FRANCHISE DISCLOSURE DOCUMENT



OXI FRESH FRANCHISING CO., INC.

143 Union Boulevard, Suite 825 Lakewood, Colorado 80228 Telephone: 1-877-OXIFRESH Fax: (303) 716-2955 www.oxifresh.com www.oxifreshfranchise.com

Oxi Fresh Franchising Co., Inc., a Colorado corporation, is offering a franchise program known as Oxi Fresh Carpet Cleaning specializing in the cleaning of commercial and residential carpet, rugs, and upholstery. Oxi Fresh Businesses also offer tile and grout cleaning services, hardwood floor cleaning services, and other ancillary services. <u>Franchisees may also acquire rights to offer dryer vent cleaning services in their Oxi Fresh Businesses for an additional fee.</u>

The total investment necessary to begin operation of an Oxi Fresh Business franchise ranges from \$53,775 to \$83,830105,329. This includes \$50,975 to \$58,40079,899 (for a single franchise with a territory of up to 110,000 households) that must be paid to the franchisor or an affiliate. Additional franchises with territories of 110,000 households each can be acquired for an initial franchise fee of 75 percent of the then current Initial Franchise Fee for the first additional franchise and 65 percent of the then current Initial Franchise Fee for each additional franchise.

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 different formats, contact Jonathan Barnett at 143 Union Boulevard, Suite 825, Lakewood, Colorado 80228 and 1-877-OXIFRESH.

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 31, 2025, as amended September 26, 2025

For use in: AL, AK, AZ, AR, CO, CT, DE, DC, GA, FL, HI, ID, IN, IA, KS, KY, LA, ME, MD, MA, MI, MN, MS, MO, MT, NE, NV, NH, NJ, NM, NC, ND, OH, OK, OR, PA, RI, SC, SD, TN, TX, UT, VT, VA, WI, WV, WY, and U.S. TERRITORIES (see State Effective Dates page for effective dates in certain states.)

Not for use in: CA, IL, NY, or WA

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 Attachments ** and **JK*.		
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 Attachment KL 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 OXI FRESH 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 an OXI FRESH franchisee?	Item 20 or Attachments Land Land 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

<u>Continuing responsibility to pay fees</u>. 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 franchise business or may harm your franchise business.

<u>Supplier restrictions</u>. 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.

<u>Operating restrictions</u>. 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.

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

<u>Renewal</u>. 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 franchise 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 Attachment <u>LM</u>.

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 the Table of Contents for the location of the State Specific Addenda.

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C	Nondisclosure and Noncompetition Agreement
D	Statement of Prospective Franchisee
E	Territory Reservation Deposit Agreement
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that OXI FRESH Business at no additional cost. See Items 7 and 11 below. You will purchase additional cleaning agents from approved suppliers of ours on an as needed basis.

In addition to offering carpet, rug, and upholstery cleaning services, OXI FRESH franchisees may also offer tile and grout cleaning services and hardwood floor cleaning services. You are not required to offer these additional cleaning services. If you elect to offer tile and grout cleaning services, you will need to acquire the tile and grout brushes that attach to your carpet cleaning machine and tile and grout cleaning agents from us or an approved supplier of ours. If you elect to offer hardwood floor cleaning services, you will need to acquire the hardwood floor cleaning machine and hardwood cleaning agents from us or an approved supplier of ours.

OXI FRESH franchisees may also optionally offer dryer vent cleaning services ("Dryer Vent Cleaning Services") in their OXI FRESH Businesses. To offer the Dryer Vent Cleaning Services, a franchisee must sign the Dryer Vent Cleaning Services Addendum to Franchise Agreement in the form attached as Attachment F (the "Dryer Vent Addendum"), which requires payment of an additional initial fee. If you sign a Dryer Vent Addendum, then all references to the "Services" in this Disclosure Document will apply to and include the Dryer Vent Cleaning Services unless otherwise stated, the term "Licensed Methods" shall also include the unique system for the establishment, operation, and marketing of the OXI FRESH Businesses offering Dryer Vent Cleaning Services, and the term "Marks" shall be deemed to include any trademarks, service marks, logos, and trade names that we may designate for use with the Dryer Vent Cleaning Services. All of the terms set forth in this Disclosure Document applicable for an OXI FRESH Business shall apply to an OXI FRESH Business offering Dryer Vent Cleaning Services, unless otherwise noted. The Dryer Vent Addendum may be executed at the same time as the Franchise Agreement or, if the franchisee later elects to start offering the Dryer Vent Cleaning Services, at that later date.

Under certain circumstances, you may reserve one or more Protected Territories for which you may acquire an OXI FRESH Business franchise within a 90-day time period in exchange for the payment of a nonrefundable deposit, as described in Item 5.

Referral Payment. If you refer a prospective franchisee to us who was not previously known to us, and that person becomes a franchisee of ours, we will, at our option, either (i) pay you a referral payment of \$2,500, or (ii) grant you a credit of \$3,500 to be applied toward your purchases of inventory and other materials from us. If the new franchisee pays its initial franchise fee in installments, the payment will be made or the credit will be applied on a pro rata basis within 30 days of the date on which funds are received from the franchisee. Otherwise, the payment will be made or the credit will be applied within 30 days of the date that the initial franchise fee is paid in full.

The Market. The market for your OXI FRESH Business includes owners or occupiers of residential and commercial buildings. The market is generally established and developed, but is growing as new buildings are constructed and owners and occupiers of existing building learn about the advantage of regular cleaning of their carpets, rugs, upholstery, tile and grout floors, and hardwood floors. The sales of the services are not seasonal.

<u>Laws and Regulations</u>. There are no specific federal laws regarding the operation of your OXI FRESH Business, but there may be laws and regulations in your state or county that may apply to your operation of your OXI FRESH Business.

You should familiarize yourself with federal, state and local laws of a more general nature that may affect the operation of your OXI FRESH Business, including employment, worker's compensation,

Initial Franchise Fee offered by us for your third and subsequent OXI FRESH Business franchises. These amounts are due in full upon execution of the relevant Franchise Agreement addressing each OXI FRESH Business.

We are a member of the International Franchise Association's VetFran initiative. If you have served as a veteran of the armed forces of the United States, you may be eligible to receive a discount of 10 percent off of the Initial Franchise Fee that would otherwise be due.

We offer franchisees the option to participate in additional training for "Commercial/Pull System" cleaning services and related marketing techniques (the "Commercial/Pull System Training Program") for an additional fee of \$400 per attendee (the "Commercial/Pull System Training Fee"). The Commercial/Pull System Training Program provides instruction related to an alternative carpet cleaning method focused on the extraction of soil, stains, and other debris from carpet and upholstery which is marketed primarily to commercial customers. This training and fee are optional. You may choose to participate in the Commercial/Pull System Training Program and pay the Commercial/Pull System Training Fee at the time you initially acquire your franchise, or at a later date, subject to the availability of the Commercial/Pull System Training Program.

If you elect to offer Dryer Vent Cleaning Services in your OXI FRESH Business and execute a Dryer Vent Addendum, then you will be required to pay an additional initial fee (the "Dryer Vent Cleaning Initial Fee"). The Dryer Vent Cleaning Initial Fee is currently \$10,000 if you acquire one OXI FRESH Businesses, \$15,000 if you acquire two OXI FRESH Businesses, and \$20,000 if you acquire three or more OXI FRESH Businesses, which amount is due upon your execution of the Dryer Vent Addendum. If you elect to offer Dryer Vent Cleaning Services, you must offer those services in the Protected Territories of all of the OXI FRESH Businesses you acquire and pay the Dryer Vent Cleaning Initial Fee based on the total number of OXI FRESH Businesses you acquire. We are offering a limited time incentive for franchisees signing a Dryer Vent Addendum on or before December 31, 2025. In that case, your total Dryer Vent Cleaning Initial Fee will be reduced by 50 percent. You may enter into a Dryer Vent Addendum when you initially acquire your franchise, or at a later date. If you enter into a Dryer Vent Addendum at a later date after you acquire your franchise, the Dryer Vent Cleaning Initial Fee will be our then-current fee, which may be different than the fee specified above.

The Initial Franchise Fee is fully earned and non-refundable once 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 others. The Commercial/Pull System Training Fee isand Dryer Vent Cleaning Initial Fee are also fully earned and non-refundable once paid, if applicable. Except as is provided in this Item 5, the Initial Franchise Fee and Commercial/Pull System Training Fee, and Dryer Vent Cleaning Initial Fee are generally uniform to all persons currently acquiring a franchise, although we have negotiated a reduced Initial Franchise Fee in certain cases based on specific circumstances including in situations in which a franchisee is acquiring a large number of OXI FRESH Businesses.

You may, but are not required to, purchase from us additional optional machines and packages. You will be required to pay us for such items. These include additional cleaning agents, at a price of up to \$1,000, the tile and grout cleaning package, at a price of \$500, the upholstery cleaning package, at a price of \$950, and the hardwood floor cleaning package, at a price of \$2,625. Some of these items may be purchased from third parties instead of from us, which may be at prices that are higher or lower than the prices noted above. See Item 7 for the further details regarding these purchases. Payments for purchases of these optional machines and packages is non-refundable once made.

In certain cases and in our discretion, we may allow potential franchisees to "reserve" a Protected Territory in which they may later purchase an OXI FRESH Business franchise (the "Reserved **Territory**"). If you desire to reserve a Protected Territory, and we agree to let you do so, you and we will sign the "Territory Reservation Deposit Agreement" in the form attached as Attachment E (the "Deposit Agreement"). Under the Deposit Agreement, you will pay us a deposit of \$5,000 (the "Deposit") for each Reserved Territory, and we will agree not to award a franchise for or operate our own OXI FRESH Business within that Reserved Territory for a period of 90 days (the "Reservation Period"). The Deposit will be credited against the Initial Franchise Fee for the OXI FRESH Business franchise for the Reserved Territory if you purchase it prior to the expiration of the Reservation Period, otherwise the Deposit is entirely nonrefundable in all circumstances. The Deposit may not be applied to the Initial Franchise Fee for an OXI FRESH Business franchise with a Protected Territory other than the Reserved Territory without our consent. If you execute a Deposit Agreement but fail to purchase the OXI FRESH Business franchises for the Reserved Territory within the Reservation Period, you forfeit the Deposit and must sign a release of any claims against us. If you execute a Deposit Agreement and desire to complete the purchase of the OXI FRESH Business franchises for the Reserved Territory, you must comply with all of our requirements for obtaining a franchise, including signing our Franchise Agreement and paying the full remainder of the Initial Franchise Fee.

If applicable, a portion of your Initial Franchise Fee may be paid by us to another franchisee who has referred you to us.

[CONTINUED ON FOLLOWING PAGE]

ITEM 6 OTHER FEES

Column 1	Column 2	Column 3	Column 4
Type of Fee	Amount	Due Date	Remarks
Royalty Fee ^{1,2,3}	\$475 per month	Monthly by the 5 th of each month	Royalty Fees are payable in advance on the 5 th day of each month beginning when you start operations. We may increase this fee annually.
Job Fee ^{1,2,4}	(i) \$15 per completed job; (ii) \$40 per month for each Co-Op Line that we provide you; (iii) \$40 per month for each Market Expansion Line that we provide you, if any; and (iv) \$10 per month for each OXI FRESH Business you own to cover your share of the national Toll-Free Number	Monthly by the 5 th of each month for the prior month	The Job Fee consists of four parts, a fee for each completed job, a monthly fee for each Coop Line you acquire, a monthly fee for each Market Expansion Line you request and we agree to provide, and a monthly fee for the Toll-Free Number which we provide for franchisees. This fee is subject to an increase upon 60 days' notice to you (see Note 4). If an extra Co-Op Line is acquired to be shared by multiple OXI FRESH franchisees in Broad Area Marketing, the portion of the Job Fee related to that Co-Op Line will be divided equally among the applicable franchisees, or in another manner that we determine to be equitable based on the circumstances.

	Column 1	Column 2	Column 3	Column 4
	Type of Fee	Amount	Due Date	Remarks
	Advertising and Technology Fee ^{1,2,5}	3% of your Gross Revenues or a minimum of \$150, per month, which minimum may be increased	Monthly by the 15 th of each month	"Gross Revenues" includes all revenues of any kind received from customers or otherwise generated from or associated with your OXI FRESH Business, excluding sales taxes. Gross Revenues include any Dryer Vent Cleaning Gross Revenues (defined below), if applicable, except where otherwise noted in this Disclosure Document. We may increase the minimum amount of this fee, upon 60 days' notice to you. The Advertising and Technology Fee is payable each month beginning when you start operations.
	National and International Account Program Fees	Varies ⁶	As incurred	For each N&I Account Program we establish with locations in your Protected Territory, you are required to participate in it, and we may charge a fee for additional training, our administration of the program, or referral of customers to you. See Item 12.
Ī	Cleaning Machines and Packages ¹	Will vary, based on our current price list	Prior to shipment or as agreed	You receive the Initial Equipment and Supplies Package at no additional charge when you sign your Franchise Agreement. You pay us for additional equipment and supplies you acquire from us. See Items 5 and 7. You are required to purchase a minimum level of certain equipment and supplies from us on an annual basis, in an amount equal to 3% of your Gross Revenues-(excluding any Dryer Vent Cleaning Gross Revenues).
	Commercial/Pull System Training Fee ¹	\$400 per attendee	Upon your election to participate in the Commercial/Pul 1 System Training Program	This fee applies only if you choose to participate in the optional Commercial/Pull System Training Program.
	Dryer Vent Cleaning Royalty Fee ¹	6% of your Dryer Vent Cleaning Gross Revenues, beginning in May 2026 (based on the Dryer Vent Cleaning Gross Revenues from April 2026)	Monthly by the 15th of each month	This fee only applies if you elect to provide the optional Dryer Vent Cleaning Services and execute the Dryer Vent Addendum. "Dryer Vent Cleaning Gross Revenues" includes all revenues of any kind received from customers or otherwise generated from or associated with your Dryer Vent Cleaning Services, including for cleaning of commercial and residential dryer vents, and ancillary services and products, excluding sales taxes. As an introductory incentive for the Dryer Vent Cleaning Services, we have agreed to waive this fee for all franchisees for a limited period, until May 2026.

Column 1	Column 2	Column 3	Column 4
Type of Fee	Amount	Due Date	Remarks
Shipping Costs and Taxes ¹	Will vary	Prior to shipment or as agreed	You are responsible for all taxes, shipping costs and other costs incurred by us in selling and shipping equipment or supplies to you.
Annual Convention and Other Meeting Fee ¹	Varies. The amount charged for the most recent annual convention was \$450 per franchisee attending.	As incurred	You are responsible for paying a pro rata cost of the annual convention and other mandatory meetings. We may, at our option, prorate the cost of the annual convention among all franchisees, regardless of actual attendance, and charge you 150% of that prorated cost if you fail to attend. We may waive this requirement, or part of this requirement, for franchisees that attend.
Additional Training, Assistance & Refresher Training ¹	Then current published rate (currently \$700 per day, not including travel and lodging expenses)	As incurred	See Items 7 and 11. We provide an initial training program and Advanced Training Program for up to two persons for free. We provide the Commercial/Pull System Training Program for up to two persons in exchange for payment of the Commercial/Pull System Training Fee. We provide dryer vent cleaning services training for up to two persons for free if you execute the Dryer Vent Addendum and pay the Dryer Vent Cleaning Initial Fee. You are responsible for paying your expenses for any training.
Successor Franchise Fee ^{1,2}	10% of the then current Initial Franchise Fee	At time of renewal	You will sign a then current Franchise Agreement upon exercise of your successor franchise rights.
Transfer Fee ^{1,2}	10% of the then current Initial Franchise Fee	Before transfer is effective	Payable by you or the transferee when the Franchise Agreement is transferred by you. If we identify the transferee for your Franchise Agreement, you will not be required to pay this Transfer Fee, and you will instead pay us the Resale Assistance Fee described below.
Resale Assistance Fee ^{1,2}	30% of the total consideration you receive for the sale of your OXI FRESH Business, but no less than \$10,000 nor more than \$20,000	Before transfer is effective	Payable to us, instead of the Transfer Fee described above, if we identify the transferee for your Franchise Agreement.
Transferee Training Fee ^{1,2}	\$1,000	Prior to training	If you transfer your franchise, the transferee may be required to attend our initial training program and pay this training fee.
Supplier Approval ¹	Actual costs of supplier Approval	Upon receipt of bill	We reserve the right to charge you a fee for reviewing a proposed supplier of any goods or services to be used in connection with your OXI FRESH Business. If we determine that it is necessary to inspect the supplier's facilities or conduct tests, we will require you or the supplier to pay our actual costs incurred for inspection and testing.

increase of the fee for existing franchisees. As of the date of this Disclosure Document, the date of the most recent increase of this minimum amount of the Advertising and Technology Fee for existing franchisees in the Oxi Fresh franchise system was December 1, 2018. Each of the percentage amount and The minimum amount of the Advertising and Technology Fee may be increased in this manner no more frequently than once per year.

For each N&I Account Program, as defined in Item 12, that we establish, we may charge fees which will vary depending on our arrangement with the N&I Account Program customer, the services requested by the customer, and our involvement in administering and providing services related to the program.

ITEM 7 ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Column 1	Column 2	Column 3	Column 4	Column 5
Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to be Made
Initial Franchise Fee (Note 1)	\$47,900	Cash	Upon signing of Franchise Agreement. If you reserve a Protected Territory in advance, \$5,000 will be paid upon signing of Deposit Agreement. (Note 2)	Us
Cleaning Agents (Note 3)	\$0 – \$1,000	As Arranged	Upon order of Package	Us and Third Parties
Tile and Grout Cleaning Package (Note 3)	\$0 – \$500	As Arranged	Upon order of Package	Us
Upholstery Cleaning Package (Note 3)	\$0 – \$950	As Arranged	Upon order of Package	Us and Third Parties
Hardwood Floor Cleaning Package (Note 3)	\$0 – \$2,625	As Arranged	Upon order of Package	Us and Third Parties
Commercial/Pull System Training Fee (Note 4)	\$0 – \$400	Cash	Upon your election to participate in the Commercial/Pull System Training Program	Us
Dryer Vent Cleaning Initial Fee (Note 5)	<u>\$0 -</u> <u>\$10,000</u>	Cash	Upon signing of Dryer Vent Cleaning Addendum	<u>Us</u>
Dryer Vent Cleaning Equipment (Note 5)	<u>\$0 -</u> <u>\$11,499</u>	As Arranged	As Arranged	Us or Our Designated Vendor
Initial Training Expenses (Note 56)	\$700 – \$4,400	As Arranged	As Arranged	Vendors
Vehicle (Note 67)	0 – \$1,800	As Arranged	As Arranged	Third Parties

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Column 1	Column 2	Column 3	Column 4	Column 5
Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to be Made
Insurance Deposit (Note 78)	\$240 – \$310	As Arranged	As Arranged	Insurance Companies
Legal and Accounting Fees (Note 89)	\$700 – \$1,000	As Arranged	As Arranged	Attorney & Accountant
Computer Hardware and Software (Note 910)	\$0 – \$1,300	As Arranged	As Arranged	Vendors
Office Equipment and Supplies (Note 1011)	\$100 – \$500	As Arranged	As Arranged	Vendors
Uniform Costs (Note <u>H12</u>)	\$60 – \$120	As Arranged	As Arranged	Vendors
Royalty Fee (1st 3 Months) (Note 1213)	\$1,425	Cash	Monthly	Us
Advertising and Technology Fee (1st 3 Months) (Note 1213)	\$450	As Incurred	Monthly	Us
Job Fee (Note <u>1213</u>)	\$1,200 – \$3,150	As Incurred	Monthly	Us
Marketing Expenses (1st 3 Months) (Note 1314)	\$0 – \$8,000	As Arranged	As Arranged	Vendors
Additional Funds (Working Capital - 3 months) (Note 1415)	\$1,000 – \$8,000	As Arranged	As Arranged	Vendors
Totals (Notes <u>1516</u> and <u>1617</u>)	\$53,775 - \$ 83,830 105,32 <u>9</u>			

FOOTNOTES TO INITIAL INVESTMENT OF FRANCHISEE

Note 1 Initial Franchise Fee. The Initial Franchise Fee for your first franchise is \$47,900 for a Protected Territory of 110,000 households. See Item 5 for further information regarding the Initial Franchise Fee. The Initial Franchise Fee for a second franchise is 75 percent of the then current Initial Franchise Fee for a Protected Territory of 110,000 households. The Initial Franchise Fee for a third and each subsequent franchise is 65 percent of the then current Initial Franchise Fee for a Protected Territory of 110,000 households each. See Items 5 and 12 of this Disclosure Document. The estimated initial investment set forth in this table assumes that you will acquire the franchise rights for one OXI FRESH Business. If you acquire more than one OXI FRESH Business, your estimated initial investment will increase.

<u>Note 2</u> <u>Reservation of Protected Territory</u>. In certain circumstances, we may allow you to acquire the right to reserve a Protected Territory for a 90-day period in exchange for a \$5,000 deposit, as described in Item 5. The deposit is payable upon execution of the Deposit Agreement. If you acquire the

OXI FRESH Business franchise for the reserved territory within the reservation period, the deposit will be applied against the Initial Franchise Fee for that franchise. Except for this limited right to have the deposit applied against the Initial Franchise Fee, the deposit is nonrefundable in all circumstances.

Note 3 Cleaning Machines and Packages. Your primary business will be cleaning of carpets, rugs, and upholstery. You are also permitted, but not required, to offer tile and grout cleaning services and hardwood floor cleaning services as part of your OXI FRESH Business. For each OXI FRESH Business that you acquire, when you sign your Franchise Agreement and pay us the Initial Franchise Fee, you will receive an Initial Equipment and Supplies Package. The Initial Equipment and Supplies Package includes one carpet cleaning machine with sprayers and brushes, one upholstery cleaning machine, one vacuum cleaner, and a start up kit of cleaning agents.

You will need to purchase additional cleaning agents as and when you use up the initial supply of cleaning agents we provide to you. The carpet cleaning machines may be used independently or connected together for faster carpet and rug cleaning services. If you elect to offer tile and grout cleaning services, you will need to buy tile and grout brushes that attach to the carpet cleaning machine we provide to you and a supply of tile and grout cleaning agents. You will need to purchase one set of tile and grout brushes for each carpet cleaning machine that you operate. If you elect to offer hardwood floor cleaning as an additional optional service in your OXI FRESH Business, you will need to purchase a hardwood floor cleaning machine and hardwood floor cleaning agents from us or our designated supplier.

You are permitted to purchase additional or replacement carpet cleaning machines, upholstery cleaning machines, vacuum cleaners, tile and grout brushes, and cleaning agents from us at any time. The amount on the high end in the entries on the table represent your cost if you purchase additional items. There is no limit on the number of machines, vacuum cleaners, or other equipment you may use in your OXI FRESH Business.

Note 4 Commercial/Pull System Training Fee. At your option, you may choose to participate in our Commercial/Pull System Training Program in addition to the initial training program. The Commercial/Pull System Training Fee is payable at the time that you elect to participate in the Commercial/Pull System Training Program.

Note 5 Note 5 Dryer Vent Cleaning Initial Fee and Dryer Vent Cleaning Equipment. You will be required to pay this additional initial fee if you elect to offer the optional Dryer Vent Cleaning Services. See Item 5. If you elect to offer Dryer Vent Cleaning Services, you will also need to acquire the dryer vent cleaning equipment that we designate from us or our designated suppliers.

Note 6 Initial Training Expenses. We do not charge for our initial training program for up to two persons. There is a fee for participation in the Commercial/Pull System Training Program as described above in Note 4. There is a supplemental training program provided upon payment of the Dryer Vent Cleaning Initial Fee for Dryer Vent Cleaning Services (the "Dryer Vent Cleaning Training Program") if the franchisee signs a Dryer Vent Addendum and pays the Dryer Vent Cleaning Initial Fee described above in Note 5. For each training program, you are required to pay the transportation to and from our training site and pay for the living arrangements, food and other miscellaneous expenses during the time of training for each person attending your training. We estimate that your travel expenses for each training program will be \$500 to \$2,000. We estimate costs of \$100 per day, per person, for lodging, food and other miscellaneous expenses, plus travel expenses to and from your location. See Item 11 of this Disclosure Document.

Note 67 Vehicle. Although we do not require a franchisee to acquire a vehicle to operate its OXI FRESH Business, depending on the market, it may be desirable or necessary to use a vehicle. If you do not already own or lease a vehicle, you may obtain a vehicle to use in your OXI FRESH Business. If you do choose to use a vehicle and do not already own or lease a vehicle, we estimate that your lease payments for the vehicle will be between \$200 and \$600 per month. Your initial expenses will increase significantly if you desire to purchase a vehicle. Your costs will depend on the quality and type of vehicle you desire to obtain, the amount of use of your vehicle, financing options, whether you purchase or lease the vehicle, payment terms, the upgrades you desire and the local market.

Note 78 Insurance Deposit. We estimate that your initial insurance premium deposit will be approximately \$240 to \$310 and will include payments for worker's compensation, general liability, errors and omissions, commercial auto, equipment and personal property coverage. The total insurance premium is estimated at \$1,000 to \$1,250 per year.

Note 89 Legal and Accounting Fees. We estimate that your legal and accounting fees will be \$700 to \$1,000. These legal fees will be paid by you, if appropriate, in order to obtain an attorney to help form a business entity and review any other contracts or agreements that may be needed by you in order to begin operating your OXI FRESH Business. You will also need to retain an accounting or bookkeeping service to assist in the set up and preparation of a financial reporting system.

Note 910 Computer Hardware and Software. See Item 11 of this Disclosure Document.

<u>Note 1011</u> <u>Office Equipment and Supplies.</u> You will need a cell telephone, calculator, executive planner, pens, refrigerator magnets (used as your business cards), work orders, paper, pencils, paper clips, stapler, binder clips and other miscellaneous items.

<u>Note 1112</u> <u>Uniform Costs.</u> Our uniform is a logoed shirt. You will need to acquire any shirts through our designated supplier as needed.

Note 1213 Fees. These fees become payable to us after you sign your Franchise Agreement and your business opens or at such other time as we designate. The estimate of the Royalty Fee in this table is based on the current flat rate for a single OXI FRESH Business over three months. If you acquire the right to operate more than one OXI FRESH Business under the same Franchise Agreement, or under multiple Franchise Agreements executed at the same time, then we may require you to pay the first 12 months of Royalty Fees for the second and each subsequent OXI FRESH Business franchise that is granted in advance upon the execution of the Franchise Agreement. This advance payment of Royalty Fees, if required, is not refundable under any circumstances, even if you do not commence operations of the subsequent OXI FRESH Businesses. The estimate of the Advertising and Technology Fees in this table is based on the current minimum rate for a single OXI FRESH Business over three months. The estimate of the Job Fee in this table assumes that you will have only one Co-Op Line and one OXI FRESH Business. If you acquire more than one Co-Op Line, one or more optional Market Expansion Lines, or more than one OXI FRESH Business, your estimated initial investment will increase. See Item 6 for further information regarding fees.

Note 1314 Marketing Expenses. You are not required to undertake any local market advertising although you are strongly encouraged to do so. See Item 11.

Note 1415 Additional Funds. The disclosure laws require us to include this estimate of costs and expenses to operate your OXI FRESH Business during the "initial period" of the business, which is defined as three months or a longer period if "reasonable for the industry." We are not aware of

any established longer "reasonable period," so our disclosures cover a three-month period. The estimate of additional funds is based on an owner-operated business and does not include any allowance for an owner's draw or salary. The estimate of \$1,000 to \$8,000 is for approximately three months. We estimate that, in general, you may expect to put additional cash into the business during at least the first three months, and sometimes longer. We cannot estimate or promise when or whether you will achieve a positive cash flow or profits.

Note 1516 Estimated Initial Investment. The figures and footnotes listed above are estimates and we cannot guarantee that you will not have additional expenses starting your OXI FRESH Business. We have relied on the 18 years of experience in this industry by us and our affiliated companies and the more than 20 years of experience in this industry by our President and founder, Jonathan Barnett, in compiling these estimates. Except as set forth in this Item 7, we do not provide an estimate of operating costs for your OXI FRESH Business over any period.

Note 1617 Refunds. No fees or payments to us are refundable under any circumstances. However, the Deposit may be applied against Initial Franchise Fees in certain circumstances, as described in Note 2. Payments to third parties may or may not be refundable depending on your agreement with such third parties; however, usually such payments are nonrefundable.

ITEM 8 RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

You must establish and operate your OXI FRESH Business in compliance with your Franchise Agreement, and with the standards and specifications contained in the Operations Manual that we loan to you. The Operations Manual is designed to protect our reputation and the goodwill of the Marks, it is not designed to control the day-to-day operations of your OXI FRESH Business. Your rights to operate the OXI FRESH Business pursuant to your Franchise Agreement are always subject to your obligation to comply with our standards and specifications and the Licensed Methods.

You must purchase specified products and services, and acquire certain equipment, inventory, and signage required for the operation of your OXI FRESH Business solely from suppliers (including distributors, manufacturers, and other sources) who have been approved in writing by us, as described in the Operations Manual. We maintain written lists of approved items of certain services, equipment, inventory, and supplies (by brand name and/or by standards and specifications) and lists of approved suppliers for those items. We update our lists occasionally and issue the updated lists to all franchisees.

We will furnish our standards and specifications, as well as our criteria for supplier approval, to franchisees on request, but only on a confidential basis and after you have completed your initial training program.

If you desire to purchase any items from an unapproved supplier, you or the supplier must submit to us a written request for approval. We will consider all relevant factors in an approval request, including the quality of goods and services, capacity of supplier, financial condition, terms and other requirements consistent with other supplier relationships. We do not have any specific written criteria. We may inspect the supplier's facilities and require that samples from the supplier be delivered or made available to us or our designee for testing. You or the proposed supplier shall pay us in advance for all of our reasonable costs in regard to inspecting the supplier, its facilities and the items involved (see Item 6 concerning the supplier approval fee). We will normally notify the supplier and you of our decision in writing within a commercially reasonable time, but no later than 30 days after a request. We may at times re-inspect the

You are obligated to acquire from us, or one of our affiliated companies, certain proprietary items in order to launch your OXI FRESH Business successfully. These proprietary items include your equipment packages and initial supply of cleaning agents. You will acquire these proprietary items following the completion of your initial training program. See Item 7 of this Disclosure Document. We are currently the sole approved supplier for the equipment packages and cleaning agents used in your OXI FRESH Business. If you choose to offer the optional Dryer Vent Cleaning Services, you will also need to purchase the dryer vent cleaning equipment that we designate, from us or the designated supplier or suppliers that we designate.

To help ensure that franchisees are offering, performing, and selling the services and products as approved by us, franchisees are required to spend on an annual basis no less than 3 percent of their Gross Revenues (excluding any Dryer Vent Cleaning Gross Revenues) each full or partial calendar year on purchases of certain necessary equipment, inventory, materials and related items, forms, and other supplies as we may designate periodically from us or our designated suppliers (the "Minimum Purchase Obligations"). The prices charged to you by us or our suppliers shall be established by us or the other suppliers, respectively.

We estimate that all of these purchases from us, or one of our affiliated companies, to be approximately 70 to 80 percent of all purchases and leases by you in connection with the cost of establishing your OXI FRESH Business, and approximately 20 to 25 percent of the costs of operating your OXI FRESH Business.

Once you open your OXI FRESH Business, you may purchase additional products, supplies or equipment from any approved supplier or vendor.

All of your bookkeeping and accounting records, financial statements, and all reports you submit to us must conform to our requirements. You will be required to report information regarding your OXI FRESH Business through the Oxi Fresh Scheduling and Marketing System or in another manner that we specify. In particular, you must report to us the information required to close out all job orders scheduled through the Scheduling Center. We have the right to inspect and audit your records, the records of certain individuals and companies affiliated with your OXI FRESH Business, and the records of the immediate family members of you and these affiliated individuals.

You are required to have a computer with access to the Internet and that can run Microsoft Office Excel. See Item 11 below.

You must comply with all agreements with third parties related to your OXI FRESH Business. You must become a member of any franchise, trade, or other associations or organizations that in our opinion are useful in the operation of an OXI FRESH Business.

We will derive revenues from the acquisition of the equipment packages, from the sales of cleaning agents, supplies and other items, and from the services we provide through our Scheduling Center. During our last fiscal year (ending on December 31, 2024), we had revenues of \$9,276,403. Of this amount, \$3,998,417 (approximately 43% percent) consisted of revenues from products and services provided to franchisees. See our financial statement discussed in Item 21. No affiliated company of ours derived revenues from the sale of any products or services to our franchisees.

We may negotiate purchase arrangements for your benefit. We do not provide any material benefit to you based on your use of approved suppliers. We have no purchasing or distribution

Continuing Obligations.

During the operation of your OXI FRESH Business, we (or our designee) will provide the following assistance and services to you (Section 10.1 of FA unless otherwise noted):

- A. We will provide continuing courses of training, at times and locations designated by us. In particular, we will provide the Advanced Training Program, as defined below. We will also provide the Commercial/Pull System Training Program upon your request if you pay the Commercial/Pull System Training Fee (Sections 6.3 and 10.1 of FA). We will provide the supplemental Dryer Vent Cleaning Training Program if you execute the Dryer Vent Addendum (Dryer Vent Addendum, Section VI).
- B. At our discretion, we may inspect your OXI FRESH Business and/or work performed for some of your customers, as we deem advisable (Sections 10.1 and 11.4 of FA).
- C. We will provide you updated lists of approved items of equipment, inventory, and supplies (by brand name and/or by standards and specifications) and updated lists of approved suppliers for those items.
- D. We will periodically provide you advice and guidance in operating your OXI FRESH Business through meetings, printed materials and/or other media, as we make available to all of our franchisees. This may include providing suggested pricing to you for products and services. Any prices that we recommend to you are merely recommendations and you may establish your own prices, which may be higher or lower than our recommended prices.
- E. We will schedule appointments for you through our Scheduling Center and provide the Co-Op Line(s) and Market Expansion Line(s). We do not make any warranties related to the Oxi Fresh Scheduling and Marketing System, and we are not responsible for any incidental, special, or consequential damages, or for any claims made by third parties against you, related to the operation of the Oxi Fresh Scheduling and Marketing System, or any errors or interruptions in those operations. We may suspend your membership and schedule with the Scheduling Center and the Oxi Fresh Scheduling and the Marketing System at any time you are in default of your obligation to pay the Job Fee or any other fee or amount due to us, in addition to any other rights or remedies we may have.
- F. We will provide the Toll-Free Number as described in Item 6. A portion of the Job Fee that you pay us includes a fee for the Toll-Free Number. See Item 6. In lieu of us paying for the Toll-Free Number directly, we may require you to sign up with the Toll-Free Number telephone carrier to use the Toll-Free Number and pay the rates for the Toll-Free Number directly to the telephone carrier. As discussed below, you must use the Toll-Free Number in certain advertisements for your OXI FRESH Business. We reserve the right to discontinue or change the Toll-Free Number in our sole discretion.
- G. We will give you access to advertising and promotional materials developed by us, the cost of which we may pass on to you.
- H. We will permit you to use our Licensed Methods, as they may be modified (Sections 2.1 and 15.3 of FA).

Businesses, reporting of information for OXI FRESH Businesses, the equipment and cleaning agents used in OXI FRESH Businesses, or OXI FRESH Business computer systems (collectively, the "Technology"). We may reimburse our selfourself from the Advertising and Technology Fund for administrative costs, including the salaries of public relations personnel or persons administering the advertising services, the salaries of persons providing services related to any Technology, independent audits, reasonable accounting, bookkeeping, reporting and legal expenses, taxes and all other reasonable direct or indirect expenses that we or our authorized representatives incur with the programs or work funded by the Advertising and Technology Fund. We do not currently intend to have the Advertising and Technology Fund audited. Upon your written request to us, we will make available to you, no later than 120 days after the end of each calendar year, an annual unaudited financial statement for the Advertising and Technology Fund that shows how the Advertising and Technology Fund proceeds have been spent. No other accounting of the advertising fund is provided to you. We have the right, but not the obligation, to cause the Advertising and Technology Fund to be incorporated or operated through an entity separate from us as we deem appropriate, and any successor entity will have all rights and duties of ours relating to the Advertising and Technology Fund. We may use outside advertising and marketing agencies to create advertising material and outside companies or consultants to create and provide services for any Technology.

Each franchised, licensed and company-owned OXI FRESH Business will be required to pay on an equivalent basis into the Advertising and Technology Fund, except that we, in our sole discretion, may designate some or all of the Advertising and Technology Fees of a particular OXI FRESH Business be paid to a Local Advertising Group instead of the Advertising and Technology Fund. Notwithstanding the foregoing, the amount of the Advertising and Technology Fee has been adjusted periodically, and other OXI FRESH Businesses operating under an earlier form of franchise agreement may pay a different amount than that stated in this Disclosure Document.

We do not guarantee that advertising expenditures from the Advertising and Technology Fund will benefit you or any other franchisees directly or on a pro rata basis. We are not obligated to spend any amount on advertising in or for Technology related to your Protected Territory. Except as described in this Item 11, we assume no direct or indirect liability or obligation to collect amounts due to the Advertising and Technology Fund or to maintain, direct or administer the Advertising and Technology Fund. We have no fiduciary obligation to you in connection with the operation of the Advertising and Technology Fund, and we will not be liable for any act or omission with respect to the operation of the Advertising and Technology Fund or the use of the Advertising and Technology Fund that is consistent with this Agreement and is done in good faith.

Advertising and Technology Fees not spent in any fiscal year will be carried forward and spent in the ensuing fiscal year. If the advertising expenditure is more than the Advertising and Technology Fees collected during any calendar year, we may loan funds to the Advertising and Technology Fund on such terms that are no more favorable than the Advertising and Technology Fund could receive from other lending sources generally available to the Advertising and Technology Fund, and we will be reimbursed from the Advertising and Technology Fees during the same or subsequent years to the extent of such advances. None of the Advertising and Technology Fees will be used for advertising that is primarily for solicitation for the sale of franchises.

Although we intend the Advertising and Technology Fund to be of perpetual duration, we reserve the right to terminate the Advertising and Technology Fund. We will not terminate the Advertising and Technology Fund, however, until all monies in the Advertising and Technology Fund have been expended for advertising, promotional, or Technology purposes.

OXI FRESH Businesses for a period of time, often one to three years, and established those businesses. Because franchisees typically participate in this training at a later time instead of in conjunction with their initial training program, only approximately 5.9 percent of our new franchisees elected to participate in the Commercial/Pull System Training Program in the year 2024.

If you execute the Dryer Vent Addendum and pay the Dryer Vent Cleaning Initial Fee, we will provide the Dryer Vent Cleaning Training Program at no additional charge for up to two people. You or your Operations Manager must participate in the training, and up to one additional employee may also participate provided the training of the additional employee is done at the same time as your or your Operations Manager's training. You must complete the Dryer Vent Cleaning Training Program to our satisfaction. You may elect to participate in the Dryer Vent Cleaning Training Program when you initially acquire your franchise, or at a later date after your OXI FRESH Business is operating. Because this is a new optional program, zero percent of our new franchisees elected to participate in the Dryer Vent Cleaning Training Program in the year 2024.

All of these training programs are conducted at our headquarters in Lakewood, Colorado, U.S.A. although the Dryer Vent Cleaning Training Program may also be provided online or at another location The initial franchise training program, the Advanced Training Program, and the we designate. Commercial/Pull System Training Program, and the Dryer Vent Cleaning Training Program each last two business days. The actual length of your training programs and your training schedules may be adjusted by us based on your prior experience or training. Typically, the initial training program is conducted before you sign your Franchise Agreement. Following the second day of training, we may refuse to offer a franchise to you. If we do offer a franchise to you, you may accept our offer by executing our Franchise Agreement at that time, or you may reject our offer. The initial training program must be completed prior to the time that you provide your first cleaning service to a customer through your OXI FRESH Business. The Advanced Training Program will be conducted between 90 and 180 days after you sign your Franchise Agreement and commence operations. The Commercial/Pull System Training Program will be conducted following your election to participate and your payment of the Commercial/Pull System Training Fee. The Commercial/Pull System Training ProgramThe Dryer Vent Cleaning Training Program will be conducted following your execution of the Dryer Vent Addendum and payment of the Dryer Vent Cleaning Initial Fee. These optional programs may be conducted separately or in conjunction with the initial training program based on the availability of the programs and the time that you elect to participate in the Commercial/Pull System Training Programs. All of these training programs use written materials developed by us and approved vendors.

You are responsible for the transportation and living expenses of you or your Operations Manager and any of your employees while attending the training programs. However, we will reimburse you for the cost of transportation and lodging related to the Advanced Training Program, up to a maximum of \$350 per each of your attendees, for up to two attendees.

We do not maintain a formal training staff. The initial training program—and, Advanced Training Program—is, and Dryer Vent Cleaning Training Program are supervised by our President, Jonathan Barnett. Jonathan Barnett has over 18 years of experience with us and 20 years of experience in the field. The Commercial/Pull System Training Program is supervised by Cameron Welch, who has over 13 years of experience with us and in the field. Other employees of ours and our suppliers or other existing franchisees may also participate in providing training. Each of our instructors has demonstrated to us satisfactory knowledge of the topics they instruct, has at least one year of experience with us and three years of experience in the fields of their topics, and are overseen and reviewed by Jonathan Barnett or Cameron Welch, as applicable.

We plan on being flexible in scheduling training to accommodate our personnel, you and your employees. There are currently no fixed (i.e. monthly or bi-monthly) training schedules for <u>any of</u> the <u>initial</u> training <u>program</u>, the <u>Advanced Training Program</u>, or the <u>Commercial/Pull System Training Program will</u> be conducted once a month. As of the date of this Disclosure Document, our training programs consist of the following topics:

TRAINING PROGRAM

Initial Training Program

Column 1	Column 2	Column 3	Column 4
Subject	Hours of Classroom Training	Hours of On-the- Job Training	Location
Marketing	3-4 hrs.	0	Lakewood, Colorado
Management Duties	1 - 2 hrs.	0	Lakewood, Colorado
Cleaning Agents	1 - 2 hrs.	0	Lakewood, Colorado
Scheduling Center Operations	1 - 2 hrs.	0	Lakewood, Colorado
Machine Operations	0	5 - 8 hrs.	Lakewood, Colorado
TOTAL TRAINING	6 – 10 hours	5 – 8 hours	

Advanced Training Program

Column 1 Subject	Column 2 Hours of Classroom Training	Column 3 Hours of On-the- Job Training	Column 4 Location
Advanced Marketing and Operational Concepts	6 – 10 hrs.	5 – 8 hrs.	Lakewood, Colorado
TOTAL TRAINING	6 – 10 hours	5 – 8 hours	

Commercial/Pull System Training Program

Column 1	Column 2	Column 3	Column 4
Subject	Hours of Classroom Training	Hours of On-the- Job Training	Location
What is the Commercial/Pull System?	.5 hrs.	0	Lakewood, Colorado
Commercial/Pull System Sales – The Basics	1.25 hrs.	0	Lakewood, Colorado
Generating Sales with the Commercial/Pull System	4.25 hrs.	0	Lakewood, Colorado
Cleaning with the Commercial/Pull System	4 hrs.	0	Lakewood, Colorado
Property Manager Presentation	4 hrs.	0	Lakewood, Colorado
Commercial/Pull System Pricing and Payments	.5 hrs.	0	Lakewood, Colorado
The Inspection and Bid Process	1 hr.	0	Lakewood, Colorado
The Scheduling Software and the Commercial/Pull System	1.5 hrs.	0	Lakewood, Colorado

Column 1	Column 2	Column 3	Column 4
Subject	Hours of Classroom Training	Hours of On-the- Job Training	Location
TOTAL TRAINING	17 hours	0	

Drver Vent Cleaning Training Program

<u>Column 1</u> <u>Subject</u>	Column 2 Hours of Classroom Training	Column 3 Hours of On-the- Job Training	Column 4 Location
Equipment Review	<u>1 – 2 hrs.</u>		Lakewood, Colorado, online, or at another location we designate
<u>Dryer Exhaust Systems Review</u>	<u>1 – 2 hrs.</u>		Lakewood, Colorado, online, or at another location we designate
<u>Inspection Process</u>	<u>1 − 2 hrs.</u>		<u>Lakewood, Colorado,</u> <u>online, or at another</u> <u>location we designate</u>
Cleaning Processes Review	<u>3 – 4 hrs</u>		<u>Lakewood, Colorado,</u> <u>online, or at another</u> <u>location we designate</u>
Cleaning Training		<u>5 – 8 hrs.</u>	<u>Lakewood, Colorado,</u> <u>online, or at another</u> <u>location we designate</u>
TOTAL TRAINING	<u>6 – 10 hrs.</u>	<u>5 – 8 hrs.</u>	

If we determine that it is appropriate or necessary, we can require that you or your Operations Manager, as applicable, re-attend and successfully complete the initial training program or Advanced Training Program, at your sole cost and expense. If we determine that you or your Operations Manager require training in addition to the initial training program and Advanced Training Program, or if you reasonably request additional training and we in our sole discretion agree to provide it, then we will provide notice to you of the additional training, and we will conduct the additional training program at a location we designate. You will be responsible for paying the travel, lodging and other costs for you, your Operations Manager, or your other representatives, and you will be required to pay us our reasonable fees for conducting additional training. See Item 6.

We may present seminars, international, national or regional conventions, continuing development programs or other meetings. Most of these are voluntary and your attendance is not required. However, you or your Operations Manager must attend any mandatory seminars, programs or meetings we conduct, not to exceed two of these programs per year. We will give you at least 30 days' prior written notice of any seminar, convention, program or meeting that is mandatory. All mandatory training will be offered without a tuition charge; provided that we may allocate the costs incurred in holding these training programs, including facility costs, materials expenses, food and banquet expenses, and all other expenses for related activities, equally among all franchisees whose attendance is required, regardless of attendance at the meeting or convention. You will be required to pay your pro-rata share if you attend the meeting or convention and 150 percent of your pro-rata share if you do not attend the meeting or convention. We may choose to waive all or a portion of the costs of attendance for any attendees of any convention or meeting without being obligated to waive any costs for non-attendees of the convention or meeting. You will also be responsible for all transportation and living expenses

incurred while attending these programs. If you fail to attend a program at which attendance is deemed mandatory, we may, without waiving any other rights, also require you to attend and complete a make-up or alternative program at a location determined by us, and you will be responsible for the costs of the make-up program.

Operations Manual.

Our Operations Manual consists of one or more manuals (including an operations manual and a cleaning systems manual), technical bulletins, videotapes, CD-ROMs or other written or media materials; and may be modified by us. At our option, we may make the Operations Manual available to you via the Internet (including through the Inner Circle portion of our website) or other electronic means. If any inconsistencies exist between the provisions in any Operations Manual we loan to you, or otherwise make available to you, and our master Operations Manual we maintain at our office, regardless of whether it is in electronic or other form, our master Operations Manual will control. We may modify the Operations Manual in our sole discretion and you must conform your OXI FRESH Business to any modification within 30 days of being notified of the change. The Operations Manual must always be followed, even as modified by us.

The Table of Contents of our Operations Manual is set forth in <u>Attachment HI</u>. There are 168 total pages in our Operations Manual.

ITEM 12 TERRITORY

We recommend that your OXI FRESH Location be your personal residence, as this approach will save you a substantial amount of money. You may, however, select a commercial office building, industrial office complex or business park facility as your OXI FRESH Location. We must review and approve your selection of your OXI FRESH Location. You must also have a physical location address in each of your Protected Territories for Google local marketing purposes. See Item 11.

You will receive a designated territory as your Protected Territory that will be delineated by county, city, zip codes, street boundaries, or other designated geographical boundaries as determined by Census Bureau statistics. Your Protected Territory will contain approximately 110,000 households. You will operate from one location, your OXI FRESH Location, and you must notify us before relocating your OXI FRESH Location. We will generally approve your relocation to a new OXI FRESH Location if the new location is your new personal residence, or, otherwise, if the new location is located in your Protected Territory.

As long as you remain in compliance with your Franchise Agreement, we will not operate locations or grant franchises for an OXI FRESH Business within your Protected Territory. However, other franchisees may engage in Broad Area Marketing covering areas that may include your Protected Territory and may accept business resulting from referrals or unsolicited inquiries from customers within your Protected Territory, just as you may do outside of your Protected Territory as described herein. Your rights to your Protected Territory are further subject to any N&I Account Program we may establish, as discussed below. We or an affiliated company of ours may also operate businesses or grant franchises to operate businesses, within or outside of your Protected Territory, if they are operated under a different name or if they offer different goods or services. We have no plans at this time, however, to operate or franchise any other businesses selling goods or services similar to those you will offer. Provided you are in compliance with your Franchise Agreement, you will maintain rights to your

Provision	Section in Franchise or Other Agreement	Summary
o. Our option to purchase your business	FA Sections 18.8 and 18.9	We have the option to purchase the assets and assume or enter into a lease for any non-residential premises of your OXI FRESH Business upon termination or expiration
p. Your death or disability	FA Section 17.5	Franchise must be assigned (see rows "l" and "m" above) to a third party approved by us within 90 days. In our sole judgment we may operate the business as long as we deem necessary or practical.
q. Non-competition covenants during the term of the franchise	FA Section 20.1	Prohibited from owning, operating or performing services for a business competing with us or Fresh Sweeps and from diverting the employees of us or other franchisees to a position outside of the Oxi Fresh franchise system (subject to state law)
r. Non-competition covenants after the franchise is terminated or expires	FA Sections 20.2 and 20.4	No involvement in a business competitive with us or Fresh Sweeps for 2 years within a 20 mile radius of your Protected Territory or the Protected Territory of any other OXI FRESH Business, or within a 20 mile radius of the territory of any Fresh Sweeps business; no diverting the employees of us or any other franchisees to a position outside of the Oxi Fresh franchise system for 2 years (subject to state law)
s. Modification of the agreement	FA Section 23.1	The Franchise Agreement may be modified by a writing signed by both parties or, at our option, upon approval of 75% of our franchisees affected by the modification. The Operations Manual may be modified unilaterally by us.
t. Integration/ merger clause	FA Section 23.2	Only the terms of the Franchise Agreement are binding (subject to state law). Any representations or promises outside of this Disclosure Document and the Franchise Agreement may not be enforceable. Nothing in the Franchise Agreement is intended to disclaim any representations made by us in this Disclosure Document.
u. Disputes resolution by arbitration or mediation	FA Section 22.1	Except for certain claims, all disputes must be arbitrated in Denver, Colorado (subject to state laws). If a claim can be brought in court, both you and we agree to waive our rights to a jury trial.
v. Choice of forum	FA Sections 22.1 and 22.5	Colorado (subject to state laws)
w. Choice of law	FA Section 22.5	Federal and Colorado law (subject to state laws). The Colorado Consumer Protection Act does not apply.

Certain states have statutes that may supersede the Franchise Agreement in your relationship with us, including the areas of termination and renewal of your franchise. Certain states may also have court decisions that may supersede the Franchise Agreement in your relationship with us, including the areas of termination and renewal of your franchise. See the State Specific Addenda, which is attached to this Disclosure Document as Attachment MN.

The accompanying footnotes are an integral part of this chart and should be read in their entirety for a full understanding of the information contained in this chart.

FOOTNOTES

- (1) This chart is based on the results of the Active Operators in the Oxi Fresh system. An "Active Operator" is a franchisee in the United States that (i) performed at least one job during each calendar month of the year 2024 and (ii) was open for business at least two days during at least one week each calendar month during the year 2024. Our Operations Manual currently requires that franchisees be open a minimum of two days per week, eight hours per day. We do not regard franchisees that were not open for this minimum period to be actively operating their businesses. The Active Operators included in the chart include only franchisees, and do not include any company-owned or affiliated-owned outlets. They also do not include the results of any franchisees owned in part by individuals identified in Item 2. Finally, these Active Operators do not include the results of 27 outlets that closed at some point during the year 2024, none of which had been open for less than 12 months before closing.
- (2) Some Active Operators operate multiple OXI FRESH Businesses in multiple Protected Territories. A franchisee must purchase a separate franchise for each Protected Territory in which it desires to operate. See Item 5.
- (3) Each of the top fifth and lower fifth in the chart includes the results of 36 Active Operators, while each other fifth shown the chart each include the results of 37 Active Operators. We have grouped the results by Active Operator rather than by individual OXI FRESH Business because the results that we collect for OXI FRESH Business operators operating in multiple Protected Territories are combined into a single report for each operator.
- (4) The results in the chart include the results of 183 Active Operators as of the end of 2024 that operated 404 OXI FRESH Businesses in Protected Territories throughout the United States. There were a total of 228 U.S. franchisees in the system that were open for the full year of 2024 and conducted at least one job during the year, that operated a combined 440 OXI FRESH Businesses or outlets (not including any company-owned or affiliated-owned outlets). As disclosed in Item 20 below, there were 493 total OXI FRESH Business outlets operating as of December 31, 2024, 481 of which were franchised OXI FRESH Businesses.
- (5) As of the start of the year 2024, the OXI FRESH Businesses of the Active Operators included in this chart had been in operation for periods ranging from one year to over 18 years each.
- (6) The 2024 Jobs on which the chart is based are all jobs for carpet cleaning, rug cleaning, upholstery cleaning, tile and grout cleaning, and hardwood floor cleaning services that were performed by the Active Operators. The 2024 Jobs do not include any Dryer Vent Cleaning Services, as we did not offer Dryer Vent Cleaning Services in an OXI FRESH Business prior to 2025.
- (7) The 2024 Jobs on which the chart is based are those that were completed and paid for during the year 2024.
- (8) The term "total sales" as used in this chart means the total gross sales received by a franchisee for 2024 Jobs according to the information reported by the franchisee through our scheduling center, not accounting for any tax or other allowances. However, it does not include any "redos" or cancelled jobs as described below.

The above figures do not account for any expenses in operating an OXI FRESH Business. Expenses will vary from franchisee to franchisee.

The differences in the results are also attributable to the fact that some Active Operators operate a number of OXI FRESH Businesses in multiple Protected Territories.

Some operators of OXI FRESH Businesses have earned this amount. Your individual results may differ. There is no assurance that you will earn as much.

Written substantiation for this financial performance representation will be made available to you upon reasonable request.

The financial performance representation figures do not reflect the cost of sales, operating expenses or other costs or expenses that must be deducted from the gross revenues or gross sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your OXI FRESH Business. Franchisees or former franchisees listed in Attachment J and Attachment JK to this Disclosure Document may be one source of this information.

Other than the preceding financial performance representation, we do not make any financial performance representations. 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 our management by contacting Jonathan Barnett at 143 Union Boulevard, Suite 825, Lakewood, Colorado, U.S.A. 80228 and 1-877-OXIFRESH, the Federal Trade Commission, and the appropriate state regulatory agencies.

[CONTINUED ON FOLLOWING PAGE]

Column 1	Column 2	Column 3	Column 4
State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlet In The Next Fiscal Year	Projected New Company-Owned Outlet In The Next Fiscal Year
Total	0	50	0

A list of the names of all franchisees and the address and business telephone numbers of their outlets is provided on Attachment I to this Disclosure Document. A list of the name and last known city, state and telephone number of each franchisee who has had an OXI FRESH Business terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under a franchise agreement during the most recently completed fiscal year, or who has not communicated with us within 10 weeks of the date of this Disclosure Document, is provided on Attachment IK to this Disclosure Document. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

Some franchisees have signed confidentiality clauses during the last three years. In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with the Oxi Fresh system. You may wish to speak with current and former franchisees, but be aware that not all of those franchisees will be able to communicate with you.

We have created and sponsor a franchisee advisory council, a trademark-specific franchisee association within the Oxi Fresh system. The information regarding the franchisee advisory council is as follows:

Franchisee Advisory Council 143 Union Boulevard, Suite 825 Lakewood, Colorado 80228 1-877-OXIFRESH

ITEM 21 FINANCIAL STATEMENTS

Attached to this Disclosure Document as <u>Attachment <u>KL</u> are our audited financial statements as of December 31, 2024, 2023, and 2022, and our unaudited interim financial statements as of <u>June 30</u>, <u>2025</u>. Our fiscal year end is December 31st.</u>

ITEM 22 CONTRACTS

Attached are copies of the following agreements relating to the offer of the franchise:

Attachment A	Franchise Agreement (and attachments)
Attachment B	Confidentiality/Application Agreement
Attachment C	Nondisclosure and Noncompetition Agreement
Attachment D	Statement of Prospective Franchisee
Attachment E	Territory Reservation Deposit Agreement
Attachment F	Dryer Vent Cleaning Services Addendum to Franchise
	Agreement
Attachment G	Form of Successor Franchise Rider to Franchise Agreement

ITEM 23 RECEIPTS

The last two pages of this Disclosure Document are receipt pages. Please sign and date each of them <u>as of the date you received this Disclosure Document</u>, detach the second receipt page, and promptly return it to us as specified on that page.

ATTACHMENT F TO FRANCHISE DISCLOSURE DOCUMENT

DRYER VENT CLEANING SERVICES ADDENDUM TO FRANCHISE AGREEMENT

DRYER VENT CLEANING SERVICES ADDENDUM TO FRANCHISE AGREEMENT

THIS DRYER VENT CLEANING SERVICES ADDENDUM TO FRANCHISE AGREEMENT ("Addendum") is entered into effective as of the last date shown on the signature page hereof (the "Addendum Effective Date"), by and between OXI FRESH FRANCHISING CO., INC. ("OFFC"), and the undersigned franchisee "Franchisee." OFFC and Franchisee may jointly be referred to herein as the "Parties" or individually as a "Party."

RECITALS

- A. OFFC and Franchisee are parties to that certain Franchise Agreement (the "Franchise Agreement"), pursuant to which OFFC has granted Franchisee the right to operate a business (an "OXI FRESH Business") specializing in the cleaning of commercial and residential carpet, rugs, and upholstery, but which may also offer the cleaning of tile and grout floors, hardwood floors, and other ancillary services (the "Services"), and the sale of approved supplies, materials, equipment and other products (the "Products"), under the marks "OXI FRESH®," "OXI FRESH CARPET CLEANING®," and related service marks, trademarks, logos and trade names (collectively the "Marks") and using OFFC's unique system for operating the businesses and related licensed methods of doing business (the "Licensed Methods").
- B. OFFC has recently introduced a new dryer vent cleaning service (the "Dryer Vent Cleaning Services") and desires to make this service available for its franchisees to offer to their customers.
- <u>C.</u> <u>Franchisee desires to offer through its OXI FRESH Business the Dryer Vent Cleaning</u> Services in accordance with the terms of this Addendum.

AGREEMENT

- NOW, THEREFORE, for good and valuable consideration, the receipt, adequacy, and sufficiency of which are hereby acknowledged, and with the intent to be legally bound, the Parties agree as follows:
- I. Definitions. All capitalized terms used herein will have the same meaning ascribed to them in the Franchise Agreement unless a different definition is given to a term herein.
- II. Grant. OFFC grants to Franchisee the right to offer Dryer Vent Cleaning Services as part of the Services of its OXI FRESH Business in accordance with the terms of the Franchise Agreement, as are modified by this Addendum, which includes the grant of the right to use all service marks, trademarks, logos and trade names created by or for OFFC and designated by OFFC to relate to the Dryer Vent Cleaning Services, including but not limited to the service mark OXI FRESH® DRYER VENT CLEANING.
- III. Initial Fee. Franchisee will pay to OFFC an initial fee for the grant of the right to offer Dryer Vent Cleaning Services in the amount of \$\\$ (the "Dryer Vent Cleaning Initial Fee"), which is due upon execution of this Addendum. This fee is in addition to any Initial Franchise Fee set forth in the Franchise Agreement for the grant of the right to offer the other Services and Products.
- **IV.** Royalty Fee. In addition to the Royalty Fee that Franchisee pays in accordance with the Franchise Agreement, commencing on May 15, 2026 and each month thereafter, Franchisee shall pay OFFC a royalty fee (the "Dryer Vent Cleaning Royalty Fee") in an amount equal to 6 percent of Franchisee's Dryer Vent Cleaning Gross Revenues during the most recently completed month. For the purpose of clarification, Dryer

Vent Cleaning Royalty Fees due on May 15, 2026 shall be based on Dryer Vent Cleaning Services performed in the month of April 2026. For purposes of this Section IV, "Drver Vent Cleaning Gross Revenues" means the total of all receipts derived from Dryer Vent Cleaning Services, including for cleaning of commercial and residential dryer vents, and other ancillary services and products provided by Franchisee or its agents or employees related to the cleaning of dryer vents, whether the receipts are evidenced by cash, credit, or checks, or exchanged for services, materials, service charges, property or other means of exchange. Dryer Vent Cleaning Gross Revenues do not include the Gross Revenues earned by Franchisee related to the other Services and Products offered by Franchisee in its OXI FRESH Business that are not related to Dryer Vent Cleaning Services. It also does not include the amount of any tax imposed by any federal, state, provincial, municipal or other governmental authority directly on sales of Dryer Vent Cleaning Services and collected from customers, provided that the amount of any such tax is shown separately and in fact paid by Franchisee to the appropriate governmental authority. Dryer Vent Cleaning Gross Revenues shall be deemed received by Franchisee at the time the services and products from which they were derived are delivered or rendered or at the time the relevant sale takes place, whichever occurs first, regardless of whether final payment (e.g., collection on a customer's personal check) actually has been received by Franchisee. Dryer Vent Cleaning Gross Revenues consisting of property or services shall be valued at the retail prices applicable and in effect at the time that they are received. Franchisee acknowledges that OFFC is entering into this Addendum with the expectation that it will receive the Dryer Vent Cleaning Royalty Fees over the remaining full term of the Franchise Agreement. Franchisee shall pay to OFFC the Dryer Vent Cleaning Royalty Fee at the same time as the Advertising and Technology Fees are due, based on the Dryer Vent Cleaning Gross Revenues reported to the Scheduling Center in the preceding month. If it is subsequently determined that the Dryer Vent Cleaning Gross Revenues reported to the Scheduling Center do not accurately reflect all of Franchisee's Dryer Vent Cleaning Gross Revenues, Franchisee shall pay the Dryer Vent Cleaning Royalty Fee based on the Franchisee's Dryer Vent Cleaning Gross Revenues determined to be correct.

- V. Gross Revenues. Except for Section 14.3 (Minimum Purchase Obligations), the term "Gross Revenues," as defined and used in the Franchise Agreement, shall be deemed to include Dryer Vent Cleaning Gross Revenues. Specifically, the term "Gross Revenues" as used in Section 11.5.b (Noncompliance Service Charge), Section 12.2 (Advertising and Technology Fees), Section 16.4 (Failure to Comply with Reporting Requirements, and Section 16.5 (Act of Deception) of the Franchise Agreement, shall be based on Franchisee's total Gross Revenues, including Dryer Vent Cleaning Gross Revenues. The term "Gross Revenues" as used in Section 14.3 shall not include Dryer Vent Cleaning Gross Revenues.
- VI. Supplemental Training. Prior to offering its first Dryer Vent Cleaning Services to a customer, Franchisee or its Operations Manager shall be required to attend and successfully complete OFFC's training program related to Dryer Vent Cleaning Services (the "Dryer Vent Cleaning Training Program"), which program shall be conducted over two days, and may be conducted online, at OFFC's facilities located in Lakewood, Colorado, U.S.A., or another location designated by OFFC, as determined by OFFC. The Dryer Vent Cleaning Training Program shall be offered and conducted by OFFC without the charge of any addition fees other than the Dryer Vent Cleaning Initial Fee.
- VII. Acquisition of the Dryer Vent Cleaning Equipment. In order to offer Dryer Vent Cleaning Services to its customers, Franchisee agrees to acquire and exclusively use the dryer vent cleaning equipment designated by OFFC, which must be acquired from either OFFC or its designated supplier.
- VIII. Modification of Definitions. As used throughout the Franchise Agreement, the term "OXI FRESH Business" shall mean an OXI FRESH Business that offers Dryer Vent Cleaning Services, the term "Licensed Methods" shall include the unique system for establishing, operating and marketing businesses that offer Dryer Vent Cleaning Services, the term "Services" shall include Dryer Vent Cleaning Services, and the term "Marks" shall include any trademarks, service marks, logos and trade names created by or for OFFC and

designated by OFFC to be used for Dryer Vent Cleaning Services. All terms, conditions, and requirements that apply to the operation of an OXI FRESH Business in the Franchise Agreement shall apply to an OXI FRESH Business offering Dryer Vent Cleaning Services, unless the context would mean otherwise and except as expressly modified herein.

- **IX.** Release. As further consideration for OFFC to agree to grant to Franchisee the rights set forth in this Addendum, Franchisee, for its, his or herself, and its, his or her shareholders, directors, officers, employees, successors, assigns, agents (including the Guarantors set forth below, if any) and representatives (collectively with Franchisee, the "Franchisee Parties"), fully and forever unconditionally releases and discharges OFFC, and its shareholders, directors, officers, employees, successors, assigns, agents and representatives (collectively referred to as the "OFFC Affiliates") from any and all claims, demands, obligations, actions, liabilities (including all amounts presently owed to Franchisee) and damages of every kind and nature whatsoever, in law or in equity, whether known or unknown to any of the Franchisee Parties, which any of the Franchisee Parties may now have against OFFC or any of the OFFC Affiliates or which any of the Franchisee Parties may discover hereafter, in connection with, as a result of, or in any way arising from, any relationship or transaction with OFFC or the OFFC Affiliates, however characterized or described, from the beginning of time until the date of this Addendum. The foregoing shall not apply to any claim, demand, obligation, action, liability or damage from a breach or default in OFFC's obligations to be fulfilled pursuant to the Franchise Agreement or this Addendum and that occurred after the Addendum Effective Date.
- X. Guarantor Consent. Franchisee represents that all individuals who have executed a Guaranty and Assumption of Franchisee's Obligations guarantying the performance of Franchisee under the Franchise Agreement, if any, have signed the Guarantor Consent set forth below.
- XI. Conflicts. To the extent of any conflicts between the Franchise Agreement and this Addendum, the terms of this Addendum will control.
- XII. Incorporation of Recitals. The Recitals are incorporated into this Addendum and made a part hereof as if specifically set forth herein.
- XIII. Ratification. Except as amended by this Addendum, all of the terms of the Franchise Agreement are hereby ratified, confirmed and reaffirmed by the Parties.

SIGNATURE PAGE TO FOLLOW

SIGNATURE PAGE

<u>IN WITNESS WHEREOF</u>, the Parties have entered into this Addendum on the day and date set <u>forth below</u>.

OFFC:	FRANCHISEE:
Oxi Fresh Franchising Co., Inc.	
By: Jonathan Barnett, President Date:	By: Name: Title: Date:
GUARANT	OR CONSENT
persons or entities (collectively, the "Guarantor Assumptions of Franchisee's Obligations (collectively by signing below, consent to the foregoing Addensities the Franchise Agreement and agree that the Guarantobligations of Franchisee set forth in the foregoing Guarantors consent and agree to be subject to an provision was specifically set forth in this Guarantors.	e Agreement has been guaranteed by the below named s") pursuant to one or more certain Guaranties and vely, the "Guaranty Agreement"). The Guarantors, dum as it amends the obligations of Franchisee under the Agreement shall be hereby amended to include the Addendum in the obligations being guaranteed. The d bound by Section IX of the Addendum as if such the Consent. The Guarantors further acknowledge that affect in any manner the Guarantors' obligations under
Print Name: Date:	
GUARANTOR:	
Print Name:	
Date:	

FORM OF SUCCESSOR FRANCHISE RIDER TO FRANCHISE AGREEMENT

ATTACHMENT GH TO FRANCHISE DISCLOSURE DOCUMENT

CURRENT FORM OF GENERAL RELEASE

OPERATIONS MANUAL TABLE OF CONTENTS

ATTACHMENT II TO FRANCHISE DISCLOSURE DOCUMENT

LIST OF FRANCHISEES

ATTACHMENT JK TO FRANCHISE DISCLOSURE DOCUMENT

<u>LIST OF FRANCHISEES WHO HAVE LEFT THE SYSTEM</u>

ATTACHMENT **KL**TO FRANCHISE DISCLOSURE DOCUMENT

FINANCIAL STATEMENTS

UNAUDITED FINANCIAL STATEMENTS OF OXI FRESH FRANCHISING CO., INC. FOR THE PERIOD ENDED JUNE 30, 2025

THESE FINANCIAL STATEMENTS WERE PREPARED WITHOUT AN AUDIT. PROSPECTIVE FRANCHISES OR SELLERS OF FRANCHISES SHOULD BE ADVISED THAT NO CERTIFIED PUBLIC ACCOUNTANT HAS AUDITED THESE FIGURES OR EXPRESSED AN OPINION WITH REGARD TO THEIR CONTENT OR FORM.

OXI FRESH FRANCHISING COMPANY, INC. BALANCE SHEET As of June 30, 2025

<u>ASSETS</u>	
Current Assets	
Checking/Savings	\$ 199,855
Accounts Receivable	1,275,370
Other Current Assets	159,031
Total Current Assets	\$ 1,634,257
Fixed Assets	
Property, Plant and Equipment	\$ 3,125,322
Accum Dep and Amort	(2,709,761)
Total Fixed Assets	\$ 415,561
Other Assets	
Due From Affiliates	\$ 1,521,228
RO □ Asset Operating Lease	1,125,695
Deposits	34,638
Total Other Assets	\$ 2,681,561
TOTAL ASSETS	\$ 4,731,379

LIABILITIES

Current Liabilities	
Accounts Payable	\$ 143,327
Credit Cards	461,894
Other Current Liabilities	
AP Clearing	\$ 67,208
Bank Overdraft	
Accrued Expenses	249,564
Current Portion Oper Lease	129,236
Current Portion of Other Loans	65,000
Total Other Current Liabilities	\$ 520,702
Total Current Liabilities	\$ 1,125,923
Long Term Liabilities	
Note Payable-Newtek Lending SBA	
Small Business Admin-EIDL	1,942,628
Lease Payable	1,034,621
Note Payable- On Deck Cap LOC	
Note Payable – Other	262,500
Total Long Term Liabilities	\$ 5,357,275
TOTAL LIABILITIES	\$ 6,483,198
EQUITY	
Capital Stock	<u> </u>
Add'l Paid in Capital	83,462
Owner Distributions	(-99,311)
Retained Earnings	(-2,120,961)
Net Income	384,990
TOTAL EQUITY	\$ (-1,751,819)
TOTAL LIABILITIES & EQUITY	\$ 4,731,379

Oxi Fresh Franchising Co., Inc. Statement of Operations As of June 30, 2025

OPERATING INCOME	\$5,016,498
COST OF GOODS	\$ 512,222
GROSS PROFIT	\$4,504,276
OPERATING EXPENSES	\$3,651,436
NET ORDINARY INCOME	\$ 852,839
OTHER INCOME	\$ 6,335
OTHER EXPENSES	\$ 470,795
NET INCOME	\$ 388,380

LIST OF ADMINISTRATORS/AGENTS FOR SERVICE OF PROCESS

LIST OF STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS

STATE	STATE ADMINISTRATOR	AGENT FOR
		SERVICE OF PROCESS
CALIFORNIA	Department of Financial Protection and Innovation 320 West 4th Street, Suite 750 Los Angeles, California 90013-2344 (213) 576-7500	Commissioner Department of Financial Protection and Innovation 320 West 4th Street, Suite 750 Los Angeles, California 90013-2344 (213) 576-7500
	One Sansome Street, Suite 600 San Francisco, California 94104-4448 (415) 972-8565	(866) 275-2677 (toll free)
	2101 Arena Boulevard 651 Bannon St, Suite 300 Sacramento, California 95834 95811 (916) 445-7205	
	(866) 275-2677 (toll free) www.dfpi,ca.gov ask.dfpi@dfpi.ca.gov	
FLORIDA	Florida Department of Agriculture and Consumer Services Division of Consumer Services Attn: Finance & Accounting 407 South Calhoun Street Tallahassee, Florida 32399-0800 (850) 410-3800	None
HAWAII	Commissioner of Securities Department of Commerce & Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, Hawaii 96813 (808) 586-2722	Hawaii Commissioner of Securities Same Address
ILLINOIS	Franchise Bureau Office of the Attorney General 500 South Second Street Springfield, Illinois 6270662701 (217) 782-4465	Illinois Attorney General Same Address
INDIANA	Indiana Secretary of State Division of Securities 302 West Washington Room E-111 Indianapolis, Indiana 46204 (317) 232-6681	Indiana Secretary of State 201 State House 200 West Washington Street Indianapolis, Indiana 46204 (317) 232-6531

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
IOWA	Iowa Secretary of State 321 E. 12 th Street Des Moines, Iowa 50319 (515) 281-5204	Same
MARYLAND	Office of Attorney General Maryland Division of Securities 200 St. Paul Place Baltimore, Maryland 21202-2020 (410) 576-6360	Maryland Securities Commissioner Same Address
MICHIGAN	Michigan Attorney General Franchise Section - Consumer Protection Division G. Mennen Williams Building, 1st Floor 525 W. Ottawa Street Lansing, Michigan 48933 P.O. Box 30213 Lansing, Michigan 48909 (517) 373-7117	Michigan Department of Commerce Same Address
MINNESOTA	Minnesota Department of Commerce 85 7 th Place East, Suite 280 St. Paul, Minnesota 55101 (651) 539-1600	Minnesota Commissioner of Commerce Same Address
NEBRASKA	Department of Banking and Finance 1526 K Street, Suite 300 Lincoln, Nebraska 68508-2732 P.O. Box 95006 Lincoln, Nebraska 68509-5006 (402) 471-3445	None
NEW YORK	NYS Department of Law Investor Protection Bureau 28 Liberty Street, 21 st Floor New York, New York 10005 (212) 416-8222	Secretary of State 99 Washington Avenue Albany, New York 12231
NORTH DAKOTA	North Dakota Insurance & Securities Department 600 East Boulevard Avenue, Fourteenth Floor, Dept 414 Bismarck, North Dakota 58505-0510 (701) 328-47122910	North Dakota Securities Insurance Commissioner Same
OREGON	Department of Consumer and Business Services Division of Finance and Corporate Securities Labor and Industries Building 350 Winter Street NE, Room 410 Salem, Oregon 97301-3881 (503) 378-4140	Director of Oregon Department of Consumer and Business Services Division of Finance and Corporate Securities Labor and Industries Building 350 Winter Street NE, Room 410 Salem, Oregon 97301-3881 (503) 378-4140

STATE SPECIFIC ADDENDA WITH STATE EFFECTIVE DATES PAGE

State Effective Dates

The following states have franchise laws that require that the Franchise 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 Date stated below:

State	Effective Date
California	SEE CALIFORNIA SPECIFIC FDD
Hawaii	April 7, 2025 PENDING
Illinois	SEE ILLINOIS SPECIFIC FDD
Indiana	April 9, 2025 PENDING
Maryland	May 6, 2025 <u>PENDING</u>
Michigan	March 31, 2025
Minnesota	May 5, 2025 <u>PENDING</u>
New York	SEE NEW YORK SPECIFIC FDD
North Dakota	March 30, 2025 PENDING
Rhode Island	April 2, 2025 PENDING
South Dakota	March 31, 2025
Virginia	April 9, 2025 PENDING
Washington	SEE WASHINGTON SPECIFIC FDD
Wisconsin	March 31, 2025 PENDING

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 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 Oxi Fresh Franchising Co., Inc. ("OFFC") 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 requires 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 requires 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.

Iowa requires that we give you this Disclosure Document at the earlier of the first personal meeting or 14 calendar days before the execution of the franchise or other agreement or the payment of any consideration, whichever occurs first.

If OFFC 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 Attachment LM.

OFFC authorizes the parties identified on <u>Attachment LM</u> to receive service of process for OFFC in the particular state

The following employees of OFFC, having a principal business address and telephone number the same as

The following Franchise Sellers were involved in the offering of this franchise:

OFFC: Jonathan Barnett,

	The following independent sales agent (OFFC requests that the prospective franchisee fill in the information if known):
	address at :
	telephone number:
Issuanc	e Date: March 31, 2025-, as amended September 26, 2025.
I receiv	yed a Disclosure Document dated March 31, 2025, as amended September 26, 2025, that included the
followi	ng Attachments:
Franchi	se Agreement (Attachment A): Confidentiality/Application Agreement (Attachment B): Nondisclosure on
Noncor	npetition Agreement (Attachment C); Statement of Prospective Franchisee (Attachment D); Territor
Noncor Reserva (<u>Attach</u>	npetition Agreement (Attachment C); Statement of Prospective Franchisee (Attachment D); Territory attion Deposit Agreement (Attachment E); <u>Dryer Vent Cleaning Services Addendum to Franchise Agreement (Attachment FG)</u> ; Current Form of Successor Franchise Rider to Franchise Agreement (Attachment FG); Current Form of Successor Franchise Rider to Franchise Agreement (Attachment FG); Current Form of Successor Franchise Rider to Franchise Agreement (Attachment FG); Current Form of Successor Franchise Rider to Franchise Agreement (Attachment FG); Current Form of Successor Franchise Rider to Franchise Agreement (Attachment FG); Current Form of Successor Franchise Rider to Franchise Agreement (Attachment FG); Current Form of Successor Franchise Rider to Franchise Agreement (Attachment FG); Current Form of Successor Franchise Rider to Franchise Agreement (Attachment FG); Current Form of Successor Franchise Rider to Franchise Agreement (Attachment FG); Current Form of Successor Franchise Rider to Franchise Agreement (Attachment FG); Current Form of Successor Franchise Rider to Franchise Ri
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Print Name:

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 Oxi Fresh Franchising Co., Inc. ("OFFC") 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 requires 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 requires 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.

Iowa requires that we give you this Disclosure Document at the earlier of the first personal meeting or 14 calendar days before the execution of the franchise or other agreement or the payment of any consideration, whichever occurs first.

If OFFC 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 Attachment LM.

OFFC authorizes the parties identified on <u>Attachment LM</u> to receive service of process for OFFC in the particular state.

The following employees of OFFC, having a principal business address and telephone number the same as

The following Franchise Sellers were involved in the offering of this franchise:

OFFC: Ionathan Barnett

The following independent sales agent (OFFC requests that the prospective franchisee fill in the information if known):, having a principal business address at :, telephone number:
Issuance Date: March 31, 2025, as amended September 26, 2025.
I received a Disclosure Document dated March 31, 2025, as amended September 26, 2025, that included the following Attachments:
Franchise Agreement (Attachment A); Confidentiality/Application Agreement (Attachment B); Nondisclosure and Noncompetition Agreement (Attachment C); Statement of Prospective Franchisee (Attachment D); Territory Reservation Deposit Agreement (Attachment E); Dryer Vent Cleaning Services Addendum to Franchise Agreement (Attachment F); Form of Successor Franchise Rider to Franchise Agreement (Attachment FG); Current Form of General Release (Attachment GH); Operations Manual Table of Contents (Attachment H); List of Franchisees (Attachment J); List of Franchisees (Mo Have Left the System (Attachment JK); Financial Statements (Attachment KL); List of Administrators/Agents For Service of Process (Attachment LM); and State Specific Addenda with State Effective Dates Page (Attachment MN).
DATE:Prospective Franchisee
Print Name:
IMPORTANT. DI EACE IMMEDIATEI V CICNI AND EAV THE DACE TO (202) 71(2055 THEN DETURN

IMPORTANT: PLEASE IMMEDIATELY SIGN AND FAX THIS PAGE TO (303) 716-2955, THEN RETURN THIS PAGE BY MAIL OR COURIER TO OXI FRESH FRANCHISING CO., INC. AT 143 UNION BOULEVARD, SUITE 825, LAKEWOOD, COLORADO, U.S.A. 80228.