU") asset and lease liability for all leases with terms of 12 months or more. ROU assets represent our right to use an underlying asset for the lease term, and lease liabilities represent our obligation to make lease payments arising from the lease.

ROU assets and lease liabilities are recognized at commencement date based on the present value of lease payments over the lease term. Our lease terms may include options to extend or terminate the lease when it is reasonably certain that we will exercise that option. As most of our leases do not provide an implicit rate, we use our incremental borrowing rate based on the information available at commencement date in determining the present value of lease payments. We use the implicit rate when readily determinable. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term. See Note 6, *Leases* to the accompanying consolidated financial statements for information related to our leases.

Revenue
Royalty Fees
The Company has franchise agreements in the ServiceMaster Restore, ServiceMaster Clean, Merry Maids, TMTI and TMJT businesses. Royalty fee revenue consists principally of sales-based royalties received as part of the consideration for the franchise right and is calculated as a percentage of system wide sales. Royalty fees are recognized at the agreed-upon contractual rates over time as the customer-level revenue is generated by the franchisees. Revenue is recognized for an estimate of the unreported royalty fees, which are reported and remitted to us in arrears.

Commercial Cleaning and Other National Accounts
National account revenues are recognized at the agreed-upon contractual amounts over time as services are completed based on contractual arrangements to provide services at the customers' locations. The Company engages either a franchisee or third-party business to perform the services. Under these agreements, the Company is directly responsible for providing the services and receive payment directly from the customer. A receivable is recorded related to this revenue as the Company has an unconditional right to invoice and receive payment. Payments are typically received shortly after services have been rendered.

Sales of Products
Revenues are generated from selling products to franchisees. Revenues from product sales are generally recognized once control of the products transfers to the customer. A receivable is recorded related to these sales as the Company has an unconditional right to invoice and receive payment. Payments are typically received shortly after a customer is invoiced.

Franchise Fees
Initial franchise fees result from the sale of a franchise license, which includes the use of the name, trademarks and proprietary methods. The franchise license is considered symbolic intellectual property and revenue related to the sale of this right is recognized at the agreed-upon contractual amount over the term of the initial franchise agreement.

Referral Fees
We have contractual arrangements with several national insurance companies to maintain a call center which receives and provides nonrecurring recovery and restoration referrals from the insurers to qualifying franchisees. We receive and recognize referral fees from franchisees at the agreed-upon contractual amount as revenue in the month the referral is issued.

National Advertising Fund
Franchisees contribute a percentage of customer-level revenue into a national advertising fund managed by us. In cases where we have ultimate control of the marketing and advertising, we recognize both revenue and expense for the amount earned.

Advertising
Advertising costs are expensed when the advertising occurs and are included in selling and administrative expenses. Advertising costs were $38.2 million, $32.9 million and $19.2 million for the years ended December 31, 2024, 2023 and 2022, respectively. Advertising costs include national advertising fund expenses of $20.3 million, $19.0 million and $18.1 million for the years ended December 31, 2024, 2023 and 2022, respectively, for which there is an equal amount recorded in revenue for the years ended December 31, 2024, 2023 and 2022.

Stock Compensation
The Company accounts for equity-based compensation in accordance with ASC 718, Compensation – Stock Compensation. Accordingly, in exchange for employee and director services, compensation is given in the form of equity awards. The equity awards are recorded based on the grant date fair value and expensed over the requisite service period for the respective award.

The Company's equity-based awards include profit interest time units and profits interest performance units issued by the Company, which vest based on either time or the achievement of certain performance conditions. The Company records forfeitures as they occur. Compensation expense resulting from time-based vesting awards is recognized in the Company's consolidated statements of operations and comprehensive income, primarily within selling and administrative expenses, at the grant date fair value over the requisite service period. Compensation expense resulting from performance-based awards is recognized over the requisite service period when it is probable that the performance condition will be met. The calculated compensation expense for performance-based awards is adjusted based on an estimate of awards ultimately expected to vest. No performance-based compensation expense has been recorded by the Company as it is not deemed probable that the performance condition will be met.

The Company estimates grant date fair value using a Black-Scholes option pricing model that uses assumptions including expected volatility, expected term, and the expected risk-free rate of return. The Company has determined that the Black-Scholes option pricing model, as well as the underlying assumptions used in its application, is appropriate in estimating the fair value of its award grants.

Income Taxes
The Company is a single-member, limited liability corporation which has elected not to be taxed as a corporation, and consequently is not subject to U.S. federal or state income taxes. As such, for income tax purposes, the Company's earnings flow through directly to the Member.

Comprehensive Income
Comprehensive income represents net income for the period plus the results of certain other changes in Member's equity. The Company's other comprehensive income is equal to its net income.

Newly Issued Accounting Standards
The Company has reviewed all other recently issued, but not yet effective, accounting pronouncements and do not expect the future adoption of any such pronouncements will have a material impact on our financial condition or the results of our operations.

3. Revenue

The following table presents our revenues, disaggregated by revenue source. We disaggregate revenue from contracts with customers into major customer acquisition channels. We determined that disaggregating revenue into these categories achieves the disclosure objective to depict how the nature, amount, timing, and uncertainty of revenue and cash flows are affected by economic factors.

	Years Ended December 31,		
(in millions)	2024	2023	2022
Major service line			
Royalty fees	$ 175.5	$ 186.8	$ 175.7
National accounts and self performed	94.5	106.7	101.4
National advertising fund	20.0	19.0	18.1
Sales of products	3.0	2.6	10.5
Other	51.1	46.1	45.7
	$ 344.1	$ 361.2	$ 351.4

Costs to Obtain a Contract with a Customer
The Company capitalizes the incremental costs of obtaining a contract with a customer, primarily commissions, and recognizes the expense on a straight-line basis, as adjusted to match the timing of revenue recognition, over the expected customer relationship period. The capitalizable cost to obtain a contract were $0.2 million for the year ended December 31, 2024. The capitalizable cost to obtain a contract were immaterial for the years ended December 31, 2023 and 2022.

Contract Balances
We record a receivable related to revenue recognized on services once we have an unconditional right to invoice and receive payment in the future related to the services provided. All accounts receivables are recorded within accounts receivable, less allowances, on the consolidated statements of financial position.

Deferred revenue from initial franchise fees represents a contract liability and is recognized when cash payments are received in advance of the performance of services, including when the amounts are refundable. Amounts are recognized as revenue in proportion to the costs expected to be incurred in performing services under our contracts.

Revenue is recognized net of any taxes collected from customers, which are subsequently remitted to taxing authorities.

4. Intangible Assets

The table below summarizes the intangible asset balances:

	December 31, 2024		
(in millions)	**Gross**	**Accumulated Amortization**	**Net**
Trade names [1]	$ 1,459.0	$ 0.0	$ 1,459.0
Customer related [2][3]	179.4	(57.3)	122.1
Other [2]	52.6	(21.7)	30.9
	$ 1,691.0	$ (79.0)	$ 1,612.0

	December 31, 2023		
(in millions)	**Gross**	**Accumulated Amortization**	**Net**
Trade names [1]	$ 1,459.0	$ 0.0	$ 1,459.0
Customer related [2]	178.2	(39.7)	138.5
Other [2]	52.6	(18.7)	33.9
	$ 1,689.8	$ (58.4)	$ 1,631.4

(1) Trade names are indefinite lived.

(2) These intangible assets are being amortized over the expected period of benefit, with a weighted average life of approximately 8.0 years and 8.9 years for the years ended December 31, 2024 and 2023, respectively. In addition, customer related includes franchise agreement.

(3) In 2024, the Company entered into an agreement in July, 2024 to acquire assets related to Master Franchise Agreement Two Men And A Truck (Canada) for $1.2 million, which were capitalized into customer related intangible assets.

Amortization expense of $20.7 million, $20.7 million and $19.6 million was recorded for the years ended December 31, 2024, 2023 and 2022, respectively. Amortization expense for 2024 includes $0.1 million related to a disposal of a franchise branch.

For the existing intangible assets, we anticipate amortization expense for the next five years as follows:

(in millions)	**2025**	**2026**	**2027**	**2028**	**2029**
Amortization expense	$ 20.7	$ 20.0	$ 18.9	$ 18.9	$ 18.5

5. Long-term Debt, Net

Outstanding long-term debt, net consists of the following:

(in millions)	December 31, 2024	December 31, 2023
Series 2020 Class A-2-I Notes, due January 2051	$ 214.5	$ 215.8
Series 2020 Class A-2-II Notes, due January 2051	386.4	388.4
Series 2020 Class A-1 variable rate notes	-	10.0
Series 2021 Class A-2-1 Notes, due July 2051	142.7	143.5
Series 2021 Class A-2-II Notes, due July 2051	237.9	239.1
Debt issuance costs, net	(14.0)	(17.1)
Total long-term debt, including current portion	967.5	979.7
Amounts payable within one year	(10.3)	(20.3)
Long-term debt, net	$ 957.2	$ 959.4

Interest expense was $30.7 million, $31.6 million and $32.4 million for all credit facilities described below for the years ended December 31, 2024, 2023 and 2022, respectively.

The debt issuance costs were capitalized and are shown net of the long-term debt on the consolidated statements of financial position. The debt issuance costs are amortized on a straight-line basis (which approximates the effective interest method) over the term of the respective notes. The Company recognized $2.9 million of amortization expense for all credit facilities described above for the years ended December 31, 2024, 2023 and 2022, respectively.

Future Minimum Principal Payments

(in millions)	Amount
2025	$ 10.3
2026	10.3
2027	10.3
2028	10.3
2029	10.3
Thereafter	930.0
Total future minimum payments	$ 981.5

2020 Securitized Notes

On December 9, 2020 (the "2020 Securitization Date"), a series of agreements (collectively, the "2020 Indenture") were effectuated and gave rise to a revised legal entity structure of the Company's subsidiaries as well as the issuance of approximately $750,000,000 of Notes by the Company's indirect wholly owned subsidiaries, ServiceMaster Funding LLC (the "Issuer") and ServiceMaster of Canada Limited ("Canada Limited" and, collectively, the "Co-Issuers"). Pursuant to the agreement the Co-Issuers issued $250,000,000 of Series 2020-1 2.841% Fixed Rate Senior Secured Notes, Series 2020 Class A-2-I (the "Class A-2-I Notes"), $450,000,000 of Series 2020-1, 3.337% Fixed Rate Senior Secured Notes, Series 2020 Class A-2-II (the "Class A-2-II Notes"), and $50,000,000 of variable funding notes, Series 2020 Class A-1 (the "Series 2020-1 Class A-1 Notes" and, collectively with the Series 2020 Class A-2-I Notes and the Series 2020 Class A-2-II Notes, the "2020 Notes"). Interest will accrue on the Series 2020-1 Class A-1 Notes at a variable rate depending on the outstanding amount drawn by the Co-Issuers from time to time thereunder, if any. The legal final maturity date of the Notes is in January 2051.

Unless earlier prepaid to the extent permitted, the 2020 Indenture provides for an anticipated repayment date of January 2028 for the Class A-2-I Notes and an anticipated repayment date of January 2031 for the Series 2020 Class A-2-II Notes (as applicable, the "Anticipated Repayment Date"). The lending commitment under the Series 2020-1 Class A-1 Notes will expire in January 2026, subject to two automatic annual renewals at the election of the Co- Issuers if certain conditions are met.

The 2020 Notes have been guaranteed by indirect or direct wholly owned subsidiaries of the Company, ServiceMaster SPE Holdco LLC ("Holdco") and RW Canada Intermediate Ltd., as well as all of the subsidiaries of the Issuer (collectively, the "Guarantors"). The 2020 Notes are subject to a series of covenants and restrictions customary for transactions of this type, including (i) debt service coverage ratios and senior leverage ratios, (ii) maintenance of specified reserve accounts to be used to make required payments in respect of the 2020 Notes, and (iii) provisions relating to optional and mandatory prepayments, including certain make- whole payments. The 2020 Notes are also subject to customary rapid amortization events provided for in the Indenture and customary events of default.

The 2020 Indenture also provides for quarterly principal amortization in respect of the Series 2020 Class A-2-I Notes and the Series 2020 Class A-2-II Notes equal to 0.25% of their original principal amount through their respective Anticipated Repayment Date, subject to a fall-away provision if the senior leverage ratio is less than a specified threshold on any quarterly test date.

2021 Senior Notes

On July 30, 2021, in conjunction with the acquisition of Two Men and a Truck/International, Inc., the Co-Issuers entered into an agreement (the "2021 Indenture") for a senior note facility in an aggregate principal amount of $400,000,000 with Citibank. The Issuer issued $150,000,000 of Series 2021-1 2.865% Fixed Rate Senior Secured Notes, Series 2021 Class A-2-I, $250,000,000 of Series 2021-1, 3.113% Fixed Rate Senior Secured Notes, Series 2021 Class A-2-II (the "2021 Notes"). The legal final maturity date of the Notes is in July 2051. The 2021 Indenture provides for an anticipated repayment date of July 2028 for the Series 2021 Class A-2-I Notes and an anticipated repayment date of July 2031 for the Series 2021 Class A-2-II Notes (as applicable, the "Anticipated Repayment Date"). The lending commitment under the Series 2021-1 Class A-1 Notes will expire in July 2026, subject to two automatic annual renewals at the election of the Issuer if certain conditions are met.

The 2021 Notes are secured by substantially all of the assets of the Issuer and the Guarantors. The 2021 Notes are subject to a series of covenants and restrictions customary for transactions of this type, including (i) debt service coverage ratios and senior leverage ratios, (ii) maintenance of specified reserve accounts to be used to make required payments in respect of the 2021 Notes, and (iii) provisions relating to optional and mandatory prepayments, including certain make-whole payments. The 2021 Notes are also subject to customary rapid amortization events provided for in the Indenture and customary events of default. The 2021 Indenture also provides for quarterly principal amortization in respect of the Series 2021 Class A-2-I Notes and the Series 2021 Class A-2-II Notes equal to 0.25% of their original principal amount through their respective Anticipated Repayment Date, subject to a fall-away provision if the senior leverage ratio is less than a specified threshold on any quarterly test date.

Under the 2021 Amended and Restated Base Indenture, the Company makes weekly payments of principal and interest for the balances outstanding under the 2021 Notes and the 2020 Notes. The payments are remitted to the Trustee weekly based on retained collections during the previous weekly collection period. The Company classifies such advance debt payments during the period they are held by the Trustee in Prepaid Expenses and Other Assets. The balances of the advance debt payments held by the Trustee amounted to $10.5 million $9.8 million and $10.6 million as of December 31, 2024, 2023 and 2022, respectively.

Letters of Credit

In connection with the Securitization, a commercial bank issued an interest reserve letter of credit in an amount up to $8.9 million in favor of Citibank N.A. (the "Trustee") for the benefit of the senior noteholders and/or the servicer of the Securitization (each, a "Beneficiary"). The $8.9 million funds will be made available to either Beneficiary in order for the Company to comply with the required interest reserve amounts pursuant to the Indenture (as defined in Note 6, Long-term Debt, net). The terms of the letter of credit automatically renew without an amendment on each anniversary of the date of issuance for a one-year period with a final expiry date of January 15, 2027. The Company intends to renew the letter of credit for as long as the Company holds the Notes (as defined in Note 6, Long-term Debt, net). As of December 31, 2024, no amounts were outstanding under the letter of credit.

The Company also has a letter of credit in the amount of $6.6 million as of December 31, 2024, associated with a captive insurance program within TMTI. As of December 31, 2024, no amounts were outstanding under the letter of credit.

6. Leases

The Company accounts for leases under FASB ASC 842, Leases. We determine if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use assets ("ROU"), net; current portion of lease liability; and long-term lease liability on the consolidated statements of financial position. Finance leases are included in property and equipment, net; current portion of finance lease liability and long-term finance lease liability and long-term debt on the consolidated statements of financial position.

Operating lease ROU assets and operating lease liabilities are recognized based on the present value of the future minimum lease payments, including fixed nonlease components, over the lease term at commencement date. Lease terms may include options to extend or terminate the lease when it is reasonably certain that we will exercise that option.

Leases, including subleases, with a lease term of 12 months or less are not recorded on the consolidated statements of financial position. Lease expense for minimum lease payments and fixed nonlease components is recognized on a straight-line basis over the lease term.

As of December 31, 2024, 2023 and 2022, no assets were recorded under finance leases. The operating lease cost component of lease expense was $3.9 million, $3.6 million and $2.3 million for the years ended December 31, 2024, 2023 and 2022, respectively. The finance lease cost, depreciation of finance lease ROU assets, short-term lease cost and variable lease cost components of lease expense were immaterial.

As the rates implicit in our leases are not readily determinable, we use a collateralized incremental borrowing rate based on the information available at the lease commencement date in determining the present value of future payments.

We use the portfolio approach and group leases into categories by lease term length, applying the corresponding incremental borrowing rates to these categories of leases.

Supplemental cash flow information and other information for leases was as follows:

	Years Ended December 31,		
(in millions, unless otherwise noted)	**2024**	**2023**	**2022**
ROU assets obtained in exchange for lease obligations			
Operating leases	$ 0.2	$ 2.3	$ -
Weighted average remaining lease term *(in years)*			
Operating leases	6.7 years	7.4 years	8.5 years
Weighted average discount rate			
Operating leases	3.20 %	3.17 %	3.17 %

As of December 31, 2024, there was no finance leases included within current portion of finance lease liability and long-term portion of finance lease liability on the consolidated statements of financial position. As of December 31, 2023, there was no finance leases included within current portion of finance lease liability, and $0.3 million of finance leases included within long-term portion of finance lease liability on consolidated statements of financial position. As of December 31, 2024 and 2023, there was $2.5 million and $2.4 million of operating leases included within current portion of lease liability, and $10.5 million and $12.5 million within long- term portion of lease liability, respectively, on the consolidated statements of financial position.

Future minimum lease payments under noncancellable leases as of December 31, 2024 were as follows:

(in millions)		Operating Leases
Year ending December 31,		
2025	$	2.6
2026		2.6
2027		2.7
2028		2.6
2029		0.6
Thereafter		3.3
Total future minimum lease payments		14.4
Less: Imputed interest		(1.4)
	$	13.0

7. Commitments and Contingencies

We lease certain property, equipment and warehouses under various operating lease arrangements. Most of the property leases provide that we pay taxes, insurance, and maintenance applicable to the leased premises. As leases for existing locations expire, we expect to renew the leases or substitute another location and lease. Please refer to Note 6, *Leases*, for further details.

In the ordinary course of conducting business activities, we are and may in the future become involved in various litigation and claims incidental to our business. The outcome of these matters cannot be predicted with certainty and some of these matters may be resolved unfavorably to the Company. Based on currently available information, the Company is subject to certain claims for damages that are performed during the course of business. The Company does not believe that the outcome of these legal matters will have a material adverse effect on its consolidated financial position, results of operations or cash flow.

8. Management Services Agreement

The Company has a management agreement with a related party. Under the agreement, the Company pays fees for management services, which totaled approximately $2.7 million, $2.9 million and $3.0 million for the years ended December 31, 2024, 2023 and 2022, respectively. The fees were recorded in the consolidated statements of operations and comprehensive income in selling and administrative expenses.

9. Equity Agreements and Equity Incentive Plan

RW Management Holdings LLC, a member of RW Parent, entered into the 2020 RW Management Holdings LLC Profits Interest Incentive Plan (the Equity Plan). The Equity Plan is designed to provide an incentive to employees of RW Parent or any of its subsidiaries.

Under the Plan, interest units (“Unit Awards”) of RW Parent may be issued to the employees of the Company or any of its subsidiaries. The Unit Awards are subject to the terms of the Equity Plan, as well as, the terms of the respective unit grant agreements, which among other matters, define the vesting term.

As of December 31, 2024, 2023 and 2022, RW Management Holdings LLC had approximately 132,800 132,800 and 132,800 total Profits Interest Units reserved for issuance under the Equity Plan, respectively.

	Profits Interest Time Units	Profits Interest Performance Units
December 31, 2021	40,357	40,357
Granted	6,255	10,480
Forfeited	(17,070)	(25,569)
December 31, 2022	29,542	25,268
Granted	5,707	5,699
Forfeited	(8,228)	(8,234)
December 31, 2023	27,021	22,733
Granted	3,330	3,329
Exercised	(30)	-
Forfeited	(7,933)	(12,192)
End of Period – December 31, 2024	22,388	13,870
Vested	13,357	-

The Company recognized $0.5 million, $1.0 million and $5.1 million in compensation expense in selling and administrative expenses in the consolidated statements of operations and comprehensive income for the Time-Vesting Units for the year ended December 31, 2024, 2023 and 2022, respectively, and is included in the consolidated statements of financial position in Members' Equity. As of December 31, 2024, no compensation expense for the Profits Interest Performance Units was recognized given that none of the performance criteria were met or probable.

The fair value of all incentive units granted was estimated using a Black-Scholes option pricing model using the following assumptions:

	Years Ended December 31,		
	2024	**2023**	**2022**
Risk-free interest rate range	3.59%-4.71%	0.03%-4.92%	(1.6)%–1.9%
Expected volatility	28.3 %	26.9 %	28.2 %
Weighted-average expected option life (in years)	6.4 years	5.2 years	5.0 years
Weighted-average grant-date fair value	$ 510.12	$ 482.00	$ 317.00
Dividend yield	0.0 %	0.0 %	0.0 %

The remaining unrecognized compensation expense for these awards were $8.7 million, $13.1 million and $19.7 million as of December 31, 2024, 2023 and 2022, respectively.

The expected term of the incentive units is based on evaluations of historical and expected future employee exercise behavior. The risk-free interest rate is based on the U.S. Treasury rates at the date of grant with maturity dates approximately equal to the expected life at the grant date. Volatility is based on the historical volatility of several entities that are similar to the Company as the Company does not have sufficient historical transactions of its own shares on which to base expected volatility

10. Subsequent Events

The Company evaluated subsequent events from December 31, 2024 through May 12, 2025 the date the financial statements were available to be issued. There were no matters identified affecting the Company's financial position or requiring further disclosure.

ServiceMaster Systems, LLC and Subsidiaries

(An indirect, wholly owned subsidiary of RW Purchaser, LLC)

Consolidated Financial Statements

December 31, 2024 and 2023 and for the three years ended December 31, 2024

ServiceMaster Systems, LLC and Subsidiaries
(An indirect, wholly owned subsidiary of RW Purchaser, LLC)
Index
December 31, 2024 and 2023 and for the three years ended December 31, 2024

Report of Independent Auditors

To the Board of Managers of RW Parent, LLC and Management of ServiceMaster Systems, LLC

Opinion

We have audited the accompanying consolidated financial statements of ServiceMaster Systems, LLC and its subsidiaries (the "Company"), which comprise the consolidated statements of financial position as of December 31, 2024 and 2023, and the related consolidated statements of operations and comprehensive income, of member's equity, and of cash flows for the three years then ended December 31, 2024, including the related notes (collectively referred to as the "consolidated financial statements").

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and the results of its operations and its cash flows for the three years then ended December 31, 2024 in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (US GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date the consolidated financial statements are available to be issued.

pwc

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with US GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with US GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

PricewaterhouseCoopers LLP

Atlanta, Georgia
May 12, 2025

ServiceMaster Systems, LLC and Subsidiaries

(An indirect, wholly owned subsidiary of RW Purchaser, LLC)

Consolidated Statements of Operations and Comprehensive Income

Years Ended December 31, 2024, 2023 and 2022

(in millions)	2024	2023	2022
Revenue	$ 325.2	$ 344.7	$ 350.6
Cost of services rendered	89.5	107.2	127.7
Selling and administrative expenses	97.5	84.8	73.6
Depreciation and amortization expenses	22.8	23.0	22.2
Impairment charge	-	-	20.5
Operating expenses	209.8	215.0	244.0
Operating income	115.4	129.7	106.6
Other expense	2.0	2.0	1.8
Net income and comprehensive income	$ 113.4	$ 127.7	$ 104.8

The accompanying notes are an integral part of these consolidated financial statements.

ServiceMaster Systems, LLC and Subsidiaries
(An indirect, wholly owned subsidiary of RW Purchaser, LLC)
Consolidated Statements of Financial Position
December 31, 2024 and 2023

(in millions)	2024	2023
Assets		
Accounts receivable, less allowance	$ 56.4	$ 53.2
Inventories	0.8	0.8
Prepaid expenses and other assets	3.0	3.2
Total current assets	60.2	57.2
Property and equipment, net	11.1	10.9
Right-of-use asset	1.6	2.0
Notes receivable	-	0.1
Intangible assets, net	1,612.0	1,631.4
Other assets	0.7	0.3
Total assets	$ 1,685.6	$ 1,701.9
Liabilities and Member's Equity		
Accounts payable	$ 7.1	$ 8.4
Accrued advertising	3.3	4.0
Payroll and other employee benefits	8.6	9.4
Deferred revenue	1.7	1.7
Current portion of lease liability	0.4	0.4
Other current liabilities	11.6	6.3
Total current liabilities	32.7	30.2
Long-term lease liability	1.3	1.7
Long-term portion of finance lease liability	-	0.3
Other long-term liabilities	5.9	4.8
Total liabilities	39.9	37.0
Member's equity	1,645.7	1,664.9
Total liabilities and member's equity	$ 1,685.6	$ 1,701.9

The accompanying notes are an integral part of these consolidated financial statements.

ServiceMaster Systems, LLC and Subsidiaries
(An indirect, wholly owned subsidiary of RW Purchaser, LLC)
Consolidated Statements of Member's Equity
Years Ended December 31, 2024, 2023 and 2022

(in millions)	Member's Equity
Balances at December 31, 2021	$ 1,699.1
Distribution to Member	(88.8)
Net income and comprehensive income	104.8
Balances at December 31, 2022	1,715.1
Distribution to Member	(177.9)
Net income and comprehensive income	127.7
Balances at December 31, 2023	1,664.9
Distribution to Member	(132.6)
Net income and comprehensive income	113.4
Balances at December 31, 2024	$ 1,645.7

The accompanying notes are an integral part of these consolidated financial statements.

ServiceMaster Systems, LLC and Subsidiaries
(An indirect, wholly owned subsidiary of RW Purchaser, LLC)
Consolidated Statements of Cash Flows
Years Ended December 31, 2024, 2023 and 2022

(in millions)	2024	2023	2022
Cash flows from operating activities			
Net income	$ 113.4	$ 127.7	$ 104.8
Adjustments to reconcile net income to net cash provided by operating activities			
Depreciation and amortization expense	23.9	23.0	22.2
Impairment charge	-	-	20.5
Amortization of operating right of use assets	0.4	0.3	-
Gain on disposal of fixed assets	(0.3)	-	-
Bad debt expense	0.9	(0.1)	-
Other, net	-	1.6	-
Changes in operating assets and liabilities			
Accounts receivable and notes receivable	(4.0)	8.1	(8.6)
Inventories	-	-	6.4
Prepaid expenses and other assets	(0.2)	(1.1)	0.8
Accounts payable	(1.4)	(6.2)	(0.9)
Deferred revenue	1.1	1.5	(0.7)
Operating right of use assets and lease	-	-	-
liabilities, net	(0.4)	(0.2)	0.4
Operating lease liability	-	-	(0.4)
Accrued and other current liabilities	3.9	(1.6)	(8.1)
Net cash provided by operating activities	137.3	153.0	136.4
Cash flows from investing activities			
Cash received from property and equipment disposal	0.8	-	-
Cash paid to acquire property and equipment	(4.0)	(8.8)	0.4
Cash paid to acquire intangible assets	(1.2)	-	-
Distributor acquisitions	-	-	(47.9)
Net cash used in investing activities	(4.4)	(8.8)	(47.5)
Cash flows from financing activities			
Payments of finance leases	(0.3)	-	-
Borrowings on finance leases	-	0.3	-
Debt payment	-	-	(0.1)
Distribution to members	(132.6)	(144.5)	(88.8)
Net cash used in financing activities	(132.9)	(144.2)	(88.9)
Net increase in cash and cash equivalents	-	-	-
Cash and cash equivalents			
Beginning of year	-	-	-
End of year	$ -	$ -	$ -
Noncash investing and financing activities			
Noncash distribution to members in connection with asset transfers	$ -	$ 33.4	$ -

The accompanying notes are an integral part of these consolidated financial statements.

1. Description of Business

Servicemaster Systems LLC
The Company is a single-member limited liability company subsidiary of ServiceMaster Funding LLC (the "Issuer", "Member", or together with ServiceMaster of Canada Limited, the "Co-Issuers"), and an indirect wholly owned subsidiary of RW Purchaser. Through its subsidiaries, the Company franchises and provides restoration, cleaning, moving, junk removal and storage solution services to both residential and commercial customers through the following brands: ServiceMaster Restore, ServiceMaster Recovery Management ("SRM"), ServiceMaster Clean, Merry Maids, and Two Men and a Truck ("TMTI") and Two Men and a Junk Truck ("TMJT") (collectively, the "ServiceMaster Brands").

References to "we," "us," "our" and "Company" in the accompanying consolidated financial statements (the "financial statements") are to the Company's business unless the context otherwise requires.

2. Significant Accounting Policies

The significant accounting policies described below, together with the other notes that follow, are an integral part of the financial statements.

Principles of Consolidation
The Financial Statements include the accounts of Servicemaster Systems LLC and all of our consolidated subsidiaries.

Basis of Preparation
The historical results of our operations, financial position and cash flows have been prepared in accordance with accounting principles generally accepted in the United States of America ("US GAAP"). All significant intercompany transactions and balances have been eliminated in consolidation.

Use of Estimates
The preparation of the financial statements requires management to make certain estimates and assumptions required under US GAAP that may differ from actual results. The more significant areas requiring the use of management estimates relate to the valuation of tangible and intangible assets.

Accounts Receivable and Notes Receivable
Accounts receivable consist primarily of national account revenue, royalties and franchise fees due from franchisees. Notes receivable consist primarily of licenses and equipment sold to franchisees. Accounts receivable are carried at their net realizable value. The Company accounts for credit losses using the Current Expected Credit Loss (CECL) model detailed in the Financial Accounting Standards Board ("FASB") Accounting Standards Update ("ASU") No. 2016-13, Financial Instruments – Credit Losses (Topic 326).

The Company's expected loss allowance methodology for accounts receivable is developed using historical collection experience, current and future economic and market conditions and a review of the current status of customers' trade accounts receivable. Due to the short-term nature of such receivables, the estimate of accounts receivable that may not be collected is based on aging of the accounts receivable balances and consideration of customers' financial and macroeconomic conditions. Balances are written off when determined to be uncollectible. The exposure to concentrations of credit risk is limited due to the diverse product offerings and geographic areas covered by our operations.

Estimates are used to determine the allowance. It is based on an assessment of anticipated payment and all other historical, current and future information that is reasonably available.

(in millions)	December 31, 2024 Accounts Receivable
Receivables	$ 58.8
Less: Allowance for credit losses	(2.4)
Receivables, net	$ 56.4

(in millions)	December 31, 2023 Accounts Receivable	Notes Receivable	Total
Receivables	$ 55.3	$ 0.1	$ 55.4
Less: Allowance for credit losses	(2.1)	-	(2.1)
Receivables, net	$ 53.2	$ 0.1	$ 53.3

Inventories
Inventories are recorded at the lower of cost (primarily on a weighted-average cost basis) or net realizable value. Our inventories primarily consist of finished goods to be used on the customers' premises or sold to franchisees.

Property and Equipment and Intangible Assets
Property and equipment consist of the following:

(in millions)	December 31, 2024	2023	Estimated Useful Lives *(years)*
Leasehold improvements	1.2	1.2	1–39
Technology and communications	7.4	5.2	2–10
Machinery and equipment	4.0	4.1	5–10
Office equipment, furniture and fixtures	8.0	7.3	3–17
Accumulated depreciation	(9.5)	(6.9)	
Property and equipment, net	$ 11.1	$ 10.9	

Depreciation expense of property and equipment was $2.1 million, $2.3 million and $2.6 million for the years ended December 31, 2024, 2023 and 2022, respectively. Additionally, the depreciation expense of rental equipment from SRM in the amount of $1.1 million for the year ended December 31, 2024 was recorded under cost of services rendered in the consolidated statements of operations and comprehensive income.

Property and equipment, leasehold improvements and intangible assets with finite lives are depreciated and amortized on a straight-line basis over their estimated useful lives. Property and equipment lives are based on our previous experience for similar assets, potential market obsolescence and other industry and business data. Amortization of leasehold improvements is provided for on a straight-line method over the estimated benefit period of the related assets or the lease term, if shorter. As required by accounting standards for the impairment or disposal of long-lived assets, property and equipment and finite-lived intangible assets are tested for recoverability whenever events or changes in circumstances indicate their carrying amounts may not be recoverable. If the carrying value is no longer recoverable based upon the undiscounted future cash flows of the asset, an impairment loss could be recognized equal to the difference between the carrying amount and the fair value of the asset. Changes in the estimated useful lives or in the asset values could cause us to adjust the book value or future expense accordingly. There were no triggering events identified for the years ended December 31, 2024, 2023 and 2022.

Indefinite-lived intangible assets, primarily trade names, are assessed annually for impairment during the fourth quarter or earlier upon the occurrence of certain events or substantive changes in circumstances. The Company performed an annual impairment analysis as of October 1, 2024 and 2023, which did not result in any intangible assets impairments to continuing operations. The Company performed an annual impairment analysis as of October 1, 2022, which resulted in a $12.4 million impairment of the Furniture Medic tradename and a $8.1 million impairment to the AmeriSpec tradename. See Note 4, Intangible Assets, for our intangible assets balances.

Member's Equity

Our equity on the consolidated statements of financial position represents the Issuer’s net investment in us and is presented as Member’s Equity.

Fair Value Measurement

Fair value is defined as the exchange price that would be received for an asset or an exit price paid to transfer a liability in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques used to measure fair value must maximize the use of observable inputs and minimize the use of unobservable inputs. The fair value hierarchy defines a three-level valuation hierarchy for disclosure of fair value measurements as follows:

Level 1 Valuations based on quoted prices in active markets for identical assets or liabilities that an entity has the ability to access;

Level 2 Valuations based on quoted prices for similar assets or liabilities, quoted prices for identical assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable data for substantially the full term of the assets or liabilities; and

Level 3 Valuations based on inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The categorization of a financial instrument within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement. The carrying value of cash equivalents, accounts receivable, and accounts payable approximate fair value due to their short-term nature. The carrying value of the Company’s debt approximates fair value due to the variable rate terms of the debt.

Leases
We determine if an arrangement is a lease at inception. We recognize a right-of-use ("ROU") asset and lease liability for all leases with terms of 12 months or more. ROU assets represent our right to use an underlying asset for the lease term, and lease liabilities represent our obligation to make lease payments arising from the lease.

ROU assets and lease liabilities are recognized at commencement date based on the present value of lease payments over the lease term. Our lease terms may include options to extend or terminate the lease when it is reasonably certain that we will exercise that option. As most of our leases do not provide an implicit rate, we use our incremental borrowing rate based on the information available at commencement date in determining the present value of lease payments. We use the implicit rate when readily determinable. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term.

Revenue
Royalty Fees
The Company has franchise agreements in the ServiceMaster Restore, ServiceMaster Clean, Merry Maids, TMTI and TMJT businesses. Royalty fee revenue consists principally of sales-based royalties received as part of the consideration for the franchise right and is calculated as a percentage of system wide sales. Royalty fees are recognized at the agreed-upon contractual rates over time as the customer-level revenue is generated by the franchisees. Revenue is recognized for an estimate of the unreported royalty fees, which are reported and remitted to us in arrears.

Commercial Cleaning and Other National Accounts
National account revenues are recognized at the agreed-upon contractual amounts over time as services are completed based on contractual arrangements to provide services at the customers' locations. The Company engages either a franchisee or third-party business to perform the services. Under these agreements, the Company is directly responsible for providing the services and receive payment directly from the customer. A receivable is recorded related to this revenue as the Company has an unconditional right to invoice and receive payment. Payments are typically received shortly after services have been rendered.

Sales of Products
Revenues are generated from selling products to franchisees. Revenues from product sales are generally recognized once control of the products transfers to the customer. A receivable is recorded related to these sales as the Company has an unconditional right to invoice and receive payment. Payments are typically received shortly after a customer is invoiced.

Franchise Fees
Initial franchise fees result from the sale of a franchise license, which includes the use of the name, trademarks and proprietary methods. The franchise license is considered symbolic intellectual property and revenue related to the sale of this right is recognized at the agreed-upon contractual amount over the term of the initial franchise agreement.

Referral Fees
We have contractual arrangements with several national insurance companies to maintain a call center which receives and provides nonrecurring recovery and restoration referrals from the insurers to qualifying franchisees. We receive and recognize referral fees from franchisees at the agreed-upon contractual amount as revenue in the month the referral is issued.

National Advertising Fund

Franchisees contribute a percentage of customer-level revenue into a national advertising fund managed by us. In cases where we have ultimate control of the marketing and advertising, we recognize both revenue and expense for the amount earned.

Advertising

Advertising costs are expensed when the advertising occurs and are included in selling and administrative expenses. Advertising costs were $21.8 million, $19.8 million and $19.0 million for the years ended December 31, 2024, 2023 and 2022, respectively. Advertising costs include national advertising fund expenses of $20.3 million and $19.0 million and $18.1 million for the years ended December 31, 2024, 2023 and 2022, respectively, for which expenses were higher than revenue recorded due to an overspend for the years ended December 31, 2024, 2023 and 2022.

Income Taxes

The Company is a single-member limited liability corporation which has elected not to be taxed as a corporation, and consequently is not subject to U.S. federal or state income taxes. As such, for income tax purposes, the Company’s earnings flow through directly to the Member.

Comprehensive Income

Comprehensive income represents net income for the period plus the results of certain other changes in Member’s equity. The Company's comprehensive income is equal to its net income.

Newly Issued Accounting Standards

We have reviewed all recently issued, but not yet effective, accounting pronouncements and do not expect the future adoption of any such pronouncements will have a material impact on our financial condition or the results of our operations.

3. Revenue

The following table presents our revenues, disaggregated by revenue source. We disaggregate revenue from contracts with customers into major customer acquisition channels. We determined that disaggregating revenue into these categories achieves the disclosure objective to depict how the nature, amount, timing, and uncertainty of revenue and cash flows are affected by economic factors.

	Years Ended December 31,		
(in millions)	**2024**	**2023**	**2022**
Major service line			
Royalty fees	$ 175.5	$ 186.8	$ 175.7
National accounts and self performed	94.5	106.7	101.4
National advertising fund	20.0	19.0	18.1
Sales of products	3.0	2.6	10.5
Other	32.2	29.6	44.9
	$ 325.2	$ 344.7	$ 350.6

Costs to Obtain a Contract With a Customer
The Company capitalizes the incremental costs of obtaining a contract with a customer, primarily commissions, and recognizes the expense on a straight-line basis, as adjusted to match the timing of revenue recognition, over the expected customer relationship period. The capitalizable cost to obtain a contract were $0.2 million for the year ended December 31, 2024. The capitalizable cost to obtain a contract were immaterial for the years ended December 31, 2023 and 2022.

Contract Balances
We record a receivable related to revenue recognized on services once we have an unconditional right to invoice and receive payment in the future related to the services provided. All accounts receivables are recorded within accounts receivable, less allowances, on the consolidated statements of financial position.

Deferred revenue from initial franchise fees represents a contract liability and is recognized when cash payments are received in advance of the performance of services, including when the amounts are refundable. Amounts are recognized as revenue in proportion to the costs expected to be incurred in performing services under our contracts.

Revenue is recognized net of any taxes collected from customers, which are subsequently remitted to taxing authorities.

4. Intangible Assets

The table below summarizes the intangible asset balances:

	December 31, 2024		
(in millions)	**Gross**	**Accumulated Amortization**	**Net**
Trade names [1]	$ 1,459.0	$ -	$ 1,459.0
Customer related [2][3]	179.4	(57.3)	122.1
Other [2]	52.6	(21.7)	30.9
	$ 1,691.0	$ (79.0)	$ 1,612.0

	December 31, 2023		
(in millions)	**Gross**	**Accumulated Amortization**	**Net**
Trade names [1]	$ 1,459.0	$ -	$ 1,459.0
Customer related [2]	178.2	(39.6)	138.6
Other [2]	52.6	(18.8)	33.8
	$ 1,689.8	$ (58.4)	$ 1,631.4

(1) Trade names are indefinite lived.

(2) These intangible assets are being amortized over the expected period of benefit, with a weighted average life of approximately 8.0 years and 8.9 years for the years ended December 31, 2024 and 2023, respectively. In addition, customer related includes franchise agreement.

(3) In 2024, the Company entered into an agreement in July, 2024 to acquire assets related to Master Franchise Agreement Two Men And A Truck (Canada) for $1.2 million, which were capitalized into customer related intangible assets.

Amortization expense of $20.7 million, $20.7 million and $19.6 million was recorded for the years ended December 31, 2024, 2023 and 2022, respectively. Amortization expense for 2024 includes $0.1 million related to a disposal of a franchise branch.

For the existing intangible assets, we anticipate amortization expense for the next five years as follows:

(in millions)	**2025**	**2026**	**2027**	**2028**	**2029**
Amortization expense	$ 20.7	$ 20.0	$ 18.9	$ 18.9	$ 18.5

5. Long-Term Debt, Net

Outstanding debt at ServiceMaster SPE Holdco, LLC for which the Company is a guarantor consists of the following at December 31, 2024 and 2023:

(in millions)	December 31, 2024	December 31, 2023
Series 2020 Class A-2-I Notes, due January 2051	$ 214.5	$ 215.8
Series 2020 Class A-2-II Notes, due January 2051	386.4	388.4
Series 2020 Class A-1 variable rate notes	-	10.0
Series 2021 Class A-2-1 Notes, due July 2051	142.7	143.5
Series 2021 Class A-2-II Notes, due July 2051	237.9	239.1
Debt issuance costs, net	(14.0)	(17.0)
Total long-term debt, including current portion	967.5	979.8
Amounts payable within one year	(10.3)	(20.3)
Long-term debt, net	$ 957.2	$ 959.5

Future Minimum Principal Payments

(in millions)	Amount
2025	$ 10.3
2026	10.3
2027	10.3
2028	10.3
2029	10.3
Thereafter	930.0
Total future minimum payments	$ 981.5

2020 Securitized Notes

On December 9, 2020 (the "2020 Securitization Date"), a series of agreements (collectively, the "2020 Indenture") were effectuated and gave rise to a revised legal entity structure of the Company's subsidiaries as well as the issuance of approximately $750,000,000 of Notes by the Company's indirect wholly owned subsidiaries, ServiceMaster Funding LLC (the "Issuer") and ServiceMaster of Canada Limited ("Canada Limited" and, collectively, the "Co-Issuers"). Pursuant to the agreement the Co-Issuers issued $250,000,000 of Series 2020-1 2.841% Fixed Rate Senior Secured Notes, Series 2020 Class A-2-I (the "Class A-2-I Notes"), $450,000,000 of Series 2020-1, 3.337% Fixed Rate Senior Secured Notes, Series 2020 Class A-2-II (the "Class A-2-II Notes"), and $50,000,000 of variable funding notes, Series 2020 Class A-1 (the "Series 2020-1 Class A-1 Notes" and, collectively with the Series 2020 Class A-2-I Notes and the Series 2020 Class A-2-II Notes, the “2020 Notes”). Interest will accrue on the Series 2020-1 Class A-1 Notes at a variable rate depending on the outstanding amount drawn by the Co-Issuers from time to time thereunder, if any. The legal final maturity date of the Notes is in January 2051.

Unless earlier prepaid to the extent permitted, the 2020 Indenture provides for an anticipated repayment date of January 2028 for the Class A-2-I Notes and an anticipated repayment date of January 2031 for the Series 2020 Class A-2-II Notes (as applicable, the “Anticipated Repayment Date”). The lending commitment under the Series 2020-1 Class A-1 Notes will expire in January 2026, subject to two automatic annual renewals at the election of the Co- Issuers if certain conditions are met.

The 2020 Notes have been guaranteed by indirect or direct wholly owned subsidiaries of the Company, ServiceMaster SPE Holdco LLC (“Holdco”) and RW Canada Intermediate Ltd., as well as all of the subsidiaries of the Issuer (collectively, the “Guarantors”). The 2020 Notes are subject to a series of covenants and restrictions customary for transactions of this type, including (i) debt service coverage ratios and senior leverage ratios, (ii) maintenance of specified reserve accounts to be used to make required payments in respect of the 2020 Notes, and (iii) provisions relating to optional and mandatory prepayments, including certain make- whole payments. The 2020 Notes are also subject to customary rapid amortization events provided for in the Indenture and customary events of default.

The 2020 Indenture also provides for quarterly principal amortization in respect of the Series 2020 Class A-2-I Notes and the Series 2020 Class A-2-II Notes equal to 0.25% of their original principal amount through their respective Anticipated Repayment Date, subject to a fall-away provision if the senior leverage ratio is less than a specified threshold on any quarterly test date.

2021 Senior Notes
On July 30, 2021, in conjunction with the acquisition of Two Men and a Truck/International, Inc., the Co-Issuers entered into an agreement (the “2021 Indenture”) for a senior note facility in an aggregate principal amount of $400,000,000 with Citibank. The Issuer issued $150,000,000 of Series 2021-1 2.865% Fixed Rate Senior Secured Notes, Series 2021 Class A-2-I, $250,000,000 of Series 2021-1, 3.113% Fixed Rate Senior Secured Notes, Series 2021 Class A-2-II (the “2021 Notes”). The legal final maturity date of the Notes is in July 2051. The 2021 Indenture provides for an anticipated repayment date of July 2028 for the Series 2021 Class A-2-I Notes and an anticipated repayment date of July 2031 for the Series 2021 Class A-2-II Notes (as applicable, the “Anticipated Repayment Date”). The lending commitment under the Series 2021-1 Class A-1 Notes will expire in July 2026, subject to two automatic annual renewals at the election of the Issuer if certain conditions are met.

The 2021 Notes are secured by substantially all of the assets of the Issuer and the Guarantors. The 2021 Notes are subject to a series of covenants and restrictions customary for transactions of this type, including (i) debt service coverage ratios and senior leverage ratios, (ii) maintenance of specified reserve accounts to be used to make required payments in respect of the 2021 Notes, and (iii) provisions relating to optional and mandatory prepayments, including certain make-whole payments. The 2021 Notes are also subject to customary rapid amortization events provided for in the Indenture and customary events of default. The 2021 Indenture also provides for quarterly principal amortization in respect of the Series 2021 Class A-2-I Notes and the Series 2021 Class A-2-II Notes equal to 0.25% of their original principal amount through their respective Anticipated

Repayment Date, subject to a fall-away provision if the senior leverage ratio is less than a specified threshold on any quarterly test date.

6. Commitments and Contingencies

We lease certain property, equipment and warehouses under various operating lease arrangements. Most of the property leases provide that we pay taxes, insurance, and maintenance applicable to the leased premises. As leases for existing locations expire, we expect to renew the leases or substitute another location and lease.

In the ordinary course of conducting business activities, we are and may in the future become involved in various litigation and claims incidental to our business. The outcome of these matters cannot be predicted with certainty and some of these matters may be resolved unfavorably to the Company. Based on currently available information, the Company is subject to certain claims for damages that are performed during the course of business. The Company does not believe that the outcome of these legal matters will have a material adverse effect on its consolidated financial position, results of operations or cash flow.

7. Related-Party Transactions

Management Fee
The Company entered into a management agreement with Opco (the “Management Agreement”) where Opco is to provide, among other things, the managing of respective rights, powers, duties and obligations in connection with the Pre-Contribution Agreements, the franchise assets, the securitization IP, and all other securitization assets. In exchange for the services described above, the Company will pay an annual management fee equal to a base amount of $7.8 million plus a variable fee of $11,500 for every integer multiple of $100,000 of aggregate U.S. retained collections, receivable on a weekly basis. The base management fee will be subject to successive 2% annual increases following each anniversary of the closing date. Such fees are included in selling and administrative expenses in the consolidated statements of operations and comprehensive income. For the years ended December 31, 2024, 2023 and 2022 the Management fee was $35.8 million, $31.8 million and $29.2 million, respectively.

License Fee
The Company entered into a license fee agreement with ServiceMaster of Canada Limited ("Canada Limited") and ServiceMaster Limited (UK) ("UK Limited"). Under the license agreement, Canada Limited and UK Limited are permitted to use intellectual property and tradenames in the performance of operational activities. For the years ended December 31, 2024, 2023 and 2022 the license fee for Canada Limited was $5.7 million, $5.7 million and $5.3 million; the license fee for UK Limited was $0.8 million, $0.7 million and $0.3 million, respectively.

8. Subsequent Events

The Company evaluated subsequent events from December 31, 2024 through May 12, 2025 the date the financial statements were available to be issued. There were no matters identified affecting the Company’s financial position or requiring further disclosure.

THE FOLLOWING FINANCIAL STATEMENTS HAVE BEEN PREPARED WITHOUT AN AUDIT. PROSPECTIVE FRANCHISEES SHOULD BE ADVISED THAT NO CERTIFIED PUBLIC ACCOUNTANT HAS AUDITED THESE FIGURES OR EXPRESSED HIS/HER OPINION WITH REGARD TO THEIR CONTENT OR FORM.

ServiceMaster OpCo Holdings, LLC and Subsidiaries

(An indirect wholly owned subsidiary of RW Purchaser, LLC)

(Unaudited) Condensed Consolidated Financial Information
For the three months ended March 31, 2025 and 2024

ServiceMaster OpCo Holdings, LLC and Subsidiaries
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March 31, 2025 and 2024

ServiceMaster OpCo Holdings, LLC and Subsidiaries
(Unaudited) Condensed Consolidated Statements of Operations and Comprehensive Income

(in millions)	Three months ended March 31, 2025	Three months ended March 31, 2024
Revenue	**$ 86.7**	**$ 80.5**
Cost of services rendered	31.2	24.0
Selling and administrative expenses	23.4	33.9
Depreciation and amortization expenses	6.3	6.2
Operating expenses	60.9	64.1
Operating income	**25.8**	**16.4**
Interest expense	8.2	8.5
Other expense	0.6	0.3
Net income and comprehensive income	**$ 17.0**	**$ 7.6**

ServiceMaster OpCo Holdings, LLC and Subsidiaries
(Unaudited) Condensed Consolidated Statements of Financial Position

(in millions)	As at March 31, 2025	As at December 31, 2024
Assets		
Cash and cash equivalents	$ 37.7	$ 28.4
Restricted cash	7.4	5.0
Accounts receivable, net	61.3	55.7
Current portion of notes receivable	1.2	0.5
Inventories	0.8	0.8
Prepaid expenses and other assets	16.3	18.2
Total current assets	**124.7**	**108.6**
Property and equipment, net	16.0	16.5
Right-of-use asset, net	11.3	11.8
Notes receivable, less allowance and current portion	1.0	1.1
Intangible assets, net	1,606.8	1,612.0
Other assets	0.9	1.0
Total assets	**$ 1,760.7**	**$ 1,751.0**
Liabilities and Member's Equity		
Accounts payable	$ 9.2	$ 8.4
Accrued payroll and other employee benefits	12.3	10.0
Accrued advertising	3.5	3.3
Accrued interest payable	5.3	5.3
Deferred revenue	1.5	1.7
Current portion of operating lease liability	2.5	2.5
Current portion of long-term debt	10.4	10.3
Other current liabilities	3.9	6.1
Total current liabilities	**48.6**	**47.6**
Long-term debt, net of debt issuance costs and current portions	955.3	957.2
Long-term operating lease liability	10.0	10.5
Other long-term liabilities	6.0	5.9
Total liabilities	**1,019.9**	**1,021.2**
Member's equity	740.8	729.8
Total liabilities and member's equity	**$ 1,760.7**	**$ 1,751.0**

ServiceMaster OpCo Holdings, LLC and Subsidiaries
(Unaudited) Condensed Consolidated Statements of Member's Equity

(in millions)	Member's Equity
Balances at December 31, 2023	**$ 716.7**
Share based compensation	0.2
Contribution from Member	5.5
Distribution to Member	(14.0)
Net income and comprehensive income	7.6
Balances at March 31, 2024	**716.0**
Balances at December 31, 2024	**729.8**
Share based compensation	0.2
Contribution from Member	1.1
Distribution to Member	(7.3)
Net income and comprehensive income	17.0
Balances at March 31, 2025	**$ 740.8**

ServiceMaster OpCo Holdings, LLC and Subsidiaries
(Unaudited) Condensed Consolidated Statements of Cash Flows

(in millions)	Three months ended March 31, 2025	Three months ended March 31, 2024
Cash flows from operating activities		
Net income	$ 17.0	$ 7.6
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortization expense	6.6	6.2
Amortization of debt issuance costs	0.7	0.7
Amortization of operating right of use assets	0.5	0.2
Gain on disposal of fixed asset	—	(0.3)
Bad debt expense	—	0.1
Share based compensation expense	0.2	0.2
Changes in operating assets and liabilities		
Accounts receivable and notes receivable	(6.1)	(3.4)
Prepaid expenses and other assets	1.9	1.2
Accounts payable	0.9	(0.1)
Deferred revenue	(0.2)	1.0
Operating right of use assets and lease liabilities, net	(0.5)	(0.2)
Accrued and other current liabilities	0.4	3.0
Net cash provided by operating activities	**21.4**	**16.2**
Cash flows from investing activities		
Cash paid to acquire property and equipment	(0.9)	(1.1)
Cash received from fixed assets disposal	—	0.8
Net cash used in investing activities	**(0.9)**	**(0.3)**
Cash flows from financing activities		
Payments on finance leases	—	(0.3)
Debt payment	(2.6)	(12.6)
Proceeds from borrowings	—	30.0
Distribution to Member	(7.3)	(14.0)
Contribution from Member	1.1	5.5
Net cash (used in)/provided by financing activities	**(8.8)**	**8.6**
Net increase in cash, cash equivalents and restricted cash	11.7	24.5
Cash, cash equivalents and restricted cash		
Beginning of period	33.4	17.4
End of period	**$ 45.1**	**$ 41.9**

ServiceMaster Systems, LLC
and Subsidiaries

(An indirect, wholly owned subsidiary of RW Purchaser, LLC)

(Unaudited) Condensed Consolidated Financial Information

For the three months ended March 31, 2025 and 2024

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(Unaudited) Condensed Consolidated Financial Statements

ServiceMaster Systems, LLC and Subsidiaries
(Unaudited) Condensed Consolidated Statements of Operations and Comprehensive Income

	Three Months Ended March 31,	
(in millions)	2025	2024
Revenue	**$ 84.2**	**$ 76.4**
Cost of services rendered	23.0	21.7
Selling and administrative expenses	15.7	25.6
Depreciation and amortization expenses	5.8	5.8
Operating expenses	44.5	53.1
Operating income	**39.7**	**23.3**
Other expense	0.5	0.5
Net income and comprehensive income	**$ 39.2**	**$ 22.8**

ServiceMaster Systems, LLC and Subsidiaries
(Unaudited) Condensed Consolidated Statements of Financial Position

(in millions)	As at March 31, 2025	As at December 31, 2024
Assets		
Accounts receivable, net	$ 62.6	$ 56.4
Inventories	0.8	0.8
Prepaid expenses and other assets	2.6	3.0
Total current assets	**66.0**	**60.2**
Property and equipment, net	9.9	11.1
Right-of-use asset, net	1.5	1.6
Intangible assets, net	1,606.8	1,612.0
Other assets	0.8	0.7
Total assets	**$ 1,685.0**	**$ 1,685.6**
Liabilities and Member's Equity		
Accounts payable	$ 7.0	$ 7.1
Accrued advertising	4.5	3.3
Accrued payroll and other employee benefits	9.0	8.6
Deferred revenue	1.5	1.7
Current portion of operating lease liability	0.4	0.4
Other current liabilities	10.5	11.6
Total current liabilities	**32.9**	**32.7**
Long-term operating lease liability	1.1	1.3
Other long-term liabilities	6.0	5.9
Total liabilities	**40.0**	**39.9**
Member's equity	1,645.0	1,645.7
Total liabilities and member's equity	**$ 1,685.0**	**$ 1,685.6**

Exhibit M to the FDD

STATE-SPECIFIC ADDENDUM TO DISCLOSURES AND AGREEMENTS

1. FRANCHISE DISCLOSURE DOCUMENT ADDENDA

A. Multi-state Appendix

ADDENDUM TO TWO MEN AND A JUNK TRUCK®
FRANCHISE DISCLOSURE DOCUMENT
FOR USE IN THE STATES OF
CALIFORNIA, HAWAII, ILLINOIS, INDIANA, MARYLAND, MICHIGAN,
MINNESOTA, NEW YORK, NORTH DAKOTA, RHODE ISLAND,
SOUTH DAKOTA, VIRGINIA, WASHINGTON, AND WISCONSIN

The following provision applies only to franchisees and Franchised Businesses that are subject to the state franchise disclosure laws in California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and/or Wisconsin:

> No statement, questionnaire, or acknowledgement signed or agreed to by you in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by us, any franchise seller, or any other person acting on behalf of us. This provision supersedes any other term of any document executed in connection with the franchise.

B. <u>California Franchise Disclosure Document Addendum</u>

ADDENDUM TO TWO MEN AND A JUNK TRUCK®
FRANCHISE DISCLOSURE DOCUMENT
<u>FOR USE IN THE STATE OF CALIFORNIA</u>

1. THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE FRANCHISE DISCLOSURE DOCUMENT.

2. IN ADDITION TO THE INFORMATION SET FORTH IN ITEM 3 OF THE FRANCHISE DISCLOSURE DOCUMENT, NEITHER FRANCHISOR ANY PERSON LISTED IN ITEM 2 OF THE FRANCHISE DISCLOSURE DOCUMENT IS SUBJECT TO ANY CURRENTLY EFFECTIVE ORDER OF ANY NATIONAL SECURITIES ASSOCIATION OR NATIONAL SECURITIES EXCHANGE, AS DEFINED IN THE SECURITIES EXCHANGE ACT OF 1934, 15 USCA 78(a), ET SEQ., SUSPENDING OR EXPELLING SUCH PERSONS FROM MEMBERSHIP IN SUCH ASSOCIATION OR EXCHANGE.

3. YOU MUST SIGN A GENERAL RELEASE IF YOU RENEW OR TRANSFER YOUR FRANCHISE. IN CASE OF A DISPUTE, YOU WAIVE YOUR RIGHT TO A JURY TRIAL UNDER THE FRANCHISE AGREEMENT. CALIFORNIA CORPORATIONS CODE 31512 VOIDS A WAIVER OF YOUR RIGHTS UNDER THE FRANCHISE INVESTMENT LAW (CALIFORNIA CORPORATIONS CODE 31000 THROUGH 31516). BUSINESS AND PROFESSIONS CODE 20010 VOIDS A WAIVER OF YOUR RIGHTS UNDER THE FRANCHISE RELATIONS ACT (BUSINESS AND PROFESSIONS CODE 20000 THROUGH 20043).

4. THE FOLLOWING PARAGRAPHS ARE AN ADDITION TO THE DISCLOSURE CONTAINED IN ITEM 17 OF THE DISCLOSURE DOCUMENT.

(a) California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination, transfer, or non-renewal of a franchise. If the franchise agreement contains a provision that is inconsistent with the law, the law will control.

(b) The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under Federal Bankruptcy Law (11 USCA Sec. 101, et seq.).

(c) The Franchise Agreement contains a covenant not to compete, which extends beyond the termination of the Franchise. This provision may not be enforceable under California Law.

(d) The Franchise Agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

(e) The Franchise Agreement requires application of the laws of Georgia. This provision may not be enforceable under California law.

(f) Section 31125 of the California Corporations Code requires Franchisor to give the Franchisee a disclosure document, in a form and containing such information as the Commissioner may by rule or order require, prior to solicitation of a proposed material modification of an existing franchise.

(g) The highest applicable interest rate permitted under California law is 10%.

(h) Spousal liability: Your spouse will be liable for all financial obligations under the franchise agreement even though your spouse has no ownership interest in the franchise. This guarantee will place both your and your spouse's marital and personal assets, perhaps including your house, at risk if your franchise fails.

5. The URL address for the TWO MEN AND A TRUCK SPE LLC website is www.twomenandajunktruck.com. OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION www.dfpi.ca.gov.

6. Registration of this franchise does not constitute approval, recommendation, or endorsement by the Commissioner of the Department of Financial Protection and Innovation.

7. California's Franchise Investment Law (Corporations Code sections 31512 and 31512.1) states that any provision of a franchise agreement or related document requiring the franchisee to waive specific provisions of the law is contrary to public policy and is void and unenforceable. The law also prohibits a franchisor from disclaiming or denying (i) representations it, its employees, or its agents make to you, (ii) your ability to rely on any representations it makes to you, or (iii) any violations of the law.

8. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise. See NASAA STATEMENT OF POLICY REGARDING THE USE OF FRANCHISE QUESTIONNAIRES AND ACKNOWLEDGMENTS. https://www.nasaa.org/wp-content/uploads/2022/11/sop-franchise-questionnaires.pdf.

9. The Preliminary Approval Agreement may not be signed, and the related reservation fee may not be paid, until at least 14 days after the FDD has been delivered to you.

C. <u>Hawaii Franchise Disclosure Document Addendum</u>

ADDENDUM TO TWO MEN AND A JUNK TRUCK®
FRANCHISE DISCLOSURE DOCUMENT
<u>FOR USE IN THE STATE OF HAWAII</u>

The following information applies to franchises and Franchisees subject to the Hawaii statutes. Item numbers correspond to those in the main body:

1. <u>Cover Page</u>

Risk Factors:

THESE FRANCHISES WILL BE/HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF SECURITITES OR A FINDING BY THE COMMISSIONER OF SECURITIES THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, OR SUBFRANCHISOR, AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE, OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE DISCLOSURE DOCUMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

THIS DISCLOSURE DOCUMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

REGISTERED AGENT IN THE STATE AUTHORIZED TO RECEIVE SERVICE OF PROCESS: COMMISSIONER OF SECURITIRES OF STATE OF HAWAII, DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS, 335 MERCHANT STREET, ROOM 203, HONOLULU, HAWAII 96813.

2. <u>Item 17</u>. The following paragraph is added to the end of Item 17 of the Franchise Disclosure Document:

> No statement, questionnaire, or acknowledgement signed or agreed to by you in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by us, any franchise seller, or any other person acting on behalf of us. This provision supersedes any other term of any document executed in connection with the franchise.

D. Illinois Franchise Disclosure Document Addendum

ADDENDUM TO TWO MEN AND A JUNK TRUCK®
FRANCHISE DISCLOSURE DOCUMENT
FOR USE IN THE STATE OF ILLINOIS

The Franchise Disclosure Document is amended for use in the State of Illinois as follows:

Cover Page, ITEM 17 -- RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

Illinois law governs the Franchise Agreement.

Any provision in a franchise agreement that designates jurisdiction or venue outside the State of Illinois is void. However, a franchise agreement may provide for arbitration in a venue outside of Illinois. 815 ILCS 705/4 (West 2012).

Any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act, or any other law of Illinois is void. 815 ILCS 705/41 (West 2012).

Franchisees' rights upon termination and non-renewal are set forth in Sections 19 and 20 of the Illinois Franchise Disclosure Act.

E. Indiana Franchise Disclosure Document Addendum

ADDENDUM TO TWO MEN AND A JUNK TRUCK®
FRANCHISE DISCLOSURE DOCUMENT
FOR USE IN THE STATE OF INDIANA

The Franchise Disclosure Document is amended for use in the State of Indiana as follows:

REGISTRATION OF THIS FRANCHISE IN THE STATE OF INDIANA DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER.

ITEM 12 - TERRITORY

Under the Franchise Agreement for use in Indiana, we are prohibited from establishing other franchises or company owned units that market similar products or services in your Marketing Area under a different service mark or trademark.

ITEM 17 - RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

The post-termination, non-competition covenant contained in Section 8.2 of the Franchise Agreement for use in the State of Indiana only applies to your Marketing Area and not an area within 20 miles of your Marketing Area or the Marketing Area or territory of any other franchisee.

The release that you must sign as a condition to transfer as stated in Section 7.2(b)(viii) of the Franchise Agreement for use in the State of Indiana excepts claims arising under the Indiana Deceptive Franchise Practices Law, Indiana Code 23-2-2.7.

Section 10.1 of the Franchise Agreement for use in the State of Indiana specifies that the Franchise Agreement, the construction of the Agreement and any other disputes between the parties will be governed by the substantive laws of the State of Georgia, except that the Indiana Franchise Law (Indiana Code 23-2-2.5 and 23-2-2.7) will control where applicable.

F. Maryland Franchise Disclosure Document Addendum

ADDENDUM TO TWO MEN AND A JUNK TRUCK®
FRANCHISE DISCLOSURE DOCUMENT
FOR USE IN THE STATE OF MARYLAND

The Franchise Disclosure Document is amended for use in the State of Maryland as follows:

1. The following is in addition to the disclosure in Item 5 of the Franchise Disclosure Document:

   Based on our financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until we complete our pre-opening obligations under the Franchise Agreement.

2. The following is in addition to the disclosure in Item 17 of the Franchise Disclosure Document:

   Any release contained in the Franchise Agreement or any other agreement required as a condition to the sale, renewal or transfer of the franchise will not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

   A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

   Any claim arising under the Maryland Franchise Registration and Disclosure Law must be brought within three years after the grant of the franchise.

   No statement, questionnaire, or acknowledgement signed or agreed to by you in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by us, any franchise seller, or any other person acting on behalf of us. This provision supersedes any other term of any document executed in connection with the franchise.

G. Minnesota Franchise Disclosure Document Addendum

ADDENDUM TO TWO MEN AND A JUNK TRUCK®
FRANCHISE DISCLOSURE DOCUMENT
FOR USE IN THE STATE OF MINNESOTA

The Franchise Disclosure Document is amended for use in the State of Minnesota as follows:

1. NSF checks and related interest and attorneys' fees are governed by Minnesota Statute § 604.113, which puts a cap of $30 on initial service charges and requires notice and opportunity to cure prior to assessing interest and attorneys' fees.

2. Minnesota Stat. § 80C.21 and Minnesota Rules 2860.4400(J) prohibit the franchisor from: (i) requiring litigation to be conducted outside Minnesota; (ii) requiring waiver of a jury trial; and (iii) requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. Nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce (a) any of the franchisee's rights as provided for in Minnesota Franchise Act or (b) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

3. With respect to franchises governed by Minnesota law, the franchisor will comply with Minn. Stat. § 80C.14, subd. 3-5, which require good cause for termination or non-renewal and, except in certain specified cases, (i) that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the franchise agreement and (ii) that consent to the transfer of the franchise will not be unreasonably withheld.

4. The Minnesota Department of Commerce requires that we indemnify Minnesota franchisees against liability to third parties resulting from claims by third parties that the franchisee's use of the trademarks infringes trademark rights of the third party. We will indemnify you only if you have used the trademarks in accordance with the requirements of the Franchise Agreement. Also, as a condition to indemnification, you must provide notice to us of any such claim within 10 days and tender the defense of the claim to us. If we accept the tender of defense, we have the right to manage the defense of the claim including the right to compromise, settle or otherwise resolve the claim and to determine whether to appeal a final determination of the claim.

5. Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a release that would relieve any person from liability imposed by Minnesota Statutes, Chapter 80C.

6. The franchisee cannot be required to consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rules 2860.4400(J). Also, a court will determine if a bond is required.

7. The Limitations of Claims section must comply with Minnesota Stat. § 80C.17, subd. 5.

8. Minnesota Rules 2860.4400(G) prohibits a franchisor from imposing on a franchisee by contract or rule, whether written or oral, any standard of conduct that is unreasonable.

9. No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including, fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise

seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with this franchise.

10. Minnesota Stat. § 80C.21 and Minnesota Rules 2860.4400(J) prohibit the franchisor from requiring the franchisee to consent to liquidated damages. All references in the Franchise Agreement to assessing, incurring, collecting, or paying liquidated damages are hereby deleted.

H. New York Franchise Disclosure Document Addendum

ADDENDUM TO TWO MEN AND A JUNK TRUCK®
FRANCHISE DISCLOSURE DOCUMENT
FOR USE IN THE STATE OF NEW YORK

The Franchise Disclosure Document is amended for use in the State of New York as follows:

1. The following information is added to the cover page of the Franchise Disclosure Document:

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR RESOURCES OR INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN ANYTHING IN THIS FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND THE APPROPRIATE STATE OR PROVINCIAL AUTHORITY. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS THAT ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

2. The following is added at the end of Item 3:

Except as provided above, the following applies to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

A. No such party has an administrative, criminal, or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable civil or misdemeanor allegations.

B. No such party has pending actions other than routine litigation incidental to the business that is significant in the context of the number of franchisees and the size, nature, or financial condition of the franchise system or its business operations.

C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the ten years immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation, or trade practice law resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and

Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. The following is added to the end of the "Summary" sections of Item 17(c), titled "Requirements for a franchisee to renew or extend," and Item 17(m), entitled "Conditions for franchisor approval of transfer":

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; this proviso intends that the nonwaiver provisions of General Business Law Sections 687(4) and 687(5) be satisfied.

4. The following language replaces the "Summary" section of Item 17(d), titled "Termination by a franchisee":

"You may terminate the agreement on any grounds available by law."

5. The following is added to the end of the "Summary" sections of Item 17(v), titled "Choice of forum," and Item 17(w), titled "Choice of law":

The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or the franchisee by Article 33 of the General Business Law of the State of New York.

6. Franchise Questionnaires and Acknowledgements - No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

7. Receipts - Any sale made must be in compliance with § 683(8) of the Franchise Sale Act (N.Y. Gen. Bus. L. § 680 et seq.), which describes the time period a Franchise Disclosure Document (offering prospectus) must be provided to a prospective franchisee before a sale may be made. New York law requires a franchisor to provide the Franchise Disclosure Document at the earliest of the first personal meeting, ten (10) business days before the execution of the franchise or other agreement, or the payment of any consideration that relates to the franchise relationship.

I. North Dakota Franchise Disclosure Document Addendum

ADDENDUM TO TWO MEN AND A JUNK TRUCK®
FRANCHISE DISCLOSURE DOCUMENT
FOR USE IN THE STATE OF NORTH DAKOTA

1. The following is in addition to the disclosure in Item 17 of the Franchise Disclosure Document:

THE SECURITIES COMMISSIONER HAS HELD THE FOLLOWING TO BE UNFAIR, UNJUST OR INEQUITABLE TO NORTH DAKOTA FRANCHISEES (SECTION 51-19-09, N.D.C.C.):

(a) Restrictive Covenants: Franchise Disclosure Documents which disclose the existence of covenants restricting competition contrary to Section 9-08-06, N.D.C.C., without further disclosing that such covenants will be subject to the statute. Restrictive covenants, such as those found in Section 8.2 of the Franchise Agreement may not be enforceable under Section 9-08-06 of the North Dakota Century Code.

(b) Situs of Arbitration Proceedings: Franchise agreements providing that the parties must agree to the arbitration of disputes at a location that is remote from the site of the franchisee's business. The Franchise Agreement for use in the State of North Dakota does not specify the jurisdiction or venue for arbitration of disputes.

(c) Restrictions on Forum: Requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota. The Franchise Agreement for use in the State of North Dakota does not specify the jurisdiction or venue for any action between the parties.

(d) Liquidated Damages and Termination Penalties: Requiring North Dakota franchisees to consent to liquidated damages or termination penalties. The Franchise Agreement for use in the State of North Dakota does not contain a liquidated damage provision on termination of the Franchise Agreement.

(e) Applicable Laws: Franchise agreements that specify that they are to be governed by the laws of a state other than North Dakota. The Franchise Agreement for use in the State of North Dakota does not specify controlling law.

(f) Waiver of Trial by Jury: Requiring North Dakota franchises to consent to a waiver of a trial by jury. The Franchise Agreement for use in the State of North Dakota does not require waiver of a trial by jury.

(g) Waiver of Exemplary and Punitive Damages: Requiring North Dakota franchisees to consent to a waiver of exemplary and punitive damages. The Franchise Agreement for use in the State of North Dakota does not require waiver of exemplary and punitive damages.

(h) General Release: Franchise agreements that require the franchisee to sign a general release on renewal of the franchise agreement.

(i) Limitation of Claims: Franchise Agreements that require the franchisee to consent to a limitation of claims. The statute of limitations under North Dakota law applies. The Franchise Agreement for use in the State of North Dakota does not provide a contractual limitations period.

(j) Enforcement of Agreement: Franchise Agreements that require the franchisee to pay all costs and expenses incurred by the franchisor in enforcing the agreement. The prevailing party in any enforcement action is entitled to recover all costs and expenses including attorneys' fees.

J. <u>Rhode Island Franchise Disclosure Document Addendum</u>

ADDENDUM TO TWO MEN AND A JUNK TRUCK®
FRANCHISE DISCLOSURE DOCUMENT
<u>FOR USE IN THE STATE OF RHODE ISLAND</u>

The following is in addition to the disclosure in Item 17 of the Franchise Disclosure Document:

§ 19-28.1-14 of the Rhode Island Franchise Investment Act provides that "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act."

K. Virginia Franchise Disclosure Document Addendum

ADDENDUM TO TWO MEN AND A JUNK TRUCK®
FRANCHISE DISCLOSURE DOCUMENT
FOR USE IN THE STATE OF VIRGINIA

The Franchise Disclosure Document is amended for use in the State of Virginia as follows:

1. The following statements are added to Item 17.h.:

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the Franchise Agreement do not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to use undue influence to induce a franchisee to surrender any right given to him under the franchise. If any provision of the Franchise Agreement involves the use of undue influence by the franchisor to induce a franchisee to surrender any rights given to him under the franchise, that provision may not be enforceable.

2. The following statement is added to Item 17.e:

Section 6 (c)(i) of the Preliminary Approval Agreement may not be enforceable under Section 13.1-564 of the Virginia Retail Franchising Act.

L. Washington Franchise Disclosure Document Addendum

ADDENDUM TO TWO MEN AND A JUNK TRUCK®
FRANCHISE DISCLOSURE DOCUMENT
FOR USE IN THE STATE OF WASHINGTON

The Franchise Disclosure Document is amended for use in the State of Washington as follows:

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.

The State of Washington has a statute, RCW 19.100.180, which may supersede the Franchise Agreement in your relationship with us, including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the Franchise Agreement in your relationship with us, including the areas of termination and renewal of your franchise.

In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

A release or waiver of rights executed by you may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those that unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed $250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

RISK FACTORS

Use of Franchise Brokers. The franchisor uses the services of franchise brokers to assist it in selling franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor or selling the franchise.

ITEM 5 – INITIAL FEES

Because of our financial condition, the Washington Department of Financial Institutions Securities Division requires us to defer payment of all initial franchise fees described in Item 5 owed by you to us until we have completed our pre-opening obligations under the Franchise Agreement and you have begun operating your franchise.

ITEM 6 - OTHER FEES

You are only required to pay a transfer fee to the extent that the fee reflects our reasonable estimated or actual costs in effecting a transfer.

ITEM 12 – TERRITORY

We will not unilaterally require you to operate additional locations in your Marketing Area, but we may approve such additional locations if we determine that sound business reasons exist.

STATE-SPECIFIC ADDENDA TO AGREEMENTS

A. California Franchise Agreement Addendum

ADDENDUM TO THE TWO MEN AND A JUNK TRUCK® FRANCHISE AGREEMENT FOR USE IN THE STATE OF CALIFORNIA

THIS ADDENDUM is made this _____ day of ____________, 20___ and modifies a Franchise Agreement of this date (the "Franchise Agreement") entered into by **TWO MEN AND A TRUCK SPE LLC**, a Delaware limited liability company, with its principal office at One Glenlake Parkway, 14th Floor, Atlanta, Georgia 30328 ("Franchisor"), and _______________________________ with its principal office at ______________________________ ("Franchisee").

A. In recognition of the requirements of the California Franchise Investment Law, the Franchise Agreement is amended as follows:

(1) For franchisees operating outlets located in California, the California Franchise Investment Law and the California Franchise Relations Act will apply regardless of the choice of law or dispute resolution venue stated elsewhere. Any language in the Franchise Agreement or any amendment thereto or any agreement to the contrary is superseded by this condition.

(2) The Franchise Agreement contains a covenant not to compete which extends beyond the termination of the franchise. A contract that restrains a former franchisee from engaging in a lawful trade or business is to that extent void under California Business and Professions Code Section 16600.

B. Each provision of this Addendum will be effective only to the extent that the jurisdictional requirements of the California Franchise Investment Law are met independently of this Addendum. To the extent this Addendum is inconsistent with any terms or conditions of the Franchise Agreement or the exhibits or attachments to the Franchise Agreement, the terms of this Addendum will govern.

FRANCHISOR: **TWO MEN AND A TRUCK SPE LLC**	**FRANCHISEE:** ____
By:____________________________________ Randy Shacka, Brand President	By:____________________________________ Name/Title: ______________________________

B. Hawaii Franchise Agreement Addendum

ADDENDUM TO THE TWO MEN AND A JUNK TRUCK® FRANCHISE AGREEMENT FOR USE IN THE STATE OF HAWAII

THIS ADDENDUM is made this _____ day of ____________, 20___ and modifies a Franchise Agreement of this date (the "Franchise Agreement") entered into by **TWO MEN AND A TRUCK SPE LLC**, a Delaware limited liability company, with its principal office at One Glenlake Parkway, 14th Floor, Atlanta, Georgia 30328 ("Franchisor"), and _________________________ with its principal office at _________________________________ ("Franchisee").

A. In recognition of the requirements of the Hawaii Franchise Investment Law, Hawaii Revised Statutes, Title 26, Chapter 482E et seq., the Franchise Agreement is amended as follows:

(1) The acknowledgements in Section 11.19 of the Franchise Agreement are hereby deleted.

B. Each provision of this Addendum will be effective only to the extent that the jurisdictional requirements of the Hawaii Franchise Investment Law are met independently of this Addendum. To the extent this Addendum is inconsistent with any terms or conditions of the Franchise Agreement or the exhibits or attachments to the Franchise Agreement, the terms of this Addendum will govern.

FRANCHISOR:	**FRANCHISEE:**
TWO MEN AND A TRUCK SPE LLC	____
By:_____________________________________	By:_____________________________________
Randy Shacka, President	Name/Title: ______________________________

C. <u>Illinois Franchise Agreement Addendum</u>

ADDENDUM TO THE TWO MEN AND A JUNK TRUCK® FRANCHISE AGREEMENT FOR USE IN THE STATE OF ILLINOIS

THIS ADDENDUM is made this _____ day of ____________, 20___ and modifies a Franchise Agreement of this date entered into by **TWO MEN AND A TRUCK SPE LLC**, a Delaware limited liability company, with its principal office at One Glenlake Parkway, 14th Floor, Atlanta, Georgia 30328 ("Franchisor"), and ________________________________ with its principal office at ____("Franchisee").

A. <u>Termination</u>. Subsections (a), (j), and (l) in Section 5.5 of the Franchise Agreement are removed from Section 5 and are added to Section 5.6, as Subsections (o), (p), and (q).

B. <u>Applicable Law and Jurisdiction</u>. Section 10.1 of the Franchise Agreement is deleted and replaced with the following:

> Illinois law governs the Franchise Agreement.
>
> Any provision in the Franchise Agreement that designates jurisdiction or venue outside the State of Illinois is void. However, the Franchise Agreement may provide for arbitration in a venue outside of Illinois. 815 ILCS 705/4 (West 2012).
>
> Any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act, or any other law of Illinois is void. 815 ILCS 704/41 (West 2012).
>
> Franchisee's rights upon termination and non-renewal are set forth in Sections 19 and 20 of the Illinois Franchise Disclosure Act.

FRANCHISOR:
TWO MEN AND A TRUCK SPE LLC

By:____________________________________
Randy Shacka, President

FRANCHISEE:
____

By:____________________________________
Name/Title: ______________________________

D. Indiana Franchise Agreement Addendum

ADDENDUM TO TWO MEN AND A JUNK TRUCK® FRANCHISE AGREEMENT FOR USE IN THE STATE OF INDIANA

THIS ADDENDUM is made this ___ day of _______________, 20___ and modifies a Franchise Agreement of this date entered into by **TWO MEN AND A TRUCK SPE LLC,** a Delaware limited liability company, with its principal office at One Glenlake Parkway, 14th Floor, Atlanta, Georgia 30328 ("Franchisor"), and _________________________ with its principal office at __________________-______________________________ ("Franchisee").

A. Marketing Area. Section 1.1(a) of the Franchise Agreement is amended by adding the following language:

> "Franchisor will not operate or license others to operate during the term of this Agreement, a similar business within the Marketing Area whether or not the business is operated under **TWO MEN AND A JUNK TRUCK®** marks."

B. Supplier Requirements. Section 2.5(b) of the Franchise Agreement is amended by adding the following:

> "If, and to the extent, the requirement for Franchisee to purchase products from a Designated Supplier is unlawful under Indiana Law, that requirement will be void (to the extent unlawful) and Franchisee must purchase those products in accordance with Franchisor's specifications and only from Approved Suppliers."

C. Restrictions on Competition. Section 8.2(b) of Franchise Agreement is amended by adding the following:

> "The post-term covenant not to compete will only apply to Franchisee's Marketing Area."

D. Release on Transfer. Section 7.2(b)(viii) is amended to read as follows:

> "The Franchisee must sign an agreement terminating this Agreement and releasing any and all claims against the Franchisor, the Franchisor's officers, directors, agents, and employees, arising out of or related to this Agreement, except it will not release those claims arising under the Indiana Deceptive Franchise Practices Law, Indiana Code 23-2-2.7., unless otherwise allowed by Indiana law. The release shall contain such language and be of the form chosen by the Franchisor."

E. Law and Jurisdiction. Section 10.1 of the Franchise Agreement is amended by adding the following at the end of that section:

> "Notwithstanding the foregoing, the Indiana Franchise Law (Indiana Code 23-2-2.5 and 23-2-2.7) will control where applicable."

FRANCHISOR: **TWO MEN AND A TRUCK SPE LLC**	**FRANCHISEE:** ____
By:_____________________________________ Randy Shacka, President	By:_____________________________________ Name/Title: ______________________________

E. Maryland Franchise Agreement Addendum

ADDENDUM TO TWO MEN AND A TRUCK SPE LLC FRANCHISE AGREEMENT FOR USE IN THE STATE OF MARYLAND

THIS ADDENDUM is made the ___ day of _______________, 20___, and modifies a Franchise Agreement of the same date entered into between **TWO MEN AND A TRUCK SPE LLC**, a Delaware limited liability company, located at 3400 Belle Chase Way, Lansing, MI 48911-4251 (hereinafter referred to as "Franchisor"), and ____ with its principal office at ___________________________ (hereinafter referred to as "Franchisee").

In recognition of the requirements of the Maryland Franchise Registration and Disclosure Law, Annotated Code of Maryland, Article-Business Regulation, Title 14, §§ 14-201 to 14-233, the parties agree as follows:

1. Acknowledgements of Franchisee. The Franchise Agreement is amended by adding the following Section:

> The representations in this Agreement are not intended to and will not act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

2. Initial Fee Deferral. Section 4.1.1 of the Franchise Agreement is amended by the addition of the following language:

> Based on the Franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by Franchisee shall be deferred until Franchisor completes its pre-opening obligations under the Agreement.

3. Release on Renewal. Section 5.1(b)(xiv) of the Franchise Agreement is amended to add the following:

> Any release Franchisee is required to sign as a condition of renewal will except claims arising under the Maryland Franchise and Disclosure Law.

4. Release on Transfer. Section 7.2(b)(viii) of the Franchise Agreement is amended to add the following:

> Any release Franchisee is required to sign as a condition of transfer will except claims arising under the Maryland Franchise and Disclosure Law.

5. Choice of Law; Jurisdiction and Venue. Section 10.3(c) of the Franchise Agreement is amended by adding the following:

> Notwithstanding anything to the contrary in this Section, Franchisee may bring a claim against Franchisor under the Maryland Franchise Registration and Disclosure Law in any Court of competent jurisdiction in the State of Maryland.

6. Limitations of Claims. Section 10.7 of the Franchise Agreement is amended by adding the following:

Notwithstanding the foregoing, Franchisee may bring a legal claim against Franchisor under the Maryland Franchise Registration and Disclosure Law within three years after the grant of the franchise.

7. Effectiveness of Amendment. Each provision of this Amendment is effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law are met independently without reference to this Amendment.

FRANCHISOR: **TWO MEN AND A TRUCK SPE LLC**	**FRANCHISEE:** ____
By:_____________________________________ Randy Shacka, President	By:_____________________________________ Name/Title: ______________________________

F. Minnesota Franchise Agreement Addendum

ADDENDUM TO TWO MEN AND A TRUCK SPE LLC FRANCHISE AGREEMENT FOR USE IN THE STATE OF MINNESOTA

THIS ADDENDUM is made the ___ day of _______________, 20___, and modifies a Franchise Agreement of the same date entered into between **TWO MEN AND A TRUCK SPE LLC**, a Delaware limited liability company, located at 3400 Belle Chase Way, Lansing, MI 48911-4251 (hereinafter referred to as "Franchisor"), and ____ with its principal office at ____ (hereinafter referred to as "Franchisee").

1. NSF and Interest. Section 4.5(f) of the Franchise Agreement is amended by adding the following:

   Notwithstanding the foregoing, NSF checks and related interest and attorneys' fees are governed by Minnesota Statute § 604.113, which puts a cap of $30 on initial service charges and requires notice and opportunity to cure prior to assessing interest and attorneys' fees.

2. Notices of Termination and Non-Renewal; Consent to Transfer. With respect to franchises governed by Minnesota law, Franchisor will comply with Minn. Stat. § 80C.14, subd. 3-5, which require good cause for termination or non-renewal and, except in certain specified cases, (i) that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the franchise agreement and (ii) that consent to the transfer of the franchise will not be unreasonably withheld.

3. Dispute Resolution and Liquidated Damages. Minnesota Stat. § 80C.21 and Minnesota Rules 2860.4400(J) prohibit Franchisor from: (i) requiring litigation to be conducted outside Minnesota; (ii) requiring waiver of a jury trial; and (iii) requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. Nothing in this Agreement can abrogate or reduce (a) any of the franchisee's rights as provided for in Minnesota Franchise Act or (b) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

4. Protection of Right to Use Trademark. Section 3.3 of the Franchise Agreement is amended by adding the following:

   The Minnesota Department of Commerce requires that the Franchisor indemnify Minnesota franchisees against liability to third parties resulting from claims by third parties that the Franchisee's use of the Franchisor's trademark infringes trademark rights of the third party. Franchisor does not indemnify against the consequences of Franchisee's use of the Franchisor's trademark except in accordance with the requirements of the franchise, and, as a condition to indemnification, Franchisee must provide notice to Franchisor of any such claim within ten (10) days and tender the defense of the claim to Franchisor. If Franchisor accepts the tender of defense, Franchisor has the right to manage the defense of the claim including the right to compromise, settle or otherwise resolve the claim, and to determine whether to appeal a final determination of the claim.

5. Releases. Section 5.1(b)(xiv) and 7.2(b)(viii) of the Franchise Agreement are amended by adding the following:

   Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a release that would relieve any person from liability imposed by Minnesota Statutes, Chapter 80C. Accordingly, any release signed by Franchisee will exclude such claims as Franchisee may have under the Minnesota Franchises Law and the Rules and Regulations promulgated by the Commissioner of Commerce.

6. Injunctive Relief. Section 10.3(b) of the Franchise Agreement is amended to add the following:

Notwithstanding the foregoing, Franchisee shall not be required to consent to Franchisor obtaining injunctive relief, but Franchisor shall have the right to seek injunctive relief as set forth in this Section The franchisee cannot be required to consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rules 2860.4400(J). Also, a court will determine if a bond is required.

7. Limitation on Claims. Section 10.7 of the Franchise Agreement is amended to add:

This Section 10.7 shall be revised to the extent necessary to comply with Minnesota Stat. § 80C.17, subd. 5.

8. Reasonableness. Minnesota Rules 2860.4400(G) prohibits a franchisor from imposing on a franchisee by contract or rule, whether written or oral, any standard of conduct that is unreasonable.

9. No Waiver or Disclaimer of Reliance. No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including, fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with this franchise.

10. Liquidated Damages. Minnesota Rules 2860.4400(J) prohibits a franchisor from requiring franchisees to consent to liquidated damages. All references to assessing, imposing, incurring, or paying liquidated damages in the Franchise Agreement are deleted.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the written above.

FRANCHISOR: **TWO MEN AND A TRUCK SPE LLC**	**FRANCHISEE:** ________________________________
By:____________________________ Randy Shacka, President	By:____________________________ Name/Title: ______________________

G. New York Franchise Agreement Addendum

ADDENDUM TO TWO MEN AND A TRUCK SPE LLC FRANCHISE AGREEMENT FOR USE IN THE STATE OF NEW YORK

THIS ADDENDUM is made this _____ day of _______________, 20__ and modifies a Franchise Agreement of this date entered into by **TWO MEN AND A TRUCK SPE LLC**, a Delaware limited liability company, corporation, with its principal office at One Glenlake Parkway, 14th Floor, Atlanta, Georgia 30328 ("Franchisor"), and ____________________________ with its principal office at ____("Franchisee").

A. Renewal or Transfer by Franchisee. Section 5.1(b)(xiv) and Section 7.2(b)(viii) of the Franchise Agreement are modified by adding the following:

> However, to the extent required by applicable law, all right Franchisee enjoys and any causes of action arising in favor of Franchisor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687.4 and 687.5 be satisfied.

B. Termination by Franchisee. Section 5.3 of the Franchise Agreement is modified by adding the following:

> Notwithstanding the foregoing, Franchisee may terminate this Agreement on any grounds available by law.

C. Assignment by Franchisor. Section 7.1 of the Franchise Agreement is modified by adding the following:

> However, no assignment will be made except to an assignee who in the good faith and judgment of Franchisor, is willing and financially able to assume Franchisor's obligations under the Franchise Agreement.

B. Choice of Law and Jurisdiction. Section 10.1 of the Franchise Agreement is modified by adding the following:

> The foregoing choice of law should not be considered a waiver of any right conferred on Franchisor or Franchisee by Article 33 of the General Business Law of the State of New York.

FRANCHISOR: **TWO MEN AND A TRUCK SPE LLC**	**FRANCHISEE:** ____
By:_____________________________________ Randy Shacka, President	By:_____________________________________ Name/Title: _______________________________

H. North Dakota Franchise Agreement Addendum

ADDENDUM TO THE TWO MEN AND A TRUCK SPE LLC FRANCHISE AGREEMENT FOR USE IN THE STATE OF NORTH DAKOTA

THIS ADDENDUM is made this _____ day of ____________, 20___ and modifies a Franchise Agreement of this date entered into by **TWO MEN AND A TRUCK SPE LLC**, a Delaware limited liability company, with its principal office at One Glenlake Parkway, 14th Floor, Atlanta, Georgia 30328 ("Franchisor"), and _________________________________ with its principal office at ____("Franchisee").

In recognition of the requirements of the North Dakota Franchise Investment Law, Chapter 51-19 of the North Dakota Century Code, the parties agree as follows:

1. **THE SECURITIES COMMISSIONER HAS HELD THE FOLLOWING TO BE UNFAIR, UNJUST OR INEQUITABLE TO NORTH DAKOTA FRANCHISEES (SECTION 51-19-09, N.D.C.C.):**

(a) Restrictive Covenants: Franchise Disclosure Documents which disclose the existence of covenants restricting competition contrary to Section 9-08-06, N.D.C.C., without further disclosing that such covenants will be subject to the statute.

(b) Situs of Arbitration Proceedings: Franchise agreements providing that the parties must agree to the arbitration of disputes at a location that is remote from the site of the franchisee's business.

(c) Restrictions on Forum: Requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota.

(d) Liquidated Damages and Termination Penalties: Requiring North Dakota franchisees to consent to liquidated damages or termination penalties.

(e) Applicable Laws: Franchise agreements, which specify that they are to be governed by the laws of a state other than North Dakota.

(f) Waiver of Trial by Jury: Requiring North Dakota franchises to consent to a waiver of a trial by jury.

(g) Waiver of Exemplary and Punitive Damages: Requiring North Dakota franchisees to consent to a waiver of exemplary and punitive damages.

(h) General Release: Franchise agreements that require the franchisee to sign a general release on renewal of the franchise agreement.

(i) Limitation of Claims: Franchise Agreements that require the franchisee to consent to a limitation of claims. The statute of limitations under North Dakota law applies.

(j) Enforcement of Agreement: Franchise Agreements that require the franchisee to pay all costs and expenses incurred by the franchisor in enforcing the agreement. The prevailing party in any enforcement action is entitled to recover all costs and expenses including attorneys' fees.

2. The Franchise Agreement is amended as follows:

(a) Liquidated Damages. Section 6.4 is deleted.

(b) Non-Competition Covenants. Section 8.2(b) is amended by adding the following: "Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota."

(c) Governing Law and Forum. Section 10.1 (Governing Law) and Section 10.3(c) (Forum for Litigation) are deleted.

(c) Alternative Dispute Resolution Procedure. Section 10.2 (Alternative Dispute Resolution Procedure) is revised to add:

> "Notwithstanding the foregoing, arbitration and mediation proceedings shall be conducted within the State of North Dakota or a location mutually agreed upon by the parties."

(d) Mutual Waiver of Jury Trial; Mutual Limitation of Liability and Waiver of Punitive Damages; One-Year Limitation on Claims. Sections 10.4, 10.5, and 10.7 (Mutual Waiver of Jury Trial; Mutual Limitation of Liability and Waiver of Punitive Damages; One-Year Limitation on Claims) are deleted.

3. Effectiveness of Amendment. Each provision of this Amendment is effective only to the extent, with respect to such provision, that the jurisdictional requirements of the North Dakota Franchise Investment Law, N.D. Cent. Code §§ 51-19-17, are met independently without reference to this Amendment.

FRANCHISOR: **TWO MEN AND A TRUCK SPE LLC**	**FRANCHISEE:** ____
By:____________________________________ Randy Shacka, President	By:____________________________________ Name/Title: ______________________________

I. <u>Rhode Island Franchise Agreement Addendum</u>

ADDENDUM TO TWO MEN AND A JUNK TRUCK FRANCHISE AGREEMENT
FOR USE IN THE STATE OF RHODE ISLAND

THIS ADDENDUM is made this ___ day of _______________, 20___ and modifies a Franchise Agreement of this same date entered into by and between **TWO MEN AND A TRUCK SPE LLC**, a Delaware limited liability company, with its principal office at 3400 Belle Chase Way, Lansing, MI 48911-4251 ("Franchisor"), and _________________________________ with its principal office at ____ ("Franchisee").

A. Applicable Law. Section 10.1 of the Franchise Agreement is amended by adding the following:

> § 19-28.1-14 of the Rhode Island Franchise Investment Act provides that "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act."

IN WITNESS WHEREOF, **TWO MEN AND A TRUCK SPE LLC** and Franchisee have caused this Addendum to be executed and entered into as of the day and year first above written.

FRANCHISOR: **TWO MEN AND A TRUCK SPE LLC**	**FRANCHISEE:**
By:_____________________________________ Randy Shacka, President	By:_____________________________________ Name/Title: ______________________________

J. Washington Franchise Agreement Addendum

WASHINGTON ADDENDUM TO THE, THE FRANCHISE AGREEMENT AND ALL RELATED AGREEMENTS

The provisions of this Addendum form an integral part of, are incorporated into, and modify the Franchise Disclosure Document, the Franchise Agreement, and all related agreements regardless of anything to the contrary contained therein. This Addendum applies if: (a) the offer to sell a franchise is accepted in Washington; (b) the purchaser of the franchise is a resident of Washington; and/or (c) the franchised business that is the subject of the sale is to be located or operated, wholly or partly, in Washington.

1. **Conflict of Laws.** In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, chapter 19.100 RCW will prevail.

2. **Franchisee Bill of Rights.** RCW 19.100.180 may supersede provisions in the franchise agreement or related agreements concerning your relationship with the franchisor, including in the areas of termination and renewal of your franchise. There may also be court decisions that supersede the franchise agreement or related agreements concerning your relationship with the franchisor. Franchise agreement provisions, including those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.

3. **Site of Arbitration, Mediation, and/or Litigation.** In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

4. **General Release.** A release or waiver of rights in the franchise agreement or related agreements purporting to bind the franchisee to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rules or orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).

5. **Statute of Limitations and Waiver of Jury Trial.** Provisions contained in the franchise agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

6. **Transfer Fees.** Transfer fees are collectable only to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

7. **Termination by Franchisee.** The franchisee may terminate the franchise agreement under any grounds permitted under state law.

8. **Certain Buy-Back Provisions.** Provisions in franchise agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term of the franchise agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.

9. **Fair and Reasonable Pricing.** Any provision in the franchise agreement or related agreements that requires the franchisee to purchase or rent any product or service for more than a fair and reasonable price is unlawful under RCW 19.100.180(2)(d).

10. **Waiver of Exemplary & Punitive Damages.** RCW 19.100.190 permits franchisees to seek treble damages under certain circumstances. Accordingly, provisions contained in the franchise agreement or elsewhere requiring franchisees to waive exemplary, punitive, or similar damages are void, except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2).

11. **Franchisor's Business Judgement.** Provisions in the franchise agreement or related agreements stating that the franchisor may exercise its discretion on the basis of its reasonable business judgment may be limited or superseded by RCW 19.100.180(1), which requires the parties to deal with each other in good faith.

12. **Indemnification.** Any provision in the franchise agreement or related agreements requiring the franchisee to indemnify, reimburse, defend, or hold harmless the franchisor or other parties is hereby modified such that the franchisee has no obligation to indemnify, reimburse, defend, or hold harmless the franchisor or any other indemnified party for losses or liabilities to the extent that they are caused by the indemnified party's negligence, willful misconduct, strict liability, or fraud.

13. **Attorneys' Fees.** If the franchise agreement or related agreements require a franchisee to reimburse the franchisor for court costs or expenses, including attorneys' fees, such provision applies only if the franchisor is the prevailing party in any judicial or arbitration proceeding.

14. **Noncompetition Covenants.** Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed $250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provision contained in the franchise agreement or elsewhere that conflicts with these limitations is void and unenforceable in Washington.

15. **Nonsolicitation Agreements.** RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

16. **Questionnaires and Acknowledgments.** No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the

commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

17. **Prohibitions on Communicating with Regulators.** Any provision in the franchise agreement or related agreements that prohibits the franchisee from communicating with or complaining to regulators is inconsistent with the express instructions in the Franchise Disclosure Document and is unlawful under RCW 19.100.180(2)(h).

18. **Advisory Regarding Franchise Brokers.** Under the Washington Franchise Investment Protection Act, a "franchise broker" is defined as a person that engages in the business of the offer or sale of franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. If a franchisee is working with a franchise broker, franchisees are advised to carefully evaluate any information provided by the franchise broker about a franchise.

19. **Financial Condition – Fee Deferral**. Section 1.1 (Franchise Fee) of the Franchise Agreement is hereby amended by adding the following:

"The Washington Department of Financial Institutions Securities Division requires Franchisor to defer payment of the franchise fee and other initial payments owed by Franchisee to Franchisor until Franchisor has completed its pre-opening obligations under this Agreement, and Franchisee's Franchised Business is open for business."

20. **Adding Franchise Locations**. Section 1.1(d) (Adding Franchise Locations) of the Franchise Agreement is hereby deleted and replaced with the following:

"If Franchisee would like to operate additional Franchise Locations in the Marketing Area, it must obtain Franchisor's written approval of such additional Franchise Locations, which Franchisor may grant or withhold for any reason, in its sole discretion. Franchisee must develop and begin to operate any approved additional Franchise Locations within a reasonable time, which will be specified in a written notice from Franchisor."

21. **No Warranties**. Section 2.5(f) (No Warranties) of the Franchise Agreement is amended by deleting the last sentence and replacing it with the following:

"Franchisee agrees that Franchisor will not have any liability to Franchisee for any claims, damages or losses suffered by Franchisee as a result of or arising from the products or services provided by or the acts or omissions of any third-party Designated Supplier or third-party Approved Supplier or other third-party provider of products or services designated or approved by Franchisor. For the avoidance of doubt, the waiver of liability in this Section does not apply to any claims, damages or losses suffered by Franchisee as a result of or arising from the products or services provided directly by Franchisor or its Affiliates."

22. **No Release Upon Renewal**. Section 5.1(b)(xv) (Renewal Term - additional renewal conditions) of the Franchise Agreement is hereby deleted.

23. **Notice of Defenses and Claims.** Section 5.7(c) (Notice for Termination; Cure; Notice of Defenses and Claims) is hereby deleted.

24. **<u>Damages for Loss of Bargain</u>**. The second sentence of Section 6.4 (Liquidated Damages) of the Franchise Agreement is hereby deleted and replaced with the following:

"The parties hereby stipulate and agree that the damages for such loss of bargain will be the present value of the royalty that would have been payable to Franchisor for the lesser of (a) the remainder of the term of this Agreement or (b) three years."

25. **<u>Provision of Information to Transferees</u>**. The last sentence of Section 7.2(b)(xiii) (Provision of Certain Information to New Franchisee) of the Franchise Agreement is hereby deleted and replaced with the following:

"Franchisee agrees to release and hold harmless Franchisor from any liabilities, losses or claims relating to or arising from Franchisor's good faith provision to a proposed transferee of information that Franchisor reasonably believes is truthful and accurate information."

26. **<u>Indemnification</u>**. Section 9.4(a) (Indemnification Obligation) of the Franchise Agreement is amended by adding the following

"In addition, the franchisee's and its Owners' obligations to indemnify, defend, reimburse, and hold harmless referenced in this Section 9.4 do not extend to any liabilities caused by the Franchisor Indemnitees' negligence, willful misconduct, strict liability, or fraud or Franchisor Indemnitees' violation of state or federal franchise laws."

27. **<u>Mutual Waiver of Punitive Damages</u>**. Sections 10.5 (Mutual Limitation of Liability and Waiver of Punitive Damages) and 10.2(c)(iv)(b) (Relief) of the Franchise Agreement do not apply to claims by Washington franchisees arising under the Washington Franchise Investment Protection Act, 19.100 RCW, or the rules adopted thereunder.

28. **<u>Limitation on Claims</u>**. Section 10.7 (One-Year Limitation on Claims) of the Franchise Agreement is hereby deleted.

29. **<u>No Recourse</u>**. The first clause of Section 10.11 (No Recourse) of the Franchise Agreement is hereby deleted and replaced with the following:

"Franchisee acknowledges and agrees that except as provided under an express statutory liability for such conduct and except for any liability arising from any claims that may be asserted under the Washington Franchise Investment Protection Act against any person who violates such statute,"

30. **<u>Automation System Users Agreement</u>**. The second to last sentence of Section 16 of the Automation Systems User Agreement Terms of Use in Exhibit 6 of the Franchise Agreement related to the one-year limitation on claims is hereby deleted.

31. **<u>Agreement to Provide Optional Services</u>**. Sections 7 and 8 of the Agreement to Provide Optional Services does not apply to claims arising under the Franchise Investment Protection Act, Chapter 19.100 RCW, or the rules adopted thereunder.

IN WITNESS WHEREOF, **TWO MEN AND A TRUCK SPE LLC** and Franchisee have caused this Addendum to be executed and entered into as of the day and year first above written.

FRANCHISOR:	**FRANCHISEE:**
TWO MEN AND A TRUCK SPE LLC	____
By: ___________________________________ Randy Shacka, Brand President	By: ___________________________________ Name/Title: ______________________________

Exhibit N to the FDD

STATE EFFECTIVE DATES AND RECEIPTS

STATE EFFECTIVE DATES

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the states, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered, or exempt from registration, as of the Effective Date stated below:

State	Effective Date
California	June 16, 2025, as amended *Pending*
Hawaii	Pending
Illinois	May 12, 2025
Indiana	May 24, 2025, as amended November 3, 2025
Maryland	September 5, 2025, as amended *Pending*
Michigan	May 12, 2025
Minnesota	June 10, 2025, as amended *Pending*
New York	October 10, 2025, as amended *Pending*
North Dakota	May 20, 2025, as amended *Pending*
Rhode Island	July 11, 2025, as amended *Pending*
South Dakota	May 16, 2025
Virginia	August 26, 2025, as amended *Pending*
Washington	Not Filed
Wisconsin	May 16, 2025, as amended November 3, 2025

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or other seller-assisted marketing plans.

RECEIPT

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If TWO MEN AND A TRUCK SPE LLC offers you a franchise, it must provide this disclosure document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale. Iowa and New York require that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan and Oregon require that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If TWO MEN AND A TRUCK SPE LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington D.C. 20580 and the state agency listed in Exhibit A.

Issuance Date: May 12, 2025, as amended on November 3, 2025

The name, principal business address and telephone number of each franchise seller offering the franchise is as follows (check all that apply):

Franchise sellers at One Glenlake Parkway, 14th Floor, Atlanta, Georgia 30328, 800-756-5656:				
☐ Cheryl Ackley	☐ Pam Batten	☐ Jeff Todd	☐ ______________	☐ ______________
Other franchise sellers:____				

I received a disclosure document dated May 12, 2025, as amended on November 3, 2025, that included the following Exhibits:

A	List of State Administrators	I	Addendum – Mod Market Franchise
B	List of Agents for Service of Process	J	List of Franchisees
C	Franchise Agreement	K	List of Former Franchisees
D	Preliminary Approval Agreement	L	Financial Statements
E	Addendum to Franchise Agreement - Renewal	M	State-Specific Addenda
F	Agreement to Provide Optional Services	N	State Effective Dates and Receipts
G	Non-Disclosure and Confidentiality Agreement		
H	Addendum to Permit Operation without Office in Marketing Area		

____
Signature (individually and as an officer)

____
Date Disclosure Document Received

____
Print Name

PLEASE SIGN AND KEEP FOR YOUR FILES

____
Print Franchisee's Name (if an entity)

RECEIPT

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If TWO MEN AND A TRUCK SPE LLC offers you a franchise, it must provide this disclosure document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale. Iowa and New York require that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan and Oregon require that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If TWO MEN AND A TRUCK SPE LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington D.C. 20580 and the state agency listed in Exhibit A.

Issuance Date: May 12, 2025, as amended on November 3, 2025

The name, principal business address and telephone number of each franchise seller offering the franchise is as follows (check all that apply):

Franchise sellers at One Glenlake Parkway, 14th Floor, Atlanta, Georgia 30328, 800-756-5656:				
☐ Cheryl Ackley	☐ Pam Batten	☐ Jeff Todd	☐ ______________	☐ ______________
Other franchise sellers:____				

I received a disclosure document dated May 12, 2025, as amended on November 3, 2025, that included the following Exhibits:

A	List of State Administrators	I	Addendum – Mod Market Franchise
B	List of Agents for Service of Process	J	List of Franchisees
C	Franchise Agreement	K	List of Former Franchisees
D	Preliminary Approval Agreement	L	Financial Statements
E	Addendum to Franchise Agreement - Renewal	M	State-Specific Addenda
F	Agreement to Provide Optional Services	N	State Effective Dates and Receipts
G	Non-Disclosure and Confidentiality Agreement		
H	Addendum to Permit Operation without Office in Marketing Area		

____
Signature (individually and as an officer)

____
Date Disclosure Document Received

____
Print Name

____
Print Franchisee's Name (if an entity)

PLEASE SIGN AND RETURN TO:
Franchise Development
3400 Belle Chase Way
Lansing, MI 48911
Fax number (800) 278-6114
FranchiseInfo@twomen.com