

NHance, Inc. A Delaware Corporation 3310 West End Avenue, Suite 620 Nashville, TN 37203 (800) 841-6583 www.nhance.com

FRANCHISE DISCLOSURE DOCUMENT

The franchise offered is for the operation of an N-Hance Business which provides wood cleaning, coating, protection and other wood care and renewal products and services for wood flooring, cabinetry, trim and other wood furnishings to residential and commercial customers, plus additional services with additional training. The total investment necessary to begin operation of an N-Hance franchised business is \$70,995 to \$196,995. This includes \$63,995 to \$90,495 that must be paid to the franchisor or its affiliate(s). If you are an existing franchisee purchasing an additional territory, the total investment necessary to begin operation of an N-Hance franchised business is \$28,050 to \$188,995. This includes \$22,500 to \$85,495 that must be paid to the franchisor or its affiliate.

This Disclosure Document <u>summarizes</u> 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 different formats, contact your sales representative at 3310 West End Avenue, Suite 620, Nashville, TN 37203, 435-755-0099.

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-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, D.C. 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.

Issuance Date: March 28, 2025, as amended September 30, 2025

* 1-800 BOARDUP International, LLC is a "fractional franchise" as it is defined in 16 CFR §436,2(d)(2007). In some states, 1-800 BOARDUP, International, LLC is not considered a franchise.

Competition. You will compete with other wood care, refinishing, and renewal businesses and similar businesses, some of which are part of national chains or are franchised, and others are local businesses. These competitors may concentrate in wood care services or offer wood care services as part of overall maintenance services.

Regulations. There are no government regulations specifically applicable to wood care and wood refreshing businesses and you must comply with all national, state and local laws, regulations, and codes. Our solutions generally are water-based. Our system contemplates that applications will be performed for the Business by its trained operators in protective gear. There may be environmental regulations that could apply to the cleaning and refreshing of wood surfaces in your state. You must obtain any permits or licenses required by federal law, your state, or locality for performing the work of the franchise. The franchise is subject to federal, state and local occupational health and safety regulations, as well as licensing requirements for performing certain restoration work. The Environmental Protection Agency ("EPA") has issued a rule concerning lead paint that applies to work performed on pre-1978 homes by restoration businesses and does require training and certification under the Lead Renovation, Repair and Painting program ("RRP"). We do not provide this training as of the Issuance Date.

We urge you to make inquiries about laws, regulations and codes that may apply to the Business. You should consult with your state and local licensing offices to determine if any specific trade or general contractor's or other licenses are required to be obtained for the type of work to be performed by your Business. Some jurisdictions have these types of requirements. Our training is not designed to assist successful trainees to meet license qualification standards. You should investigate and decide whether you can meet the experience, training, certification and financial requirements that apply to the license needed for the Business in your state and local area before you sign a Franchise Agreement. You must comply with federal, state, and local health and environmental safety regulations concerning the proper use and disposal of the products used in the Business, in the places where the use of such products will occur. Indoor or enclosed spaces where some products are applied to surfaces may require certain ventilation systems to be meet local codes. The Franchise Agreement obligates you to obtain any and all permits, certificates or licenses necessary for the full and proper conduct of the franchise, including, without limitation, licenses to do business and any required contractor's licenses, as and when required.

Item 2

BUSINESS EXPERIENCE

President: Christopher Seman. Mr. Seman became our President in Ann Arbor, MI, in September 2025. He also serves as Vice President of Franchise Operations for our affiliate CDI since June 2025. Prior to his role with us and CDI, he was President and Chief Development Officer of Strategic Franchising in Blue Ash, Ohio from January 2012 until December 2024.

Director: Sheldon Yellen

Mr. Yellen became a Director of BFG Holdco on July 10, 2019. Mr. Yellen has served as Chief Executive Officer for DUCTZ, BFG, and DZNA, located in Ann Arbor, MI, since July 2007. Mr. Yellen has served as Chief Executive Officer of HOODZ and HZNA, located in Ann Arbor, MI, since September 2008. Mr. Yellen has served as Chief Executive Officer of 1-800 WD and WDNA, located in Ann Arbor, MI, since October 2015. Mr. Yellen has served as Chief Executive Officer of BELFOR, located in Birmingham, MI since April 2004. Mr. Yellen has served as Director and CEO of BELFOR Holdings, in Birmingham, MI, since its inception in

on January 3, 2025. NHance seeks at least \$190,172.71 in damages, plus fees and costs. On May 1, 2025, the arbitrator awarded Nhance \$193,672.71. The arbitration is in the pre-discovery pleading stages.

Prior Actions:

Scott Torok v Nhance, Inc.: On October 20, 2017, NHI franchisee Scott Torok filed a demand with the American Arbitration Association, Case No. 01-17-0006-3692, in Nashville, Tennessee. Torok sought \$74,000 (subject to revision) for alleged breaches of the N-Hance franchise agreements by NHI, fraud in the inducement and common law and statutory unfair trade practices. On February 27, 2018, Torok filed his statement of claim in which he alleged that various misrepresentations were made to him by NHI concerning: NHI's relationship with The Home Depot, startup costs and projected revenues. Torok also claims NHI's support program was deficient, and the N-Hance product and service processes were inefficient. NHI filed a response denying Torok's allegations and a counterclaim for Torok's breach of the N-Hance franchise agreements for non-payment of franchise fees and amounts due under the franchise agreements. On April 1, 2019 the parties agreed to mutually terminate the franchise agreements and NHI agreed to repurchase certain major equipment, marketing materials and telephone numbers, and released certain installment obligations resulting in a cash payment to the franchisee of \$78,000, plus the exchange of mutual releases.

NHance, Inc. and Chem-Dry, Inc. v. Finishline Cabinets, LLC, Hubsuite Marketing Agency, LLC, David Murphy, and Dan Kenning. On June 20, 2023, we filed a complaint for misappropriation of trade secrets, tortious interference with contract and business relations, Lanham Act violations, unfair competition, breach of contract against Defendants in S.D. Mississippi Northern Division, Civil Action No. 3:23-cv-395-KHJ-MTP. The complaint alleged that Defendants started a competing cabinet refinishing service and marketing service and used N-Hance trade secrets, proprietary information, and other property. A settlement was reached in July 2024, whereby the Defendants agreed to cease the infringing activity and pay Nhance the sum of \$2,000.

Other than these actions, no litigation is required to be disclosed in this Item.

Item 4

BANKRUPTCY

No bankruptcy information is required to be disclosed in this Item.

Item 5

INITIAL FEES

You must pay NHI an initial fee ("Initial Fee") ranging from \$22,500 to \$86,500 which includes an initial license fee (the "Initial License Fee"), additional territory ("Supplemental Territory Fee"), and, if applicable, an operating supplies, inventory and equipment package ("Initial Package").

Package One: Traditional Franchise

For your first N-Hance Business franchise, the Initial Fee comprises the following components:

(1) An Initial License Fee of \$45,000 for an area of up to 350,000 persons located in the Franchised Area.

STATE EFFECTIVE DATES

The following states require that the Disclosure Document be registered or filed with the state 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 Dates stated below:

| State | Effective Date |
|--------------|-----------------------------------------|
| California | May 6, 2025, amendment pending |
| Hawaii | July 22, 2025, amendment pendingpending |
| Illinois | Exempt |
| Indiana | Exempt |
| Maryland | March 31, 2025, amendment pending |
| Michigan | May 14, 2025 |
| Minnesota | July 16, 2025, amendment pendingpending |
| New York | Exempt |
| North Dakota | March 29, 2025, amendment pending |
| Rhode Island | April 11, 2025, amendment pending |
| South Dakota | March 28, 2025 |
| Virginia | May 4, 2025, amendment pending |
| Washington | July 16, 2025, amendment pendingpending |
| Wisconsin | March 28, 2025, amendment pending |

Other state 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 seller-assisted marketing plans.

Item 23

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 Nhance, Inc. 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.

New York and Rhode Island require that we give you this Disclosure Document at the earlier of the first personal meeting or ten business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan requires that we give you this Disclosure Document at least ten business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If Nhance, Inc. 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 law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate state agency identified on **Exhibit A**.

The issuance date of this Franchise Disclosure Document is March 28, 2025, as amended September 30, 2025.

Nhance, Inc. authorizes the respective state agents identified on **Exhibit A** to receive service of process for it in the particular states.

I received a Disclosure Document from Nhance, Inc. dated March 28, 2025, as amended September 30, 2025 that included the following Exhibits:

| A | State Agencies/Agents for Service of Process | G | Former Franchisees | | |
|------------------|-----------------------------------------------|-----------|------------------------------------------------------|--|--|
| В | Franchise Agreement and other Agreements | Н | State Addendums to the Franchise Disclosure Document | | |
| C | Promissory Note | | | | |
| D | Financial Statements & Guaranty | I | I Franchise Disclosure Questionnaire | | |
| E | Table of Contents of Training Manual | | | | |
| F | List of Franchisees | | | | |
| Data Bassiyad | Signatura | Printed | Nom o | | |
| Date Received | Signature | Frinted | ivaine | | |
| Date Received | Signature | Printed | Name | | |
| If Corporation | or other entity – Name of entity: | | · | | |
| Date | Signature of Officer | | Printed Name and Title | | |
| Franchise Selle | ers located at: 3310 West End Avenue, Suite 6 | 520, Nash | ville, TN 37203; Telephone: (800) 841-6583. | | |
| Please check the | e salesperson/people that you worked with. | | | | |
| D'Wayne | Tanner <u>Justin Loomer</u> | | | | |

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| F | List of Franchisees | | | | | | |
| | | | | | | | |
| Date Received | Signature | Printed Name | | | | | |
| | | | | | | | |
| Date Received | Signature | Printe | d Name | | | | |
| If Corporation | or other entity - Name of entity: | | | | | | |
| Date | Signature of Officer | | Printed Name and Title | | | | |
| Franchise Sellers located at: 3310 West End Avenue, Suite 620, Nashville, TN 37203; Telephone: (800) 841-6583. Please check the salesperson/people that you worked with. | | | | | | | |
| D'Wayne Tanner Justin Loomer Other – | | | | | | | |