

FRANCHISE DISCLOSURE DOCUMENT



Next Day Access, LLC
Tennessee Limited Liability Company) ~~3150 Stage~~
~~Post Dr.,~~
900 Wilshire Drive, Suite 101102
Bartlett, TN 38133
Troy, Michigan 48084-1600
(800) 423-0751 www.nextdayaccess.com
info@nextdayaccess.com

—A Next Day Access[®] franchisee will engage in the sale and rental of ramps, additional related products, and accessories that enhance the quality of life of physically disabled or challenged persons (the “Next Day Access Franchise” or the “Franchised Business”).

The total investment necessary to begin operation of a Next Day Access franchised business is ~~\$167,025 to \$321,000~~. 176,225,825 - \$352,050. This includes ~~\$67,000 to \$153,000~~ 58,300 to \$108,300 depending on the size of your Territory that must be paid to the franchisor or its affiliate(s).

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 will receive your Disclosure Document via electronic signing software. You may wish to receive your disclosure document in another format that is more convenient to you. To discuss the availability of disclosures in different formats, contact David Tarr at dtarr@bestlifebrands.com or (901) 791-0001.

The terms of your contract will govern your franchise relationship. Don't rely on the disclosure document alone to understand your contract. Read your entire 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: ~~April 1, 2024~~ March 17, 2025

How to Use This Franchise Disclosure Document

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

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibits GE and HF .
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit A 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 Next Day Access business in my area?	Item 12 and the " territory Territory " provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be a Next Day Access franchisee?	Item 20 or Exhibits GE and HF 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.

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What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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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Special Risks to Consider About *This* Franchise

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

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in ~~Tennessee~~Michigan. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in ~~Tennessee~~Michigan than in your own state.
2. **Spousal Liability.** Your spouse must sign a document that makes your spouse liable for all financial obligations under the franchise agreement even though your spouse has no ownership interest in the franchise. This guarantee will place both your and your spouse's marital and personal assets, perhaps including your house, at risk if your franchise fails.
3. **Sales Performance Requirement.** You must maintain minimum sales performance levels. Your inability to maintain these levels will result in loss of any territorial rights you are granted, termination of your franchise, and loss of your investment.
4. **Mandatory Minimum Payments. You must make minimum royalty or advertising fund payments, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.**

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

DISCLOSURE REQUIRED BY THE STATE OF MICHIGAN

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

- (a) A prohibition on the right of a franchisee to join an association of franchisees.
- (b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.
- (c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than thirty (30) days, to cure such failure.
- (d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than five (5) years, and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least six (6) months' advance notice of franchisor's intent not to renew the franchise.
- (e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.
- (f) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.
- (g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:
 - (i) Failure of the proposed transferee to meet the franchisor's then-current reasonable qualifications or standards.
 - (ii) The fact that the proposed transferee is a competitor of the franchisor or sub-franchisor.
 - (iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.

- (iv) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.
- (h) A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c).
- (i) A provision which permits the franchisor to directly or indirectly convey, assign, or otherwise transfer its obligations to fulfill contractual obligations to the franchisee unless provision has been made for providing the required contractual services.

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

If the franchisor's most recent financial statements are unaudited and show a net worth of less than \$100,000, franchisee has the right to request an escrow arrangement.

Any questions regarding this notice should be directed to:

**Consumer Protection Division Attn: Marilyn McEwen
525 W. Ottawa Street, 6th Floor
Lansing, Michigan 48933
(517) 373-7117**

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ITEM 1

THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES

To simplify the language of this disclosure document, “we,” “us,” “our,” “Next Day Access[®]” or “Franchisor” refers to **Next Day Access, LLC**, the franchisor. “You” and “Your” refers to a franchisee under the Franchise Agreement. The franchisee may be a person, corporation, partnership or limited liability company. If the franchisee is a corporation, partnership, or limited liability company, “you” does not include the principals of the corporation, partnership, or Limited Liability Company.

The Franchisor

We are a limited liability company formed on March 26, 2012, under Tennessee law. Our principal business address is ~~3150 Stage Post~~900 Wilshire Drive, Suite 101, Bartlett, Tennessee 38133-102, Troy, MI 48084-1600. We do business under the “Next Day Access[®]” name. Our agents to receive service of process are listed in Exhibit C.

We began offering Next Day Access franchises in December 2012. Other than serving as the franchisor of Next Day Access network of franchisees and operating the type of business being offered in this Disclosure Document, we do not engage in any other business activity. We have not offered franchises in any other line of business. We do not have any predecessors.

Our Parents and Affiliates

Our immediate parent company is Best Life Brands, LLC, a Michigan limited liability company, whose principal place of business is 900 Wilshire Drive, Suite 102, Troy, MI 48084-1600. Best Life Brands, LLC is owned entirely by CFC Holding Company, LLC, a Delaware limited liability company, whose principal place of business is 45 Rockefeller Center 630 Fifth Avenue, Suite 400, New York, NY 10111. CFC Holding Company, LLC’s majority owner is TRC CFC, LLC, whose principal place of business is 45 Rockefeller Center, 630 Fifth Avenue, Suite 400, New York, NY 10111.

The name and principal business address of each of the companies that directly or indirectly control TRC CFC, LLC are as follows:

NAME OF COMPANY	PRINCIPAL BUSINESS ADDRESS	OWNERSHIP OR CONTROL OF COMPANY
RMCF IV Associates AIV I, L.P.	45 Rockefeller Center, 630 Fifth Avenue, Suite 400, New York, NY 10111	Owned by various individual investors and investor groups.
Riverside Micro-Cap Fund IV-A, L.P.	45 Rockefeller Center, 630 Fifth Avenue, Suite 400, New York, NY 10111	Owned by various individual investors and investor groups.
CFC Blocker Corporation	45 Rockefeller Center, 630 Fifth Avenue, Suite 400, New York, NY 10111	Wholly owned by Riverside Micro-Cap Fund IV-A, L.P.
TRC CFC, LLC	45 Rockefeller Center, 630 Fifth Avenue, Suite 400, New York, NY 10111	Majority owned by RMCF IV Associates AIV I, L.P. Minority owned by CFC Blocker Corporation

RMCF IV Associates AIV I, L.P. and Riverside Micro-Cap Fund IV-A, L.P. are part of The Riverside Company, a global private equity firm focused on investing in and acquiring growing businesses and it

maintains its principal business address at 45 Rockefeller Center, 630 Fifth Avenue, Suite 400, New York, NY 10111.

Our Affiliates

“Affiliate” means an entity controlled by, controlling, or under common control with another entity. However, it is important to note that each of our affiliates are separate, distinct, independently-owned and operated companies. None of our affiliates have conducted a business of the type to be franchised by us.

Our Affiliates

“Affiliate” means an entity controlled by, controlling, or under common control with another entity. However, it is important to note that each of our affiliates are separate, distinct, independently-owned and operated companies.

Common Controlled Affiliates

Through common control with Best Life Brands, LLC, we are affiliated with the franchise programs offered by:

- Blue Moon Franchise Systems, LLC (“Blue Moon”) whose principal place of business is 900 Wilshire Drive, Suite 102, Troy, MI 48084. Since August 2013, Blue Moon has offered franchises that provide services dedicated to selling the personal property including, but not limited to, furniture, tools, jewelry, décor as well as the provision of consignment sales for those who are downsizing, relocating, or are deceased under the Blue Moon name. As of December 31, ~~2023~~2024, Blue Moon had ~~109~~124 franchises in operation in the U.S. Blue Moon has never offered ~~any franchises in other lines of business. Additionally, none of our common controlled affiliates, including Blue Moon, has ever offered~~ services similar to those offered by ~~ComForCare nor has it offered franchises in other lines of business~~Next Day.
- Boost Franchise Systems, LLC (“Boost”) whose principal address is 900 Wilshire Drive, Suite 102, Troy, MI 48084. Since July 2021, Boost has offered franchises that provide intermittent care ordered by a doctor and is performed by a Home Health Aide (HHA), Licensed Practical Nurse/Licensed Vocational Nurse (LPN/LVN), Registered Nurse (RN), Physical Therapy (PT), Occupational Therapy (OT), Speech Language Pathologist (ST) and Medical Social Worker (MSW) to patients of all ages with acute and chronic long term complex health conditions within the patient’s residence or within health care facilities. As of December 31, ~~2023~~2024, Boost had six franchises in operation in the U.S. Boost has never offered ~~franchise in other lines of business. Additionally, none of our common controlled affiliates, including Boost, have ever offered any~~ services similar to those offered by ~~Blue Moon nor has it offered franchises in other lines of business~~Next Day.
- CarePatrol Franchise Systems, LLC (“CarePatrol”) whose principal place of business is 900 Wilshire Dr., Suite 102, Troy, MI 48084-1600. Since April 2009, CarePatrol has offered franchises that provide referral and senior placement services under the CarePatrol name. At various times since 2012, CarePatrol has also sold four area representative franchisees in selected areas. As of December 31, ~~2023~~2024, CarePatrol had ~~172~~201 franchises in operation in the U.S. ~~and 2~~ franchises in Canada. CarePatrol has never offered ~~franchises in other lines of business. Additionally, none of our common controlled affiliates, including CarePatrol, have offered~~ any services similar to those offered by ~~Blue Moon nor has it offered franchises in other lines of business~~Next Day.

- ComForCare Franchise Systems, LLC whose principal place of business is 900 Wilshire Drive, Suite 102, Troy, MI 48084. Since April 2001, ComForCare has offered franchises which provide (i) companionship and personal/domestic care services, and other special needs services, primarily on a non-medical basis, for seniors and people of all ages so that they may remain in their residences, (ii) supplemental healthcare staffing services for persons who need this kind of assistance in their home or a facility in which they reside, and (iii) private duty nursing services (extended hourly nursing care for the treatment of medical ailments, Non-Medicare). As of December 31, ~~2023~~2024, ComForCare has ~~230~~248 franchises in the U.S. and ~~15~~16 franchises in Canada. ComForCare has never offered ~~any franchises in other lines of business.~~ Additionally, none of our common controlled affiliates, including Next Day, have ever offer services similar to those offered by ~~Blue Moon nor has it offered franchises in other lines of business~~Next Day.

The Riverside Company

Through various private equity funds managed by The Riverside Company the following portfolio companies of Riverside Company offer franchises in the U.S.

~~• EverSmith Brands~~

- ~~○ U.S. Lawns, Inc. (“U.S. Lawns”) has offered franchises under the mark “U.S. Lawns” since August 1986. U.S. Lawns’ principal business address is 6700 Forum Drive, Suite 150, Orlando, FL 32821. A U.S. Lawn franchise offers outdoor commercial property and landscaping services. As of its last fiscal year, U.S. Lawns had 208 franchises operating in the United States.~~
- ~~○ milliCare Franchising, LLC (“milliCare”) and its predecessors have offered franchises since January 2011. milliCare’s principal business address is 1515 Mockingbird Lane, Suite 410, Charlotte, NC 28209. A milliCare franchise offers cleaning and maintenance of floor coverings and interior finishes and related services under the mark “milliCare Floor & Textile Care.” As of December 31, 2023, milliCare had 56 franchises operating in the United States.~~
- ~~○ Kitchen Guard Franchising, Inc. (“Kitchen Guard”) has offered franchises under the mark since August 2023. Kitchen Guard’s principal business address is 1515 Mockingbird Lane, Suite 410, Charlotte, NC 28209. A Kitchen Guard franchise offers commercial kitchen exhaust system cleaning, inspection, maintenance, and restoration services. As of the date of this disclosure document, there are no Kitchen Guard franchises operating in the United States.~~

~~• Evive Brands~~

- ~~○ Executive Home Care Franchising, LLC (“Executive Care”) has offered franchises under the mark “Executive Home Care” since June 2013. Executive Home Care’s principal business address is 8100 E. Indian School Road, Suite 201, Scottsdale, AZ 85251. An Executive Home Care franchise offers in-home comprehensive care and medical services to home care clients, and supplemental healthcare staffing services to institutional clients. As of December 31, 2022, Executive Care had 21 franchises operating in the United States.~~
- ~~○ B & P Burke, LLC (“B&P”) has offered franchises under the mark “Grasons” since May 2014. B&P’s principal business address is 8100 E. Indian School Road, Suite 201, Scottsdale, AZ 85251.~~

~~A Grasons franchise offers estate sale and business liquidation services. As of December 31, 2022, B&P had 31 franchises operating in the United States.~~

~~○ ALL Franchising, LLC (“ALL”) and its predecessors have offered franchises under the mark “Assisted Living Locators” since May 2006. ALL’s principal business address is 8100 E. Indian School Road, Suite 201, Scottsdale, AZ 85251. An Assisted Living Locators franchise assist seniors and their families in locating assisted living facilities, memory care communities, nursing homes, senior care homes and independent living senior communities. As of December 31, 2022, ALL had 134 franchises operating in the United States.~~

~~○ Brothers Parsons Franchising LLC (“Brothers”) and its predecessor have offered franchises under the mark “The Brothers that just do Gutters” since July 2015. Brothers’ principal business address is 8100 E. Indian School Road, Suite 201, Scottsdale, AZ 8525. A “The Brothers that just do Gutters” franchise provides gutter installation, maintenance, cleaning, repair, and related services and products. As of December 31, 2022, Brothers had 93 franchises operating in the United States.~~

● Head to Toe Brands

~~● BCC Franchising, LLC (“BCC”) and its predecessor have offered franchises since March 2007 under the mark “Bishops”. BCC’s principal business address is Terminal Tower 50 Public Square, 29th Floor Cleveland, OH 44113. A Bishops franchise offers haircuts, coloring, and barber services. As of December 31, 2023, BCC had 40 franchises operating in the United States.~~

~~● Frenchies, LLC (“Frenchies”) has offered franchises under the mark “Frenchies Modern Nail Care” since April 2015. Frenchies’ principal business address is 2679 West Main, #363, Littleton, CO 80120. A Frenchies Modern Nail Care franchise offers hand and foot care. As of December 31, 2023, Frenchies had 22 franchisees operating in the United States.~~

~~○ The Lash Franchise Holdings, LLC (“Lash”) and its predecessor has offered franchises under the mark “Lash Lounge” since March 2010. Lash’s principal business address is 4370 Varsity Drive, Suite G, Ann Arbor, MI 48108. A Lash Lounge franchise offers permanent and temporary eyelash and eyebrow extensions and other eye enhancing services. As of December 31, 2023, Lash had 127 Lash Lounge franchises in the United States.~~

● Threshold Brands

~~○ PHP Franchise, LLC (“PHP”) has offered plumbing service franchises under the mark “Plumbing Paramedics” and heating and air conditioning installation and service franchises operating under the mark “Heating + Air Paramedics” since November 2021. PHP’s principal business address is 750 E. 150th Street, Noblesville, IN 46060. As of December 31, 2023, PHP had 5 Plumbing Paramedics and 5 Heating + Air Paramedics franchises operating in the United States.~~

~~○ Maid Pro Franchise, LLC (“MaidPro”) has offered franchises under the “Maid Pro” mark since February 1997. MaidPro’s principal business address is 77 North Washington Street, Boston, MA 02114. A Maid Pro franchise offers home cleaning services for residential and commercial customers. As of December 31, 2024~~2023~~, MaidPro had 238 franchises operating in the United States and 16 franchises in Canada.~~

- ~~● FlyFoe, LLC d/b/a Patio Patrol (“Patio Patrol”) has offered franchises since February 2018. Patio Patrol’s principal business address is 77 North Washington Street, Boston, MA 02114. A Patio Patrol franchise offers residential and commercial mosquito, wasp, fly, tick control and other general pest control services. As of December 31, 2372023, Patio Patrol had 7 franchises operating in the United States.~~
- Men In Kilts US, LLC (“MIK”) has offered franchises under the mark “Men in Kilts” since March 2019. MIK’s principal place of business is 77 North Washington Street, Boston, MA 02114. A Men in Kilts franchise offers window cleaning, gutter cleaning, pressure washing, siding cleaning, snow removal and other related services. As of December 31, 20242023, MIK had 2023 franchises operating in the United States ~~and 22 franchises operating in Canada.~~
- Pestmaster Franchise Network, LLC (“Pestmaster”) and its predecessor has offered franchises under the “Pestmaster” mark since June 2021. Pestmaster’s principal business address is 9716 South Virginia Street, Suite E, Reno, NV 89511. A Pestmaster franchise offers structural and agricultural pest control and related services. As of December 31, 20232024, Pestmaster had 5257 franchises operating in the United States.
- USA Insulation Franchise, LLC (“USA Insulation”) has offered franchises under the “USA Insulation” mark since March 2006. USA Insulation’s principal business address is 17700 Saint Clair Avenue, Cleveland, OH 44110. A USA insulation franchise offers residential insulation services. As of December 31, 20232024, USA Insulation had 100109 franchises operating in the United States.
- Granite Garage Floors Franchising, LLC (“Granite”) has offered franchises under the mark “Granite Garage Floors” since June 2013. Granite’s principal business address is 110 Mansell Circle, Suite 375, Roswell, GA 30075. ~~A Granite Garage Floors franchise sells and installs residential garage floor coating systems.~~ As of December 31, 20232024, Granite had 4455 franchises operating in the United States.
- Mold Medics Franchising LLC (“Mold Medics”) has offered franchises under the “Mold Medics” mark since December 2020. Mold Medics’ principal business address is 811 Washington Avenue, Carnegie, PA 15106. A Mold Medics franchise offers mold remediation, air duct cleaning, radon testing and mitigation services, and other services and products. As of December 31, 20232024, Mold Medics had 16 franchise operating in the United States.
- Sir Grout Franchising, LLC (“Sir Grout”) has offered franchises under the “Sir Grout” mark since August 2007. Sir Grout’s principal business address is 77 North Washington Street, Boston, MA 02114. A Sir Grout franchise offers grout and tile cleaning, sealing, caulking and restoration services and other services. As of December 31, 20232024, Sir Grout had 6271 franchises operating in the United States.
- Miracle Method LLC (“Miracle”) and its predecessors have offered franchises under the “Miracle Method” mark since September 1996. Miracle’s principal business address is 4310 Arrowswest Drive, Colorado Springs, CO 80907. A Miracle Method franchise offers refinishing and restoration of bathtubs, sinks, showers, tiles, countertops, and similar surfaces. As of December 31, 20232024, Miracle Method had 194201 franchises and 2 master franchises operating in the United States.
- PHP Franchise, LLC (“PHP”) has offered plumbing service franchises under the mark “Plumbing Paramedics” and heating and air conditioning installation and service franchises operating under the mark “Heating + Air Paramedics” since November 2021. PHP’s principal business address is

750 E. 150th Street, Noblesville, IN 46060. As of December 31, 2024, PHP had 15 Plumbing Paramedics and 14 Heating + Air Paramedics franchises operating in the United States.

Head-to-Toe Brands

- BCC Franchising, LLC (“BCC”) and its predecessor have offered franchises since March 2007 under the mark “Bishops”. BCC’s principal business address is 550 Reserve Street, Suite 380, Southlake, TX 76092. A Bishops franchise offers haircuts, coloring, and barber services. As of December 31, 2024, BCC had 40 franchises operating in the United States.
- Frenchies, LLC (“Frenchies”) has offered franchises under the mark “Frenchies Modern Nail Care” since April 2015. Frenchies’ principal business address is 550 Reserve Street, Suite 380, Southlake, TX 76092. A Frenchies Modern Nail Care franchise offers hand and foot care. As of December 31, 2024, Frenchies had 23 franchisees operating in the United States.
- The Lash Franchise Holdings, LLC (“Lash”) and its predecessor has offered franchises under the mark “Lash Lounge” since March 2010. Lash’s principal business address is 550 Reserve Street, Suite 380, Southlake, TX 76092. A Lash Lounge franchise offers permanent and temporary eyelash and eyebrow extensions and other eye enhancing services. As of December 31, 2024, Lash had 140 Lash Lounge franchises in the United States.

Evive Brands

- Brothers Parsons Franchising LLC (“Brothers”) and its predecessor have offered franchises under the mark “The Brothers that just do Gutters” since July 2015. Brothers’ principal business address is 8100 E. Indian School Road, Suite 201, Scottsdale, AZ 8525. A “The Brothers that just do Gutters” franchise provides gutter installation, maintenance, cleaning, repair, and related services and products. As of December 31, 2024, Brothers had 355 franchises operating in the United States.
- Executive Home Care Franchising, LLC (“Executive Care”) has offered franchises under the mark “Executive Home Care” since June 2013. Executive Home Care’s principal business address is 8100 E. Indian School Road, Suite 201, Scottsdale, AZ 85251. An Executive Home Care franchise offers in-home comprehensive care and medical services to home care clients, and supplemental healthcare staffing services to institutional clients. As of December 31, 2024, Executive Care had 22 franchises operating in the United States.
- ALL Franchising, LLC (“ALL”) and its predecessors have offered franchises under the mark “Assisted Living Locators” since May 2006. ALL’s principal business address is 8100 E. Indian School Road, Suite 201, Scottsdale, AZ 85251. An Assisted Living Locators franchise assist seniors and their families in locating assisted living facilities, memory care communities, nursing homes, senior care homes and independent living senior communities. As of December 31, 2024, ALL had 162 franchises operating in the United States.
- B & P Burke, LLC (“B&P”) has offered franchises under the mark “Grasons” since May 2014. B&P’s principal business address is 8100 E. Indian School Road, Suite 201, Scottsdale, AZ 85251. A Grasons franchise offers estate sale and business liquidation services. As of December 31, 2024, B&P had 61 franchises operating in the United States.

EverSmith Brands

- U.S. Lawns, Inc. (“U.S Lawns”) has offered franchises under the mark “U.S. Lawns” since August 1986. U.S. Lawns’ principal business address is 6700 Forum Drive, Suite 150, Orlando, FL 32821.

A U.S. Lawn franchise offers outdoor commercial property and landscaping services. As of December 31, 2024, U.S. Lawns had 210 franchises operating in the United States.

- milliCare Franchising, LLC (“milliCare”) and its predecessors have offered franchises since January 2011. milliCare’s principal business address is 6700 Forum Drive, Suite 150, Orlando, FL 32821. A milliCare franchise offers cleaning and maintenance of floor coverings and interior finishes and related services under the mark “milliCare Floor & Textile Care.” As of December 31, 2024, milliCare had 59 franchises operating in the United States.
- Kitchen Guard Franchising, Inc. (“Kitchen Guard”) has offered franchises since August 2023. Kitchen Guard’s principal business address is 6700 Forum Drive, Suite 150, Orlando, FL 32821. A Kitchen Guard franchise offers commercial kitchen exhaust system cleaning, inspection, maintenance, and restoration services. As of December 31, 2024, Kitchen Guard had 5 franchises operating in the United States.
- Restoration Specialties Franchise Group, LLC (“Prism Specialties”) has offered franchises since April 2012 and in September 2021 the franchises have operated under the mark “Prism Specialties.” Prism Specialties’ principal business address is 6700 Forum Drive, Suite 150, Orlando, FL 32821. A Prism Specialties franchise offers electronic, art, textile, and document recovery, repair, and restoration services. As of December 31, 2024, Prism Specialties had 93 franchisees operating in the United States.
- The Seals Franchising, LLC (“The Seals”) has offered franchises since August 2019. The Seals’ principal business address is 6700 Forum Drive, Suite 150, Orlando, FL 32821. A The Seals franchise offers the sale and installation of gaskets for refrigeration door units, freezer doors, oven doors, hardware and cutting board. As of December 31, 2024, The Seals had 4 franchises operating in the United States.

Franchise Offered

The franchise to which this disclosure document relates involves the operation of a Next Day Access Business operating under the System and the Marks (“Next Day Access Business” or the “Franchised Business”). Next Day Access Businesses sell and rent ramps (“Ramps”) and additional, related products and accessories as described in our “Operations Manual“ (the “F.O.M”), which may include inclined and vertical lift systems, pool lift systems, patient lifts to move clients from the bed, floor safety materials, automatic door openers, wireless alert devices, and home modifications/devices such as grab bars and poles, and other related goods and services that enhance the quality of life of physically disabled or challenged persons as we may specify from time to time collectively, (“Additional Approved Products”).

Franchised businesses operate under the “Next Day Access [®]” name. We use, promote, and license certain trademarks, service marks, and other commercial symbols in the operation of Next Day Access Businesses, including the Next Day Access trademarks and service marks and associated logo, as we designate and may hereafter designate and change from time to time in writing for use under the System. We grant franchises to persons who meet our qualifications and are willing to undertake the investment and effort required to own and operate a Next Day Access Business offering the products and services we authorize and approve and utilizing our business formats, methods, procedures, designs, layouts, standards and specifications, processes, project management, and the Marks, all of which we may supplement, improve, change, remove, further develop, and otherwise modify from time to time.

Market and Competition

The products and services our franchises sell are well recognized by consumers and are available from other sources. The market for our franchisees' products and services is well developed and competitive. Our products and services are sold to individuals and to businesses. Selling is not seasonal. There is competition for the products and services our franchisees will sell from local independent businesses, as will regional and national chains.

Laws and Regulations

In certain applications, you will need to comply with the Americans with Disabilities Act ("ADA") and the regulations issued pursuant to the ADA. There may also be local laws governing the sale and installation of equipment and services. In addition, you will have to comply with laws and regulations that are applicable to business generally, such as workers' compensation and OSHA.

Some state, county, or local jurisdictions require that some accessory products such as stair lifts or platforms be installed by licensed elevator contractors. You may be required to utilize a contractor on certain jobs, such as Home modification work, which may impact your cost of installation and may cause you to hire a competitor to perform the installation.

Federal, state and local governmental laws, ordinances and regulations periodically change. It is your responsibility to check the laws within your state to determine whether any state or local laws or regulations are applicable and to comply with such laws. We do not advise you on these regulatory matters. You should consult with your attorney about laws and regulations that apply to or may affect your Franchised Business.

ITEM 2

BUSINESS EXPERIENCE

Chief Executive Officer:

J.J. Sorrenti

J.J. Sorrenti has served as the Chief Executive Officer (CEO) of our parent, Best Life Brands, LLC, as well as the Manager/CEO of Best Life Brands, LLC parent, CFC Holding Company, LLC, since March 2020 (both companies are based in Troy, MI). Prior to joining Best Life Brands, J.J. was the President and Director of Safeguard Business Systems, Inc. ("Safeguard") (Dallas, TX) since its formation in September 2014 through February 2020. In addition, from January 2009 through February 2020, J.J. served as the: President and Director of Safeguard's two franchising arms (also based in Dallas, TX), SBS and SF Systems; the Vice President of Strategic Channels for Deluxe Small Business Sales, Inc., including the DFS Group; and the President of Safeguard Business Systems Limited, which was Safeguard's Canadian affiliate. J.J. also serves as a Director and Secretary of Snappy Casual Corporation and has held that position since February 2004 and has been a member of Snappy Casual Texas, LLC since June 2013 (~~both~~ and Snappy Casual Florida, LLC since January 2023 (all of those companies are based in Sewickley, PA). He is also a board member for the Gals Scholarship Foundation, a 501(C)(3) public charity that awards scholarships to women in golf. J.J. is also a trustee for the Board of the International Franchise Association's Education Foundation.

Chief Financial Officer:**Kevin Vesely**

Kevin Vesley has served as Director and Secretary of the Franchisor since September 2023. Kevin has also served as the Chief Financial Officer of our parent company, Best Life Brands, LLC, since September 2023. Prior to joining Best Life Brands, LLC, Kevin was the Vice President of Finance for Sonova, Inc. (Chicago, IL) from March 2022 to September 2023. Kevin was the CFO of Alpaca Audiology from October 2019 to March 2022 when it was acquired by Sonova, Inc. ~~Previously Kevin was a director with PwC's National Office (Florham Park NJ) from June 2017 to October 2019.~~ Kevin is a Certified Public Accountant (CPA) licensed in the State of Arkansas.

Chief Marketing Officer:**Jennifer LoBianco**

Jennifer LoBianco (aka Jennifer LoBianco Gregersen) has served as the Chief Marketing Officer (CMO) of our parent company, Best Life Brands, LLC, since December 2022 (Troy, MI). Jennifer was Senior Vice President of Marketing from June 2021 to December 2022. Jennifer was the CMO at Huntington Learning Center (Oradell, NJ) from February 2018 to May 2020. Jennifer also serves in a voluntary capacity as an advisory council member and mentor with the Buccino Leadership Institute at Seton Hall University (South Orange, NJ).

Brand President:**Michele Popelka**

Michele Popelka has served as Next Day's Brand President since April 2024. Previously, Michele served as the Senior Vice President of Global Channel Development at Mood Media (Austin, TX) from March 2022 through April 2024. From January 2010 through February 2022, Michele held the position of Vice President, Sales and Support, at Safeguard Business Systems and WholeStyle Packaging (-Minneapolis, MN). Michele is a Certified Franchise Executive with the International Franchise Association and serves on the NxtWaves Advisory Board.

Vice President of Franchise Development:**David Tarr**

David Tarr has served as the Vice President of Franchise Development of our parent, Best Life Brands, LLC since November 2022. Prior to that, David had been Director of Franchise Development with The Rep'm Group from February 2020 to October 2022 (Charlotte, NC). David was Director of Franchise Development for St. Gregory Development Group from May of 2018 to Jan of 2020 (Cincinnati, OH).

Franchise Sales Manager:**Mike Gardner**

Mike Gardner is our Franchise Sales Manager since October, 2020 (Bartlett, TN). From September 2013 to August 2020, he was the Franchise Business Development Manager for 101 Mobility Franchise Systems, LLC (Wilmington, NC).

Director of Resales:**Branden Worback**

Branden Worback has served as the Director of Resales for our parent company, Best Life Brands, LLC since February 2020. Prior to this, Branden served as the Director of Operations for our affiliate, ComForCare Franchise Systems, LLC (Troy, MI), from January 2019 to February 2020.

In-House Counsel:**Stephen D. Greenwald**

Stephen D. Greenwald, Esq. has served as our in-house counsel since March 2024 as well as the in-house counsel of our affiliates: Troy, MI based Boost Franchise Systems, LLC (since July 2021, Troy), MI based ComForCare Franchise Systems, LLC (since December 2018), and Troy, MI based CarePatrol Franchise

Systems, LLC (since January 2019). In addition, Stephen is the general counsel of our parent, Troy, MI based Best Life Brands, LLC (since January 2019). Stephen serves on the board of the Home Care Association of America and is a member of the State Bar of Michigan.

Minority Owner:

Steven Siegel

Steve Siegel has been a minority owner of our parent, CFC Holding Company, LLC, since January 2017. In addition, Steve is the: Managing Partner of Brookside Consulting, a franchise and retail consulting firm based in ~~Thornton~~Laconia, New Hampshire (since 2001), a senior advisor to the Riverside Company, a private equity firm based in Cleveland, Ohio, (since 2011), ~~a director of AIA (Adventures in Advertising), and its following portfolio companies:~~ It's Just Lunch (a franchisor of professional dating services), ~~Clintar~~Eversmith (a multi-brand franchisor), and Threshold Brands (a ~~commercial property services provider), and the New Hampshire Music Festival (all since 2011).~~ multi-brand franchisor).

ITEM 23

LITIGATION

~~Next Day Access Litigation~~

Administrative Proceeding before the State of Minnesota Department of Commerce: 70650-BD

On February 11, 2022, we consented to the entry of a Consent Order by the State of Minnesota Department of Commerce based upon the allegation that we sold two unregistered franchises in violation of Minn. Stat. § 80C.02 (2020). We entered into this Consent Order in lieu of a formal hearing on any civil penalty that could be imposed by the Commissioner. In that Consent Order, we agreed to pay a civil penalty of \$1,000 to the State of Minnesota and \$180 in investigative costs. We also agreed to cease and desist from violating any laws, rules or orders related to the responsibilities entrusted to the Commissioner under Minnesota Chapters 45 and 80C. We are required to disclose this Consent Order for a period of three years in this Item 3.

Common Controlled Affiliate Litigation

Applicable to Blue Moon Franchise Systems, LLC

Vezeto Enterprises, Inc., et. al., v. Blue Moon Franchise Systems, LLC, Case No. 23CV-008200; In the Court of Common Pleas, Franklin County, Ohio

On or about November 20, 2023, Blue Moon noticed Plaintiff that it was in material default of its Franchise Agreement because it had failed to make timely royalty payments and had apparently ceased operations without notice. On or about November 21, 2023, Plaintiffs filed suit against Blue Moon alleging Blue Moon violated certain sections of Chapter 1334 of the Ohio Revised Code regarding the sale of business opportunity plans. Blue Moon denies any such violations. On or about January 16, 2024 the parties agreed to settle the matter and release Plaintiff from the Franchise Agreement in exchange for Plaintiff paying its past due balances of \$2,500.

~~Blue Moon~~ Applicable to CarePatrol Franchise Systems, LLC

CarePatrol Franchise Systems, LLC v. Dawn Assisted Living Finders, LLC and Mark Martin Wendy Rickenbach-Barclay, Case No. 2024-205720-CB; State 2:24-cv-11556; In the United States District Court for the Eastern District of Michigan; Circuit Court for The County of Oakland Southern Division

On or about ~~February 16~~ June 13, 2024, ~~Blue Moon~~ CarePatrol filed suit against Defendant for ~~failing to pay its initial franchise fee~~ violating the non-compete and ~~abandoning the business in breach~~ confidentiality provisions of the Franchise Agreement. On or about January 23, 2025, the parties settled the matter with Defendant agreeing to stop competing against CarePatrol and its franchised system for a period of 12 months.

CarePatrol Franchise Systems, LLC v. Assisted Sustained Care Services LLC, et al. Case Number: 4:24-cv-11755; In the United States District Court for the Eastern District of Michigan Southern Division

On or about July 8, 2024, CarePatrol filed suit against Defendant for violating the non-compete and confidentiality provisions of the Franchise Agreement. On or about September 9, 2024, the parties

settled the matter with the Defendant agreeing to stop competing against CarePatrol and its franchise system for a period of 18 months.

Applicable to ComForCare Franchise Systems, LLC

~~*Deborah Podolak v. ComForCare Health Care Holdings, Inc., et. al., Case No. GD-19-2022; In the Court of Common Pleas, Allegheny County, Pennsylvania Civil Division*~~

~~The plaintiff alleges a violation of Pennsylvania Wage Payment as well as the Pennsylvania Minimum Wage Act in a class action against one of ComForCare's independently owned and operated franchisees and included ComForCare (the Franchisor) as a defendant under a vicarious liability theory. ComForCare is defending against the claim on the basis that the plaintiff was not an employee of ComForCare and that it's impossible under both law and fact that its independently owned and operated franchisee was in some way acting as a ComForCare agent. The plaintiff claims damages and statutory penalties in excess of \$35,000. Trial has not been scheduled as of the time of this disclosure.~~

ComForCare Franchise Systems, LLC v. Platinum Care, Inc. d/b/a ComForCare Home Care – Chester South, et. al., Case No. 2023-203856; State of Michigan Circuit Court for the County of Oakland; and Platinum Care, Inc. d/b/a ComForCare Home Care – Chester South, et. al., Case No. 2024-207989-CB; State of Michigan Circuit Court for the County of Oakland.

On or about November 15, 2023, ComForCare filed suit against Defendant for failing to timely pay fees owed under its Franchise Agreement. On or about March 14, 2024, Defendant filed a counterclaim claiming that ComForCare was in breach of contract and is seeking damages in excess of \$75,000.

ComForCare Franchise Systems, LLC v. Dahlia Home Care, Inc., et. al., Case No. 24CECG00550; Superior Court of the State of California, County of Fresno

On or about February 7, 2024, ComForCare filed suit against Defendant for failing to timely pay fees owed under its Franchise Agreement, failing to provide access to its books and records, and breaching the confidentiality terms of the Franchise Agreement as well as the Confidentiality Agreement.

Patrick Deadrick, By and Through His Successors in Interest, Phil Shirinian v. Maggie Artsvelian and Harry Artsvelian d/b/a ComForCare Home Care – West Hollywood; ComForCare Health Care Holdings, LLC; DOES 1-50; and DOES 51-60, Case No. 24-SM-CV-03032; In the Superior Court of the State of California In and For the County of Los Angeles

On or about June 21, 2024, Plaintiff filed suit against ComForCare Franchise Systems, LLC alleging that former franchisees of ComForCare negligently cared for Mr. Deadrick. ComForCare is not nor ever has been responsible for Plaintiff's care and has no information regarding anything related to Plaintiff. The parties are currently preparing for discovery.

WorkFit Medical Staffing, PLLC v. ComForCare Home Care, Riverside Parnters, LLC d/b/a The Riverside Company, and Best Life Brands, Index No. E2024018476, Supreme Court of the State of New York, County of Monroe

On or about November 4, 2024, Plaintiff filed suit against an independently owned and operated ComForCare Franchised Business located in Rochester, NY. Plaintiff also listed two additional companies apparently affiliated with ComForCare Franchise Systems, LLC even though neither of those companies was properly named. Moreover, the named companies have nothing to do with the

ComForCare franchise system in any way. We communicated our confusion to Plaintiff. In the interim, the correct parties are said to be negotiating a settlement.

Common Controlled Affiliate Administrative Actions

Applicable to CarePatrol Franchise Systems, LLC

Federal Trade Commission Docket No C-4379

On December 3, 2012, the Federal Trade Commission (“FTC”) issued an administrative complaint against CAREPATROL, Inc. (which is not an existing entity but was incorrectly named), alleging issues with certain wording on CarePatrol’s website. The FTC objected to wording that seemed to imply that CarePatrol “monitors or grades the care history and violations of all or a substantial majority, of assisted living facilities in a consumer’s desired location,” that it was incorrect to list every state under a “Click Below to Meet our Consultants” heading, in states in which CarePatrol does not have franchises, as CarePatrol does not have consultants in every state, and that CarePatrol “does not monitor or grade assisted living facilities based on most recent state inspections” in non-franchised areas. There was no intent to mislead, and the wording was for marketing and internet search engine optimization purposes only. The FTC sought to have CarePatrol change the website. In compliance, CarePatrol modified the wording on its website pursuant to FTC instructions. No consumer was involved nor made any complaint. There was no fine or penalty imposed.

Applicable to ComForCare Franchise Systems, LLC

Administrative Proceeding before the Securities Commissioner of Maryland: Case No. 2010-0082

In 2007, the predecessor franchisor (ComForCare Health Care Holdings, Inc.) to our Common Controlled Affiliate, ComForCare Franchise Systems, LLC, filed a franchise renewal application in Maryland that was effectuated December 10, 2007, and subsequently, in 2008, filed an amendment application that was effectuated October 7, 2008. After ComForCare’s Maryland registration expired on December 10, 2008, ComForCare sold three franchises in Maryland. On April 15, 2010, ComForCare and the Maryland Securities Commissioner, reached an agreement to enter a Consent Order pursuant to which ComForCare agreed to cease and desist from offering or selling franchises in violation of Maryland Franchise Law and agreed to offer rescission to the three Maryland franchises. One franchisee elected to rescind.

Other than the actions detailed above, no other actions are required to be disclosed in this Item.

Other than the foregoing actions, no other actions are required to be disclosed in this Item.

ITEM 4

BANKRUPTCY

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

ITEM 5

INITIAL FEES

Initial Franchise Fee

The Initial Franchise Fee is calculated as \$23,000 plus \$0.05 per person up to a total population in your APR. You also must pay a minimum lump sum Initial Franchise Fee that typically ranges from \$25,000 for a population of 500,000 to \$75,000 for a population of 1,500,000 for the in your Area of Primary Responsibility (“APR”) ~~when you sign the franchise agreement (the (together, the "Initial Franchise Fee").~~). The typical population in an APR range from 500,000 to 1,500,000 persons. However, please note that the minimum APR population of 500,000 will only be considered for small, sparsely populated, rural market areas. APR population targets for densely populated metro market areas will range from 1,000,000 to 1,500,000. For example, if you are awarded APR population is 1,000,000, your total Initial Franchise Fee would be calculated as follows:

~~The Initial Franchise Fee is due when you execute your Franchise Agreement and is nonrefundable upon payment. If you wish to enlarge the size of your APR, you can purchase additional zip codes that are contiguous to your existing APR for the fee of \$0.05 multiplied by the population of the additional zip codes according to the latest Census.~~

<u>Example of an APR with a Total Population of 1,000,000</u>	
<u>Initial Fee</u>	<u>\$23,000</u>
<u>Per Person Fee for an APR population of 1,000,000 (@\$0.05/per)</u>	<u>\$50,000</u>
<u>Total Initial Fee</u>	<u>\$73,000</u>

In the event you request and are subsequently awarded an APR with a population in excess of 1,500,000, your per person population fee for any additional persons added to your APR over 1,500,000 will be \$0.075 per person. For example, if your awarded APR population is 2,000,000, your total Initial Franchise Fee would be calculated as follows:

<u>Example of an APR with a Total Population of 2,000,000</u>	
<u>Initial Fee</u>	<u>\$23,000</u>
<u>Per Person Fee for the 1st 1,500,000 in total population (@\$0.05/per)</u>	<u>\$75,000</u>
<u>Per Person Fee for the additional 500,000 in population (@\$0.075/per)</u>	<u>\$37,500</u>
<u>Total Initial Fee</u>	<u>\$135,500</u>

Initial Marketing Fee

At the time you sign your Franchise Agreement, you will also pay us a \$5,~~000~~500 Initial Marketing Fee- (for the first unit, only). This fee includes the cost of creating your Internet mini-site/landing page, as well as other marketing related activities we assist you with. For example, establishing certain social media accounts, and establishing a local marketing spend strategy for the first ninety (90) days of operation of your Next Day Access Franchise Business. We also provide you with a start-up marketing kit. The Initial Marketing Fee is not refundable.

Initial Contact Center Fee

At the time you sign your Franchise Agreement, you will also pay us a \$4,800 Initial Contact Center Fee. Please see Item 6 for additional information.

Inventory

Additionally, you must purchase ~~\$3533,000~~ - ~~\$50,000~~68,500 of initial inventory from our approved suppliers, ~~which includes a \$14,000 minimum order of inventory from our affiliate, American Access. It is not refundable.~~

Expansion; Discounts

Occasionally we may establish various franchise expansion programs, which are generally, but not exclusively, available only to existing franchise owners. These programs are intended to provide incentives for existing franchise owners to expand their existing franchise territories, acquire existing franchise operations from other franchise owners or expand into additional franchise territories. Under these programs, which are established and maintained at our sole discretion, initial franchise fees for additional franchise territories may be reduced, rebated, or provided certain credits, provided that the new existing franchise meets certain sales or other performance criteria. However, any such expansion must be solely through the offering program of the franchisee's original franchise agreement(s).

Deposit

If the funding for the purchase of your Next Day Access franchise comes in part or in full from the SBA 7(a) loan program or from a loan against your retirement benefits (e.g., 401k loan), we, at our sole discretion, may allow you to pay a deposit upon execution of your franchise agreement/s in lieu of the full initial franchise fee. This deposit must be at least 20% of the initial franchise fee owed with the remaining balance of your initial franchise fee due in full the sooner of your funding from the SBA or 401k loan or 60 days from your Franchise Agreement's Contract Date. This deposit is non-refundable and you will owe the remaining balance of the initial franchise fee whether you successfully obtain an SBA or retirement benefits loan. You are not eligible to participate in this deposit program if you elect (and qualify) to participate in the initial franchise fee financing program described in Item 10 – Financing. We reserve the right to offer, modify, withdraw or reinstate this program in the future without notice to you.

Purchase of Existing Franchise (Transfer)

If you are a new Franchisee and purchase an existing Franchised Business, you will pay us the \$5,000 Initial Marketing Fee all payable upon execution of the Franchise Agreement.

Affiliated Franchises

At our discretion, we may offer qualified candidates, who are currently existing franchisees, the right to purchase a franchise from one of our affiliated brands (as described in Item 1). Such franchisees must independently qualify to own and operate that brand per its then current standards and requirements. If so awarded, the initial franchise fee will be 50% of that brand's then current fee for the first unit purchased only.

Conversion Single Unit Development

At our discretion, we may offer qualified candidates the right to purchase and convert a currently operating independent business similar to ours ("Conversion Program"). We may, but are not obligated, to reduce (or waive) the initial franchise fee for a converted franchise based on such factors as the length of time you have been in business and revenue being generated. The conversion initial franchise fee is deemed fully earned and nonrefundable upon payment. During our fiscal year ~~2023~~2024, we did not grant any conversion franchises.

Veteran's Discount

To honor those men and women who have served in the United States military, the Veterans Transition Franchise Initiative, known as "VetFran," was developed to help those individuals transition to civilian life. This initiative is a voluntary effort of International Franchise Association (IFA) member-companies that is designed to encourage franchise ownership by offering financial incentives to honorably discharged veterans. Next Day Access offers a 20% discount off the \$23,000 initial franchise fee (and not the per person fee) for each unit purchased to individuals who qualify under VetFran.

First Responder's Discount

Next Day Access offers a 20% discount off the \$23,000 initial franchise fee (and not the per person fee) for each unit purchased to individuals who serve (or have served) their communities and country as first responders. The term "first responder" refers to those individuals who in the early stages of an incident are responsible for the protection and preservation of life, property, evidence, and the environment, including emergency response providers as defined in section 2 of the Homeland Security Act of 2002 (6 U.S.C. § 101), as well as emergency management, public health, clinical care, public works, and other skilled support

personnel (such as equipment operators) that provide immediate support services during prevention, response, and recovery operations.

Current Franchise Employee Discount

We offer a \$15,000 discount off the \$23,000 initial franchise fee (and not the per person fee) to any current employee of a Next Day Access Franchised Business who wishes to become a Next Day Access franchisee. In order to qualify for this discount, the employee must have worked for an existing Next Day Access Franchised Business for at least 12 months as well as meet our then current new franchisee standards and requirements. These prospective franchisees are still required to complete all new franchisee training programs although we may accelerate or modify the training requirements, at our discretion, based on the prospective franchisee’s operational experience or business acumen. The prospective franchisee cannot be bound by any existing franchise broker and/or franchise referral programs. In addition, you or your immediate relatives cannot have any ownership or equity in their proposed Franchised Business. We reserve the right to offer, modify, withdraw or reinstate any referral program in the future without notice to you.

The entire Initial Franchise Fee is fully earned and non-refundable upon receipt.

ITEM 6

OTHER FEES

The following chart lists other fees that you must pay to us, or that we impose or collect in whole or in part for a third party. These fees are uniformly imposed.

<u>RECURRING FEES</u>			
TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
Royalty (Note 1 & 3) Applied Annually Reset <u>Resent</u> on January 1 8% on <u>of</u> Gross Sales of <u>from</u> \$0- \$ - \$499,999 6% on <u>of</u> Gross Sales of <u>\$0-</u> <u>\$</u> <u>from</u> \$500,000 - \$2,999,999 5% on <u>of</u> Gross Sales of \$3,000,000 and above	If you achieve \$1,000,000 of Gross Revenue in any calendar year, the royalty rate during the next calendar year will be 6% on \$0- 2,999,999 of Gross Revenue. If you achieve \$3,000,000 of Gross Revenue in any calendar year, the royalty rate during the next calendar year will be 5% on all Gross Revenue. Annual royalty rates are set on January 1.	On the 10th day following the close of every calendar month (Or as updated in operational manuals)	Funds must be received by the 10th of each month electronic transfer or Direct Deposit as described in the Franchise Agreement, or by any other method as we may specify in the Operations Manual or otherwise in writing. (Section 4.4 of the Franchise Agreement)
Per Diem Assistance Fee	Travel related expenses	As incurred	Paid to us. (Section 3.8 of the Franchise Agreement)

Operations Manual Paper Copy Replacement Charge	Currently, \$1 per page plus shipping—digital copy free	As incurred	Paid to us. (Section 9.3 of the Franchise Agreement)
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General Service Fee (Notes 1 and , 2 & 3)	<p>Currently 1% of Gross Revenue; \$1,000 or \$325 per month or up to \$12,000 per year; \$325 monthly minimum., <u>whichever is greater</u></p> <p>The cap resets on January 1 of each calendar year.</p>	<p>When the Royalty is paid.</p> <p><u>On the 10th day of first full month after Open Date</u></p> <p>(Or as updated in operational manuals)</p>	<p>Paid to us</p> <p>(Section 4.3 of the Franchise Agreement)</p>
National Ad Fund Advertising Fee (Note 1)	Not currently collected but we reserve the right to charge up to 2% of Gross Sales	<p>When the Royalty is paid</p> <p>(Or as updated in operational manuals)</p>	<p>Paid to us.</p> <p>We reserve the right to implement this fee with 60 days written notice.</p>
Local Marketing (Note 1)	<p><u>You must spend at least \$800 each month, or 4% of Gross Revenue or \$800 the gross revenue for the previous month,</u> whichever is greater<u>higher</u>, during the 6th through the 12th months your first year of operations<u>business</u> or if your annual Gross Revenue<u>gross revenue</u> for the prior<u>previous</u> fiscal year is<u>was</u> less than \$300,000.;</p> <p><u>You must spend at least 3% of Gross Revenue your previous month's gross revenue</u> if your annual Gross Revenue<u>gross revenue</u> for the prior<u>previous</u> fiscal year is greater than or equal to<u>was</u> \$300,000 and or more but less than<u>than</u> \$500,000.</p>	<p>Spent monthly by you as we may direct in the Operations Manual or otherwise in writing.</p>	<p>Paid to advertisers to promote your business. (Section 12.2 of the Franchise Agreement).</p> <p>We may require you to use a designated vendor for certain types of marketing.</p> <p><u>If we find that you haven't spent the necessary amounts, we might ask you to pay unspent amounts to us as a Local Marketing Fee</u></p>

	<p>You must spend at least 2% of Gross Revenue your gross revenue from the previous month each month if your annual Gross Revenue gross revenue for the prior previous fiscal year is equal to or greater than was at least \$500,000.</p>		
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Auditing Costs	<p>Cost of audit including reimbursement of our direct internal cost, plus travel expenses, plus the interest of the underpayment of 18% or max by law.</p>	As incurred	<p>You must reimburse us for our auditing costs if we have to audit you because you fail to provide us with the required reports on a timely basis. (Section 11.4 of the Franchise Agreement)</p>
Transfer Fee	\$15,000	Time of transfer	<p>Paid to us if there is a transfer under the Franchise Agreement. (Section 14.3.13 of the Franchise Agreement)</p>
Renewal Fee	50% of our then current Initial Franchise Fee	Time of renewal	<p>Paid to us if you renew your rights under the Franchise Agreement. (Section 2.2.9 of the Franchise Agreement)</p>
Interest	<p>Lesser of 18% or the maximum amount allowed by state law</p>	Upon demand	<p>Payable on any fees or payments due to us. The interest rate is per annum, calculated daily.</p>
Late Payment Fee	<p>Up to \$150 per week for each individual payment past due</p>	Upon demand	<p>Payable to us. Late fees begin from the date payment was due, but not received, or date of underpayment.</p>
Late Reporting Fee	<p>Up to \$150 per report per week for each required report that has not been submitted</p>	Upon demand	<p>Payable to us. Late fees begin from the date the report was due, but not received.</p>

Cost and Attorney Fees	Reimbursement of our actual costs	As incurred	You must pay all expenses, including attorneys' fees and costs, incurred by us, our Parent, and our successors and assigns to remedy any of your defaults of, or enforce any of our rights under, the Franchise Agreement; to effect termination of the Franchise Agreement, and to collect any amounts due under the Franchise Agreement. (Section 26.8 of the Franchise Agreement)
Additional APR (Note 5)	Census population in the zip codes that comprise your APR times the then current per person fee.	At your election, as a part of your initial closing or any time after you close on the purchase of your franchise.	Additional APR is purchased separately from the right to operate the Franchised Business in the APR

Conversion Program and Honored Veteran Program Additional APR <u>Field Service Management Software Fee</u> (Notes 3 & 45)	Census population in the zip codes that comprise your APR or some subset of those zip codes times the then current per person fee as stated in the most recent national census. Currently \$170/month	At your election, as a part of your initial closing <u>On the 10th day of the month</u> (Or as updated in operational manuals)	<u>Paid to us.</u> <u>Fee can be paid on an annual basis, rate of \$1,920.00</u> Additional APR is purchased separately from We reserve the right to operate <u>change the Franchised Business in vendor utilized for this service as well as change the APR fees with 60 days written notice.</u>
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Supplier Approval Fee	The reasonable cost of the evaluation and testing.	Upon your request that we evaluate a potential supplier	In order to maintain uniform standards across the Next Day Access system, all suppliers to you must be approved by us in advance.
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<u>Productivity Suite Google Workspace</u> Fee (Note 85)	Varies between \$14.00 to \$30 Currently \$18.00 per month, per license/ <u>Google Workspace</u> account depending on the package selected by you.	On the 10th day following the close of every calendar month (Or as updated in operational manuals)	<u>Paid to us.</u> You and, as well as your key employees, are required to use our approved <u>utilize Google's Workspace® as your email, document creation, and cloud-based storage provider</u>
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			<p>(“Productivity Suite Provider”).</p> <p><u>platform. At the time of this disclosure, this fee is \$18.00 per month per Google Workspace license (plus applicable taxes, if applicable). We reserve the right to change the provider of this service as well as increase this fee, per license/account, this fee with 30 days written notice.</u></p>
<u>Accounting Software Fee (Note 4 & 5)</u>	<u>Varies between \$32.00 and \$75.00 per month depending on the reporting package you select.</u>	<u>Invoiced</u>	<u>Payable to approved vendor. We currently require that you purchase or lease the latest version of the QuickBooks Online (“QBOE”) Business Package.</u>
<u>Jobber Monthly fee (Notes 6, 7 & 8)</u> <u>Contact Center Fee (Note 6)</u>	<p><u>Currently \$170 Initial Contact Center Fee (for your first 6 months of operation):</u> <u>As stated in Item 5, above.</u></p> <p><u>Ongoing Contact Center Fee (after your 6th month of operation):</u> <u>\$799/month</u></p>	<p><u>1st On the 20th day following the close of the every calendar month</u></p> <p>(Or as updated in operational manuals)</p>	<p><u>Thereafter, if you elect to continue utilizing the Contact Center, you will pay an ongoing monthly fee as stated in this description.</u></p> <p>Fee can be paid on an annual basis, rate of \$1,920.00</p> <p><u>We reserve the right to change the vendor utilized for this service as well as increase the fee this fee with 30 days written notice.</u></p>

EVENT RELATED EXPENSES

<u>TYPE OF FEES</u>	<u>AMOUNT</u>	<u>DUE DATE</u>	<u>REMARKS</u>
<u>Annual Conference Fee (Note 7)</u>	<u>Up to \$1,000 per person for the first two attendees; Up to \$500 for each additional attendee</u>	<u>Upon event registration</u>	<u>Paid to us</u>
<u>Annual Conference Absentee Fee (Note 7)</u>	<u>\$2,500</u>	<u>10 days after Annual Conference</u>	<u>Paid to us</u>
<u>Regional Meeting Fee (Note 8)</u>	<u>Up to \$350 per person</u>	<u>Upon event registration</u>	<u>Paid to us</u>
<u>Regional Meeting Absentee Fee (Note 8)</u>	<u>\$750</u>	<u>10 days after Regional Meeting</u>	<u>Paid to us</u>
<u>Business Transfer Fee</u>	<u>\$15,000 at the time of transfer if the transfer</u>	<u>Prior to training</u>	<u>Payable to us at Business Transfer Closing</u>

EVENT RELATED EXPENSES

<u>TYPE OF FEES</u>	<u>AMOUNT</u>	<u>DUE DATE</u>	<u>REMARKS</u>
	<u>involves 50% or more change of ownership. If the transfer involves less than a 50% change of ownership, the transfer fee will be calculated based upon the percentage of ownership change</u>		
<u>Renewal Fee</u>	<u>\$10,000</u>	<u>Time of renewal</u>	<u>Paid to us if you renew your rights under the Franchise Agreement.</u>
<u>Conversion Program (Note 9)</u>	<u>Census population in the zip codes that comprise your APR or some subset of those zip codes times the then current per person fee as stated in the most recent national census</u>	<u>At your election, as a part of your initial closing</u>	<u>Additional APR is purchased separately from the right to operate the Franchised Business in the APR</u>
<u>Third-party Broker Listing Fee (Note 10)</u>	<u>Varies by broker</u>	<u>Upon execution of new franchise agreement by buyer</u>	<u>Payable to us or escrow agent</u>
<u>Examination/Audit of Your Records and Under Reporting Penalty</u>	<u>\$300 per day per person plus: expenses, full amount of any underpayment, \$5,000 penalty, and interest on any underpayment</u>	<u>Upon demand</u>	<u>Cost of audit is payable only if the understatement exceeds three percent (3%)</u>
<u>Unapproved Services Fee</u>	<u>1% of Gross Sales</u>	<u>Monthly</u>	<u>Payable to us in the event you utilize our Proprietary Marks in the provision of unapproved services</u>
<u>Late Payment Fee</u>	<u>Up to \$150 per week for each individual payment past due</u>	<u>Upon demand</u>	<u>Payable to us. Late fees begin from the date payment was due, but not received, or date of underpayment.</u>

EVENT RELATED EXPENSES

<u>TYPE OF FEES</u>	<u>AMOUNT</u>	<u>DUE DATE</u>	<u>REMARKS</u>
<u>Late Reporting Fee</u>	<u>Up to \$500.00 for the first overdue report then \$100 per report per week until the overdue reports are submitted</u>	<u>Upon demand</u>	<u>Payable to us. Late fees begin from the date the report was due, but not received.</u>
<u>Interest</u>	<u>Lesser of 18% or the maximum amount allowed by state law</u>	<u>Upon demand</u>	<u>Payable on any fees or payments due to us. The interest rate is per annum, calculated daily.</u>
<u>Search Engine Marketing ("SEM")</u>	<u>Not currently collected, but we reserve the right to charge up to \$500/year</u>	<u>Annually</u>	<u>We or any of affiliates have the right, but not the obligation, to provide you with search engine marketing services or to arrange such services to be provided through a third-party SEM service provider. You may, after your first 60 days of operation, choose to use our then current SEM service provider in respect of your Franchised Business. We reserve the right to change this vendor. We also reserve the right to change the fee with 30 days written notice.</u>
<u>Cost and Attorney Fees</u>	<u>Reimbursement of our actual costs</u>	<u>As incurred</u>	<u>You must pay all expenses, including attorneys' fees and costs, incurred by us, our Parent, and our successors and assigns to remedy any of your defaults of, or enforce any of our rights under, the Franchise Agreement; to effect termination of the Franchise Agreement, and to collect any amounts due under the Franchise Agreement.</u>
<u>Reimbursement of monies paid by us on your behalf</u>	<u>Varies</u>	<u>Upon demand</u>	<u>For payments you fail to make and that we make on your behalf</u>

Notes:

Unless otherwise indicated, all the fees listed in the table are non-refundable and are uniformly imposed by, payable to, and collected by us.

1. “Gross Revenue” means all revenues generated from the sale or lease of Products (see [4-25.6](#) of the Franchise Agreement), as appropriate, and any other revenue you derive from operating your Next Day Access Business conducted upon, from or with respect to the Next Day Access Business, whether such sales are evidenced by cash, check, credit, charge, account, barter, or exchange. Gross Revenue includes all monies or credit received from the sale of products, from tangible property of every kind and nature, business interruption insurance, promotions, or otherwise. Gross Revenue does not include good faith refunds, adjustments, credits, and allowances actually made by your Next Day Access Business in compliance with the Operations Manual. Gross Revenue also excludes any sales taxes or other taxes collected from customers by you and paid directly to the appropriate taxing authority. You are required to process your month end Royalty Report and submit it no later than 10 days subsequent to the end of each monthly billing period (or as updated in the Manuals).
2. General Service Fee. During the term of this Agreement, you will pay us a General Service Fee. The General Service Fee is in place to support the services provided to franchisees, including onboarding of new franchisees, continuing support and training for existing franchisees, HelpDesk ticket management, and servicing specific graphic design, content creation and website update requests. This also includes the expenses associated with: technology improvements and programs related to the HelpDesk; and specific marketing content creation, including but not limited to brochure, collateral, direct mail, and social media. Additionally, it includes the reasonable salaries, benefits and expenses of personnel who create, manage and support these programs, not only the subject matter experts in the respective departments managing those efforts but also those on the leadership team and in other departments. Currently, this fee is 1% of Gross Revenue with a monthly minimum of \$325 capped out at \$1,000 per month or \$12,000 per year. We reserve the right to increase this fee up to 2% per year with a monthly minimum of \$650 capped out at \$2,000 per month or \$24,000 per year. The cap resets each year on January 1.
- ~~3. The Conversion Program is available for the owners of businesses similar to the Franchised Business who seek an affiliation with a chain operation (the “Conversion Owner”). The Honored Veteran Program is available to members of the United States military who have been honorably discharged and their spouse and is essentially the same as the Conversion Program (the “Honored Veteran Program”). Both programs are essentially the same as a normal franchise with the exception of a reduced Initial Franchise Fee (see Item 5) of \$20,700 for the Conversion Amendment and Honored Veteran Program, plus \$0.05 per person total population in your APR. Both Programs require the Franchisee to follow the opening Advertising and Marketing Program. In the case of the Conversion Franchisee these expenditures are due after making the physical conversion of the Location within a reasonable period of time not to exceed sixty (60) days.~~
- ~~4. You have no obligation to purchase additional rights at any time. When you purchase additional APR rights concurrent with signing your franchise agreement, we discount the price on purchasing additional APR rights.~~
- ~~5. We will provide you with access to our proprietary Jobber software.~~
- ~~6. Computer Systems and Communications Links. You must purchase our proprietary software Jobber that can be used on your company’s computer or tablet system.~~
3. You must use the System’s proprietary Jobber software then current Field Service Management Software in connection with the operation of your Franchised Business, which we license to you. A Monthly Software License Fee of The fee is currently \$170 per month. The Jobber software The Field Service Management Software provides assistance with the management of client leads and data, sales records and documentation, inventory control, marketing efforts, administrative matters,

and customer service for you and your employees and serves as a comprehensive business management software for your Franchised Business. ~~We or our affiliates will provide support for the Jobber software.~~

7.4. You must also purchase and use QuickBooks Plus accounting software for your bookkeeping and accounting, which is compatible with our accounting systems. QuickBooks Plus is available from outside vendors for approximately \$70 monthly. You will need to have a QuickBooks account that will sync with ~~Jobber~~the Field Service Management Software to complete your business accounting system. Currently we provide a subscriber link to online QuickBooks with an initial 12-month savings of 50% off the monthly rate.

8.5. You must maintain your computer system at your expense and must replace, upgrade, or update the hardware and software components of your computer system as we may require periodically. You must install any other hardware or software for the operation of the Franchised Business that we may require in the future, including any enhancements, additions, substitutions, modifications, and upgrades. There is no contractual limitation on the frequency or cost of these obligations. We may also require you to license from us, or others we designate, any computer software we develop or acquire for use by Next Day Access Franchised Businesses.

6. We have established for your benefit a Contact Center. The Contact Center provides answering services, assistance with client management, assistance with scheduling, initial client qualification, CRM data entry, follow-up call scheduling, handling of after-hours calls, and other similar Contact Center activities. Participants will receive monthly reports detailing call volume, handling time, and customer satisfaction metrics. You are required to participate in the Contact Center for the first 12 months of your Franchised Business' operation. The first 6 months of Contact Center fees is \$4,800 and is to be paid upon signing the franchise agreement. The following 6 months will be billed as a required monthly fee of \$799. During this time, the company will provide initial and ongoing training to ensure franchisees are able to effectively utilize the contact center services. After the 12th month, you may elect to stop utilizing the Contact Center and pay no further fees. We may elect to discontinue the Contact Center program at any time. Additionally, we reserve the right to: (i) change the monthly fee you pay after your initial 12 months of operation with 30 days written notice; and (ii) discount the monthly fees for any additional Franchised Businesses you are awarded. The Contact Center adheres to all applicable data privacy regulations and implements industry-standard security measures to protect client information. The contact center utilizes Dialpad and integrates with the franchise's scheduling software. The contact center will perform routine call monitoring to ensure quality and provide feedback to agents.

7. You are required to attend the Annual Conference. In the event you are unable to attend the Annual Conference, you must send an employee, who has been approved for attendance by us. If you fail to attend the Annual Conference (or send an approved employee in your stead), you will be charged a \$1,500 absentee fee ("Annual Conference Absentee Fee"), via ACH, 10 days after the missed Annual Conference concludes. We may change the Annual Conference Fee with 90 days' written notice prior to the Annual Conference. All Annual Conference attendees are responsible for all of their own travel costs and expenses of lodging, transportation and meals. We reserve the right not to conduct an Annual Conference.

8. You are required to attend one Regional Meeting. In the event you are unable to attend the Regional Meeting, you may send an employee who has been approved for attendance by us. If you fail to attend the Regional Meeting (or send an approved employee in your stead), you will be charged a \$500 absentee fee ("Regional Meeting Absentee Fee"), via ACH, 10 days after the Regional Meeting(s) conclude. We may change the Regional Meeting Fee with 90 days' written notice prior to the first scheduled Regional Meeting. All Regional Meeting attendees are responsible for all of

their own travel costs and expenses of lodging, transportation and meals. We reserve the right not to conduct a Regional Meeting.

9. The Conversion Program is available for the owners of businesses similar to the Franchised Business who seek an affiliation with a chain operation (the "Conversion Owner"). This program is essentially the same as a normal franchise with the exception that we reserve the right to reduce the Initial Franchise Fee (see Item 5).
10. If a franchise sales broker is used to sell your Franchised Business, you must pay that broker a Third-Party Broker Sales Fee. Fees vary by broker. For example, some brokers may charge you a flat fee to sell your Franchised Business or a percentage of your eventual sale price (or a combination of both.) It is your responsibility to understand the terms and conditions, including the fees, any Third-Party Broker may require of you. Additionally, these fees may be assessed for each individual territory sold and must be paid to a licensed escrow agent or to us to then disburse any amounts owed to third-party brokers.
11. We may increase the amount of a fixed fee or fixed payment due under the Franchise Agreement or any related agreements. An annual increase to each particular fixed fee or fixed payment may occur only once during any calendar year and may not exceed the corresponding cumulative percentage increase in the Index since the date of the Franchise Agreement or, as the case may be, the date that the last Annual Increase became effective for the particular fixed fee or fixed payment being increased. Annual Increases will be made at the same time during the calendar year. "Annual Increase" means the increase in the amount of a fixed fee or fixed payment due us or an affiliate under a franchise agreement or a related agreement. "Index" means the Consumer Price Index for All Urban Consumers (CPI-U) for the U.S. City Average for all Items (1982-1984=100), not seasonally adjusted, as published by the United States Department of Labor, Bureau of Labor Statistics. If the Index is discontinued or revised during the term of the Franchise Agreement, the other governmental index or computation with which it is replaced will be used to obtain substantially the same result as would be obtained if the Index had not been discontinued or revised.

ITEM 7

ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

<u>YOUR ESTIMATED INITIAL INVESTMENT</u>				
TYPE OF EXPENDITURE	AMOUNT	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
Initial Franchise Fee (Notes 1, 2 and 16 17)	\$23,000	Lump Sum	When you sign the Franchise Agreement	Us
<u>Population Fee</u> (Notes 1, 2, and 17)	<u>\$25,000 - \$75,000</u>	<u>Lump Sum</u>	<u>When you sign the franchise agreement</u>	<u>Us</u>
Initial Marketing Fee	\$5,000 500	Lump Sum	When you sign the Franchise Agreement	Us

YOUR ESTIMATED INITIAL INVESTMENT

TYPE OF EXPENDITURE	AMOUNT	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
Territory Population Initial Contact Center Fee – 6 months (Note 173)	\$25,000– \$75,000 <u>\$4,800</u>	Lump Sum	When you sign the franchise agreement <u>Franchise</u> <u>Agreement</u>	Us
Real Estate and Leasehold Improvements (<u>6</u> <u>months</u>) (Notes 1 and <u>34</u>)	\$0– \$1,000 <u>\$5,400 –</u> <u>\$8,250</u>	As Incurred	As incurred	Landlord
Signs and /or vehicle wraps (Notes 1 and <u>56</u>)	\$3,200 – \$5,000	As Incurred	As incurred	Approved suppliers or per specifications
Initial Inventory (Notes 1 and <u>45</u>)	\$353,000 - \$50,000 <u>\$68,500</u>	Lump Sum	As Incurred	Our affiliate, or our approved supplier
Vehicle Maintenance (Notes 1 and <u>67</u>)	\$5,800 – \$6,600	As Incurred	As Incurred	Per specifications
Vehicle 12-month lease/ purchase	\$7,200- \$18,000	As Incurred	As Incurred	Per specifications
Vehicle Insurance (Notes 1 and <u>78</u>)	\$1,125 - \$1,500	As Incurred	As Incurred	Insurance Company
Tools (Notes 1 and 8)	\$500 <u>\$1,000 -</u> \$5,000	As Incurred	Before commencing operations	Per specifications
Office / <u>Warehouse</u> Equipment & Supplies (Notes 1 and 10 <u>11</u>)	\$2,900 – \$9,900	As Incurred	Before commencing operations	Per specifications
Start-Up Marketing/ Opening Advertising & Promotion (Notes 1 and 11 <u>12</u>)	\$5,000 – \$7,500	As Incurred	Expended according to our marketing program during your first 90 days of operation	To promote the business (Section 12.19 of the Franchise Agreement)
Insurance Premiums for first year (Notes 1 and <u>910</u>)	\$1,200 - \$5,000	Lump Sum or Periodic	Before commencing operations and as arranged	An insurance broker

<u>YOUR ESTIMATED INITIAL INVESTMENT</u>				
TYPE OF EXPENDITURE	AMOUNT	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
Professional Fees (Notes 1 and 12 13)	\$1,000 - \$2,000	As Arranged	As incurred	Suppliers
Licenses and Permits (Notes 1 and 13)	\$100 - \$3,500	As Arranged	As incurred	Governmental agencies
Training Expenses (Notes 1 and 14 15)	\$1,000 – \$3,000	As Arranged	As incurred	Suppliers
Additional Funds – 6 Months Working Capital (Notes 1 and 15 16)	\$50,000 - \$100,000	As Arranged	As incurred	Suppliers, employees, utilities, etc.
TOTAL	\$167,025 - \$321,000 \$176,225 - \$352,050			

Notes:

1. Except for the initial fees, all costs listed in the table are estimates only. Unless noted otherwise, all fees and payments described in this Item 7 are non-refundable.
2. The Initial Franchise Fee ~~for a Next Day Access Franchise~~ is \$23,000. ~~The Franchised Business grants plus \$0.05 per person up to a total population of 1,500,000 in your APR (combined, the “Initial Franchise Fee”). In the event you the protected right to sell request and rent approved products within an Area of Primary Responsibility (the “APR”) specified by us and more fully described in your Franchise Agreement (Section 1). You have the option, but are not required, to purchase subsequently awarded an APR with a population in excess of 1,500,000, your per person population fee for any additional APR rights to sell and rent approved products within other zip codes by paying an additional fee of \$0.05 multiplied by the number of persons located within the zip codes being purchased; added to your APR over 1,500,000 will be \$0.075 per person. The entire Initial Franchise Fee is fully earned and non-refundable non-refundable in consideration of administrative and other expenses incurred by us in granting this franchise and for our lost or deferred opportunity to enter into this Agreement with others; provided, however, that, if you (or your managing shareholder, partner or member) fail to complete the Initial Training Program to our satisfaction, we will have the right to terminate your Franchise Agreement. The Population Fee in this Item is based on an APR of 500,000 to 1,500,000 at the cost of \$0.05 per person.~~
3. You are required to participate in the Contact Center for the first 12 months of your Franchised Business’ operation. The first 6 months of Contact Center fees will be paid upon signing the franchise agreement. The following 6 months will be billed as a required monthly fee of \$799.
- ~~3.4.~~ The estimate provided would cover shelving for the storage of inventory, samples and marketing materials. We do not require you to acquire or You will need to lease real estate warehouse or commercial space for stocking inventory and supporting operations as well as sufficient space for an administrative office. We estimate such space will be between 1,000 and 1,500 square feet of space, depending on the layout of the space selected and whether you have assumed you will

~~sufficient room in the warehouse or commercial space for administrative activities. Generally, warehouse space leases out at approximately \$11/sq.ft. Because of this, we estimate that your full year's rent will cost between \$10,800 to \$16,500. However, this will vary greatly by location. You may not operate the business out of your home. You may operate your Next Day Access franchise from your personal residence. Note, however, that you may have restrictive covenants associated with your personal residence that will not allow you to do so. If you do not operate from your residence you will need to rent office and warehouse space.~~

~~4.5.~~ The cost covers an initial supply of proprietary ramp and accessories along with individual items from our approved vendors to be used as sale and rental inventory. We also suggest that you speak to our approved suppliers and vendors to determine your specific needs as well as if they are running any promotions.

~~5.6.~~ This is the estimated cost for vinyl signage to be installed on any sales or installation truck which shall include the Next Day Access web page, logo, and local number (no more than 5 years old of current year or approved by us). Wording and graphics must have prior approval by us before using.

~~6.7.~~ We do require that the vehicle you use be in good condition and that you use this vehicle when on official business for your Franchised Business. You are responsible for maintaining and repairing these vehicles at your own expense. The estimated expense covers maintenance for a one-year period and does not include gas or the expense to re-lease or purchase a new or used vehicle. This vehicle should display the graphics/signage we designate for that vehicle. You must keep each Vehicle in the highest degree of cleanliness, orderliness, sanitation and repair in accordance with the vehicles owner's manual. This line does not include the cost of the graphics/signage for that vehicle that we designate and you must purchase.

~~7.8.~~ Vehicle Insurance will fluctuate with market and driving record. This estimate is for the first three months of coverage. See Note 9.

~~8.9.~~ This estimated cost covers a list of miscellaneous hand tools which you will need to perform the basic daily duties. You may need to purchase these if you do not already own them.

~~9. Before opening, you must purchase the following insurance coverage for your Next Day Access Business: \$1,000,000 per occurrence of General Liability; \$1,000,000 per occurrence of Products/Completed Operations; \$2,000,000 of aggregate limit; \$500,000 minimum workers' compensation (or more as the law requires); \$1,000,000 of, hired, /non-owned automobiles liability, Business interruption covering and loss of income with extra expense. The Commercial General Liability policy shall name us as an additional insured and shall specifically include additional insured rights for the "products/completed coverage grant." Your Insurer must commit not to cancel or amend the policy or policies without at least 30 days prior written notice to us. You must provide us with certificates of insurance evidencing the required coverage.~~

10. Required insurance policies include comprehensive general liability, products/completed operations insurance, special form property insurance, a theft/dishonesty bond, automobile liability insurance, and business interruption insurance. Please see Item 8 for additional information. The estimated first year cost indicated in this table does not include workers' compensation (which varies by state and location). We may reasonably change the minimum liability protection requirement annually and require, at any time on reasonable prior notice to you, different or additional kinds of insurance to reflect inflation, changes in standards of liability or higher damage awards in public, product or motor vehicle liability litigation or other relevant changes in circumstances.

- ~~10~~.11. The estimated cost covers your office equipment (a cell phone, fax machine, file cabinet, desk, chair, computer hardware and software, and your Initial supply of office supplies). You are required to purchase computer equipment and to install such applications as we require and use it as directed by the Operations Manual or otherwise. Additionally, if you elect to rent office or warehouse space, you will likely need to purchase a pallet jack, a fork lift, as well as shelving for your inventory. The prices for these items vary but are often available used.
- ~~11~~.12. You must spend a minimum of \$5,000 on local marketing within the first ninety (90) days of operation of your Next Day Access Business. Additionally, you are required to obtain a professionally taken headshot for the sake of your websites and related advertising. We estimate that this will cost between \$60 and \$200.
- ~~12~~.13. The estimate would cover your initial consultation with legal and accounting professionals regarding this franchise opportunity.
- ~~13~~.14. Some states require additional licensing and permits to conduct certain types of business in that state. Most states require you to obtain a license to become a sales tax vendor.
- ~~14~~.15. This estimate includes the travel, food, and lodging expenses of one or two persons to attend the 10-day initial training program in Bartlett, Tennessee, our Designated Location (See Item 11 Training for additional information).
- ~~15~~.16. This is an estimate of the amount of additional operating capital that you may need during the first six months after opening (the initial period) your Franchised Business. This estimate is based upon our experience with existing franchisees ~~and the units that are operated by our affiliate BDPC.~~ This estimate includes additional funds you may need to pay, including, but not limited to, employee salaries and wages, payroll taxes, utilities, fuel costs, credit card facility fees, such items as payroll taxes (including payroll to cover the pre-opening training period for your staff), legal and accounting fees, additional advertising, health and workers' compensation insurance, bank charges, miscellaneous supplies and equipment, staff recruiting expenses, state tax and license fees, deposits, prepaid expenses, and other miscellaneous items. The preceding list is by no means conclusive of the extent of possible categories of expenses. The expenses you incur during the start-up period will depend on factors such as local economic and market conditions, your business experience, and weather conditions. We cannot guarantee that you will not incur additional expenses in starting the business that may exceed this estimate or that you will not need additional funds after your first six months of operation. It is best to contact your accountant or financial advisor for further guidance.
- ~~16~~.17. **Conversion and Honored Veteran Franchise.** We have a program that allows an existing business that is similar to the Franchised Business to be converted by their owner to the Franchised Business (a "Conversion Franchise"). ~~We also offer a similar program to honorably discharged members of our Armed Services or their spouses for former members of the United States military retired from active duty because of service related disabilities or their spouses (an "Honored Veteran Franchise").~~ The only difference in the Initial Investment of a regular Franchised Business and one that is based on a Conversion Franchise is that we reserve the amount of right to reduce the Initial Franchise Fee, reduced from \$23,000 to \$20,700 for the Conversion Franchise or Honored Veteran Franchise. The requirements for startup and operations are the same for both the Standard and the Conversion Franchises. The Converting Franchise Owner will be required to pay additional fees not paid as an independent operator, such as Royalties and Marketing Fees. Except as described above, the cost associated with initiating operations as a Franchised Business do not vary between the two forms of the Franchised Business so no variation in the cost of opening and initially operating the Conversion Franchise should be expected.

~~17. The Territory Population Fee is based on the population in your APR. This is an estimate based on an APR of 500,000 to 1,500,000 at the cost of \$.05 per person.~~

ITEM 8

RESTRICTION ON SOURCES OF PRODUCTS AND SERVICES

You must purchase or lease all equipment that we approve and require for your Next Day Access, including, the computer hardware, software, and tools, all as described in the Operations Manual. You must purchase all Next Day Access products from our Affiliate American Access (at then current prices and subject to the then current terms and conditions) or from other designated or approved supplier(s) we specify. Currently, our Affiliate American Access is the only approved supplier of American Access Ramp products. You may not contract with other suppliers to purchase American Access Ramp products.

All equipment and products sold or offered for sale at the Next Day Access Business must meet our then-current standards and specifications, as established in the Operations Manual or otherwise in writing. Except as otherwise provided in the Franchise Agreement, you must purchase all equipment and products used or offered for sale at the Next Day Access Business for which we have established standards or specifications solely from approved suppliers (including distributors and other sources) which demonstrate, to our continuing reasonable satisfaction, the ability to meet our standards and specifications, and who have been approved by us in the Operations Manual or otherwise in writing. If you desire to purchase products from a party other than an approved supplier, you must submit to us a written request to approve the proposed products or suppliers, together with such evidence of conformity with our specifications as we may reasonably require. We have the right to require that our representatives be permitted to inspect the supplier's facilities, and that samples from the supplier be delivered for evaluation and testing either to us or to an independent testing facility we designate. You must pay a charge not to exceed the reasonable cost of the evaluation and testing. We will use our best efforts, within ninety (90) days after our receipt of such completed request and completion of such evaluation and testing (if required by us), to notify you in writing of our approval or disapproval of the proposed supplier. You may not sell or offer for sale any products of the proposed supplier until you receive our written approval of the proposed supplier. We may from time to time revoke our approval of particular products or suppliers when we determine that such products or suppliers no longer meet our standards. Upon receipt of written notice of such revocation, you must cease to sell any disapproved products and cease to purchase from any disapproved supplier.

We do not provide you with specifications for approved products and do not make our specifications available to prospective suppliers.

The following table sets forth our estimates regarding the things we require you to purchase or lease from us or our approved vendors or suppliers relative to your total initial investment and annual operating expenses (not as a percentage of gross revenue).

GOODS/SERVICES	PERCENTAGE OF TOTAL INITIAL INVESTMENT	PERCENTAGE OF TOTAL ANNUAL OPERATING EXPENSES
Leasehold Improvements	Less than 1%	Less than 1%
Signs	Less than 1%	Less than 1%
Inventory	12 18% to 17 19%	50%

Vehicles	2% to 3%	3%
Tools	Less than 1%	Less than 1%
Office Equipment and Supplies	Less than 12% to 23%	1%
Insurance	Less than 3% to 72%	3%

For the year ending December 31, 2024, our revenue from required franchisee purchases and leases was \$54,430 or 1.1% of our total revenues of \$5,175,086.

Insurance

~~You must, at all times, maintain in force, at your sole expense, on a primary basis with us, the following insurance:~~

- ~~1. Commercial general liability insurance, including bodily injury, property damage, personal injury, products, and completed operations liability coverage, with a limit not less than \$1,000,000 (\$2,000,000 in aggregate);~~
 - ~~1. 2. Workers' Compensation and employers' liability to meet statutory requirements of your state(s) of operation; you must maintain Workers' Compensation and employers' liability insurance coverages, regardless if mandated by state law or not;~~
 - ~~1. 3. "Special form" property insurance in an amount appropriate for your business' personal property and Business income & Extra Expense for a minimum of \$100,000; higher amounts encouraged commensurate with your business size;~~
- ~~4. Automobile liability insurance for all owned, non-owned, and hired automobiles, with a single limit coverage of not less than \$1,000,000;~~
- ~~5. Other insurance as may be required by the state and/or the locality and/or region in which the Franchised Business is located and operated.~~

At this time, we do not provide material benefits to you based on your use of our designated or approved sources. No purchasing or distribution cooperatives exist at this time.

We may, at our option, negotiate purchase arrangements, including price terms, with suppliers for the benefit of franchisees. We have negotiated purchase arrangements for some products sold by franchisees, including the Additional Approved Products. In ~~2023~~2024, neither we nor our affiliates received any revenues, rebates, or collected any fees from approved suppliers based upon purchases by the Next Day Access Franchisees, but may do so in the future.

Insurance

You must, at all times, maintain in force, at your sole expense, on a primary basis with us, the following insurance:

1. Commercial general liability insurance, including bodily injury, property damage, personal injury, products, and completed operations liability coverage, with a limit not less than \$1,000,000 (\$2,000,000 in aggregate);
2. Products/Completed operations insurance with a limit not less than \$1,000,000 (\$2,000,000 in aggregate);

3. Workers' Compensation and employers' liability to meet statutory requirements of your state(s) of operation; you must maintain Workers' Compensation and employers' liability insurance coverages, regardless if mandated by state law or not;
4. "Special form" property insurance in an amount appropriate for your business' personal property and Business income & Extra Expense for a minimum of \$100,000; higher amounts encouraged commensurate with your business size;
5. Twenty-five Thousand Dollar (\$25,000) theft/dishonesty bond;
6. Automobile liability insurance for all owned, non-owned, and hired automobiles, with a single limit coverage of not less than \$1,000,000;
7. Business interruption insurance; and
8. Other insurance as may be required by the state and/or the locality and/or region in which the Franchised Business is located and operated.

Additionally, we recommend but do not require that you obtain:

Employment Practices Liability Insurance ("EPLI") with a minimum aggregate of \$500,000, including sub-limits of at least \$100,000 for FLSA/wage and hour claims. In addition, the policy should include: independent contractors in the definition of potential employees, as well as third-party coverage; and

Network Security Insurance ("Cyber Insurance") with a minimum \$500,000 aggregate; In addition, we recommend such policy contain at least: \$5,000 retention/deductible ("Retro Inception") which is comprised of: 1) third-party network security and privacy with coverage up to \$500,000; 2) third-party regulatory fines and penalties with coverage up to \$500,000; 3) first party extortion with coverage up to \$100,000; 4) first party event expense with coverage up to \$500,000; 5) and first party Payment Card Industry ("PCI") fines with coverage up to \$25,000;

You must also purchase any other limits and coverage that we periodically require including Employment Practices Liability Insurance and Network Security Insurance.

ITEM 9

FRANCHISEE'S OBLIGATIONS

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

OBLIGATION	SECTION IN FRANCHISE AGREEMENT	DISCLOSURE DOCUMENT ITEM
a.- Site selection and acquisition/lease	1,2 Sections 1 and 5	<u>Item 11</u>
b.- Pre-opening purchases/leases	5 Sections 1 and 7 5	<u>Items 5, 6, 7 and 8</u>
c.- Site development and other pre-opening requirements	5 Sections 1 and 7 5	<u>Item 11</u>
d.- Initial and ongoing training	<u>Section 4</u> 6	<u>Items 6, 7 and 11</u>
e.- Opening	5 Section 3 and 5	<u>Item 11</u>
f.- Fees	4 Section 3 and 9	<u>Items 5, 6 and 7</u>
g.- Compliance with standards and policies/Operations Manual	<u>Sections 4, 5, 6, 7, 8, 9, 10, 11, 12 and 9</u> 16	<u>Items 8 and 11</u>
h.- Trademarks and proprietary information	8 Sections 7 and 9 8	<u>Items 13 and 14</u>
i.- Restrictions on products/services offered	7 Sections 1, 4 and 5	<u>Items 8 and 16</u>
j.- Warranty and customer service requirements	Not Applicable Sections 4, 5, 6, and 7	<u>Item 11</u>
k.- Territorial development and sales quota	1,3 Section 1, 5, 6 and <u>Addendum A</u>	<u>Item 12</u>
l.- Ongoing product/service purchases	7 Sections 4 and 5	<u>Item 8</u>
m.- Maintenance, appearance and remodeling requirements	7 Sections 1, 2 and 5	6, 8 and <u>Item 11</u>
n.- Insurance	13 Section 10	6 and <u>Item 7</u>
o.- Advertising	12 Sections 3 and 9	6, <u>Items 7 and 11</u>
p.- Indemnification	20 Section 10	6 <u>Not applicable</u>
q.- Owner's participation/management/staffing	7, 13 and 17, 1 Section 5	11 and <u>Item 15</u>
r.- Records/reports	<u>Section 3 and 11</u>	6 <u>Item 11</u>
s.- Inspections/audits	<u>Section 11-4</u>	<u>Item 6 and 11</u>
t.- Transfer	14 Section 13	<u>Item 17</u>
u.- Renewal	<u>Section 2</u>	<u>Item 17</u>

OBLIGATION	SECTION IN FRANCHISE AGREEMENT	DISCLOSURE DOCUMENT ITEM
v.- Post-termination obligations	17 Section 15	Item 17
w.- Non-competition covenants	17 Section 16	Item 17
x.- Dispute resolution	26 Section 23	Item 17

ITEM 10

FINANCING

FINANCING PROGRAM OVERVIEW	
Loan Amount	Up to 50% of Initial Franchise Fee
Interest Rate	10% per annum
Term	60 months
Loan Start Date	Open Date

We have no obligation to provide you any financing, but we may agree to finance up to 50% of the Initial Franchise Fee for qualified prospective franchisees who are awarded a franchise under specified terms and conditions. Our decision to finance the Initial Franchise Fee may be based, in part, on your credit-worthiness, the collateral you have available to secure the financing and our then-current financing policies. We also explicitly reserve the right to conduct credit score inquiries as long as the loan exists. Currently, we do not place financing with a third-party lender, nor do we receive fees or consideration for doing so.

You must make a written representation to us, in a form we specify, confirming the dollar amount of your obligations. The representation must remain true through execution of your Franchise Agreement and we may elect not to approve a transfer, including a transfer to a corporation or other entity wholly owned by you, if you do not either maintain the same investment in your Franchised Business or pay any loans payable to us and our affiliates, if applicable, in full.

Your Loan Start Date will be the earlier of your Open Date or six months from your Contract Date. Interest will begin accruing on your Loan Start Date. We currently charge an interest rate of 10% per annum. Other than interest, we do not charge any finance fees under this loan program.

If we agree to finance a portion of the Initial Franchise Fee, you must sign a promissory note when you sign the Franchise Agreement. An example of our promissory note is attached as Addendum ~~1E~~ to the Franchise Agreement. You must pay us the down payment when you sign the Franchise Agreement and pay the balance in monthly installments.

You must make note payments to us by ACH. Some banks and other financial institutions may charge a fee for electronic transfers but these electronic transfer fees are often negotiable. Monthly payments will begin no later than six months from your Franchise Agreement's Contract Date, regardless of when you complete training or open your business. The length of the repayment term is 60 months.

We require a security interest in the franchise. You must sign a security agreement, substantially in the form included in the promissory note attached as Addendum ~~FF~~ to the Franchise Agreement, on all your assets, including after acquired property and we will file a UCC financing statement with the appropriate governmental authority. We have the right to require additional forms of security.

You may prepay the note at any time without penalty. If you default, we may declare the entire remaining amount due. If you do not pay us the entire balance, and any accrued, unpaid interest, you may be responsible for the court costs and attorneys' fees we incur in collecting the debt from you. We may terminate your Franchise Agreement if you do not pay us.

You must waive your rights to certain notices of a collection action in our promissory note, security agreement and guaranty but there are no waivers of defense in our promissory note, security agreement or guaranty. If you are a legal entity, your shareholders, members, partners and/or owners must personally guarantee the debt and agree to pay the entire debt and all collection costs. We have the right to require a spouse's personal guaranty.

We may sell, assign or discount any promissory note or other obligation arising out of the Franchise Agreement to a third-party. If we sell or assign your promissory note, it will not affect our obligation to provide the services to you that are described in the Franchise Agreement but the third party may be immune under the law to any defenses to payment you may have against us. If we sell or assign your promissory note, we may receive fees and consideration for doing so.

We do not guarantee your obligations to third parties.

We may, in limited circumstances, agree to finance a portion of any expansion fee for qualified franchisees at an 10% interest rate under specified terms and conditions. Our decision to finance an expansion fee may be based, in part, on your credit-worthiness, the collateral you have available to secure the financing and our then-current financing policies.

ITEM 11

FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS, AND TRAINING

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

Pre-Opening Obligations

Before commencing operation of your Next Day Access Business, we are required to provide the following to you:

1. We will provide initial training to you (or your managing shareholder or partner) and ~~one~~ additional employee you choose (Franchise Agreement, Section ~~65~~.1);
2. We will provide you with guidance from time to time regarding operating issues concerning the Next Day Access Business developed by trends, reports, data created by the franchise software, and from on-site inspections we make. We will furnish this guidance to you, at our discretion, in the Operations Manual, bulletins, written materials, during telephone consultations and/or consultations at our office or your Next Day Access Business (Franchise Agreement, Section ~~3~~.8); and
3. We will supply you ~~with one paper copy of our Operations Manual at your initial training and you may request~~ electronic access to the Operations Manual (via Internet, extranet, or other electronic

means) for the term of the Franchise Agreement upon your completion of our initial training program to our satisfaction (Franchise Agreement, Sections ~~3-54~~ and ~~98~~).

4. ~~You may operate your Next Day Access franchise from a home based office if there are not any state or local regulations which forbid this type of operation from a residential location and you have sufficient inventory storage space. If you obtain a commercial location to operate your business, you must do so within 90 days of the signing of your franchise agreement.~~ We will provide limited input regarding your warehouse or commercial office location but will not select your ~~office~~ location nor do we own or lease to you your office location, but we do provide recommendations as to its size, layout, and key lease terms. We will not reject your selected office location unless it is not within your ~~Protected Territory-APR~~. You are solely responsible for conforming the premises to any applicable local ordinances or building codes and obtaining any required permits, and/or constructing, remodeling or decorating the premises, including conforming the premises to any specifications we may now or in the future designate in the Operating Manual or otherwise via writing, and hiring and training your employees. You may elect to bring certain employees to the initial training program in which case we would assist in providing that training.
5. Our affiliate may provide you with certain opening inventory items. In addition, we may provide you with lists of approved or designated suppliers for other inventory, equipment, signs, fixtures and supplies, and we may provide written specifications for certain of these items in our sole discretion. We do not typically deliver or install these items.
6. ~~We will provide you guidelines on how to determine what prices to set for your franchised business's services in your location, but we will not set your price levels nor reject or change what you determine.~~

Time to Open

You may not open your Franchised Business before: (i) successful completion of the initial training program with us being the sole determinate regarding your readiness; (ii) you purchase all required insurance; (iii) you identify your site location; and (iv) you obtain all required licenses, permits and other governmental approvals. The typical length of time to open your Business is 90 days from the time you sign your Franchise Agreement. Unless we agree to the contrary, your Business must be open the sooner of 10 days after you have completed the initial training program or 90 days from the time of signing your franchise agreement. Your failure to open within this period constitutes an event of default under your Franchise Agreement and result in termination of your Franchise Agreement.

Continuing Obligations

After you commence operation of your Next Day Access Business, we are required to provide the following to you:

1. We may, in our sole discretion, require you and/or previously trained and experienced employees to attend refresher training courses at such times and locations that we designate, and we may, in our sole discretion, charge reasonable fees for such courses (Franchise Agreement, Sections ~~6-2,~~ ~~6-4.3~~ and ~~6-4.5~~);
2. We will furnish guidance to you from time to time, as we deem appropriate in our sole discretion, on the following matters in operating the Next Day Access Business:
 - a. Standards, specifications, and operating procedures and methods utilized by the business;

- b. Purchasing required and recommended goods, equipment, materials, supplies, and services;
 - c. Advertising and marketing programs;
 - d. Employee training; and
 - e. Administrative, bookkeeping, and accounting procedures (Franchise Agreement, Section 3.811).
3. During the initial 12 months of the term of the Franchise Agreement, our representative will, at times as we determine in our discretion, visit with you (at least once) in your APR or at a location agreeable to both parties to provide you with guidance in developing and operating your Next Day Access Business. These visits may occur thereafter as we determine in our sole discretion. (Franchise Agreement, Section 3.35);
 4. We reserve the right, at our option, to require you to attend ~~1-annual~~annually: one national ~~or conference and one~~ regional meeting, seminar, or convention for Next Day Access franchisees for training or business purposes at your expense (Franchise Agreement, Section 6.35); and
 5. At your request, we may furnish additional guidance and assistance relating to the operation of the Next Day Access Business and in such a case may in our discretion charge the per diem fees and charges we establish from time to time. If you request, or if we require, additional or special training for your employees, you must reimburse us for all of the expenses that we incur in connection with such training, including per diem charges and travel and living expenses for our personnel (Franchise Agreement, Section 3.85).

Advertising Programs

National Ad Fund Fee: We do not currently have a National Ad Fund (“Fund”) however we reserve the right to impose and collect up to 2% of Gross Sales as a National Ad Fund Fee with 60 days written notice. ~~We will operate the Fund to advertise and promote the Next Day System.~~ We will deposit any fees into the Fund, which we will manage through a separate account and will not be held in escrow. ~~We may use the Fund to conduct national, regional and local advertising, marketing promotional and public relations campaigns, including the cost of preparing and conducting print, radio, television, internet, social media, electronic and billboard advertising. We may develop an in-house advertising staff to assist in advertising or may contract with various outside agencies, which may include regional and/or national agencies, and third-party vendors. We will determine the use of monies in the Fund. We will be reimbursed for reasonable administrative costs and overhead incurred in administering the Fund. We are not required to spend any amount on marketing, advertising or production in the area in which your Franchised Business is located and do not guarantee that you will directly benefit from the Fund. National Ad Fund Fees not spent in any fiscal year will be carried over for future use. We may make loans to the Fund bearing reasonable interest to cover any deficit of the Fund. National Ad Fund Fees will not be used for advertising principally directed at the sale of franchises. At your request, we will provide you with an annual unaudited statement of the receipts and disbursement of the Fund for the most recent calendar year. We do not guarantee that you will benefit from the Marketing Fee in proportion to your Marketing Fee payments. The Fund, all contributions thereto, and any earnings thereon, will be used to meet any and all costs of maintaining, administering, directing, conducting, and developing the preparation of advertising, marketing, public relations, and/or promotional programs and materials in various media including: the salaries and benefits for those internal persons in charge of administering and overseeing the Fund; employing advertising and/or public relations agencies to assist with research, brand positioning, recruitment efforts, creative concepting, production and media planning, photo and video shoots as well as outside resource expenses such as third-party copywriting professionals; litigation expenses related to the~~

Fund or its programs, including reasonable attorney fees, conducting and administering promotions including the purchasing of promotional items and other marketing materials and services to the businesses operating under the System; websites, websites hosting, website optimization (ongoing onsite overall SEO, not local) and social networking or media; market research and development of new products and services; and supporting authorized marketing cooperatives formed by franchisees in the same market area; and any other activities we believe will increase brand awareness, increase lead generations, and benefit the System.

We will direct all advertising and promotional programs, with sole discretion over the creative concepts, materials, and endorsements/media used in such programs, and the geographic market and media placement and allocation of them, thereof. You agree and acknowledge that the Fund's objectives are to maximize general public recognition and acceptance of the Proprietary Marks for the benefit of the System; and that we are not obligated, in administering the Fund, to make expenditures for you that are equivalent or proportionate to your contribution, or to ensure that any particular franchisee or geographic region benefits directly or pro rata from the advertising or promotion conducted under the Fund.

We will not use the Fund contributions for advertising that is principally a solicitation for the sale of franchises, but we reserve the right to include a notation in any advertisement indicating "franchises available" or similar phrasing.

The Fund is not a trust fund, and we do not have any fiduciary duty to you with respect to the Fund's administration, activities, or expenditures. We are not obligated to make expenditures from the Fund that are equivalent or proportionate to your contribution, or to ensure that you or any other particular franchisee or geographic region benefit directly or pro rata from the advertising or promotion that we conduct under the Fund. We are also not required to spend any amount on advertising in the area or territory where you are located.

All sums paid to the Fund will be maintained in an account separate from the other monies, funds, assets and/or equities we maintain, and will not be used to defray our expenses, except for such costs and overhead, if any, as may be incurred in activities reasonably related to the administration or direction of the advertising programs ~~may be disseminated in print, radio, or television, and may be~~ and Fund, including, among other things, costs of personnel for planning and managing Fund activities, creating and implementing local, regional, ~~or and~~ national ~~in scope~~ advertising, promotional, and marketing programs. The ~~source of the advertising is from in-house or our approved~~ advertising Fund, and any earnings thereon, will not otherwise inure to the benefit of us.

An unaudited statement of the operations of the Fund, as shown on the books of the Fund, will be prepared annually by us. Upon thirty (30) days of a written request by you, we will provide you an unaudited statement of the expenditures from the Fund.

Advisory Council: We do not at this time have an advisory council composed of franchisees that advise us on advertising policies.

Local Advertising: For each month that your Next Day Access Business is open for business, you must spend a minimum amount each month on local marketing, advertising, and promotion in such manner as we may direct in the Operations Manual or otherwise in writing from time to time. If you operate a traditional Next Day Access business, your local advertising expenditure is calculated as follows: (a) during your first year of operation or if your annual Gross Revenue for the prior fiscal year was less than \$300,000, you must spend each month a minimum of \$800.00 or 4% of the Gross Revenue for the preceding month, whichever is greater; (b) if your annual Gross Revenue for the prior fiscal year was greater than or equal to \$300,000 and less than \$500,000, you must spend each month a minimum of 3% of the Gross Revenue for the preceding month; and (c) if your annual Gross Revenue for the prior fiscal

year was equal to or greater than \$500,000, you must spend each month a minimum of 2% of the Gross Revenue for the preceding month. We may provide you with advertising materials to use, or we may permit you to use your own advertising materials in our sole discretion, provided that any materials must be submitted to us for approval.

Currently, we do not have local or regional advertising cooperatives, but reserve the right to create them in the future in our sole discretion. We have the right to designate any geographical area for purposes of establishing a regional advertising and promotional cooperative, and to determine whether a Cooperative is applicable to your Franchised Business. -Any cooperative will be organized, formed, and operated according to written governing documents which we must approve in advance in writing. -Any company owned outlets within the designated cooperative geography designation will participate in the cooperative on the same basis as franchised businesses. -We also have the power to form, change, dissolve and/or merge Cooperatives. If a Cooperative is established applicable to your Franchised Business, then you must participate in and contribute to the Cooperative. You will not be required to contribute more than one percent (1%) of your Gross Sales to the cooperative during any calendar year, unless two-thirds of the members of the cooperative vote in favor of a greater contribution. We do not limit what cooperative members may vote to contribute. -Such contributions may exceed the local advertising requirement; provided, however, that you will receive credit for Cooperative contributions against the local advertising requirement.

If we determine that you have not spent the requisite amounts, we may require you to pay such unexpended amounts to us as a Marketing Fee. (Franchise Agreement, Section 129). Unless otherwise agreed to by us in writing, such marketing, advertising, and promotion must relate exclusively to the products you offer or sell under the Next Day Access System. (Franchise Agreement, Section 129).

~~Computer Systems Web Site: Except as we otherwise approve in advance, you may not establish or maintain any World Wide Web site (a "Web Site"), or otherwise maintain a presence or advertise on the Internet or any other public computer network, in connection with your Next Day Access Business. We reserve the right to require you to establish and maintain a Web site, at your expense, in connection with your Next Day Access Business. In connection with your Web site, you must comply with the following requirements, in addition to those we may set forth in the Manuals or otherwise in writing.~~

~~You are required, at your expense, to purchase or lease, and thereafter maintain and use, only such computer(s), hardware (including, without limitation, laptops), software (including, without limitation, client-caregiver management software), firmware, web technologies or applications, required dedicated internet access and power lines, modem(s), printer(s), and other related accessories or peripheral equipment, and methods of operation, as we specify in the Manual or otherwise in writing (collectively the "Computer System"). The Computer System will have the capacity to electronically exchange information, messages, and other data with other computers, by such means (including, but not limited to, the Internet), and using such protocols as we may reasonably prescribe in the Manual or otherwise in writing. You will keep your Computer System in good maintenance and repair and, at your expense, promptly make any and all additions, changes, modifications, substitutions, and/or replacements to your Computer System as we direct. You will pay any and all, annual, monthly or otherwise, software fees, or other fees, as required by our approved suppliers (or us) in order to maintain your Computer System. We estimate that this will cost approximately \$2,000. You acknowledge and agree that we, as well as our suppliers, have the right to increase or decrease the software fees at any time, in their sole discretion, upon written notice to you and we will have independent access to the data generated and stored in our systems. You further acknowledge and agree that we reserve the right to change our approved suppliers, including any software suppliers, at any time and at our sole discretion. You may not alter your Computer System, or use alternative software or suppliers of technology, without our prior written approval. If you are in default of any obligations under this Franchise Agreement, we may, in addition to any other remedy under this Franchise Agreement, temporarily inhibit your access to all or part of the Computer System, including client-caregiver management software, until you have cured such default completely. Computer systems are vulnerable to~~

varying degrees to computer viruses, bugs, power disruptions, communication line disruptions, Internet access failures, Internet content failures, data related problems and attacks by hackers and other unauthorized intruders (“E-Problems”). We have taken reasonable steps so E-Problems will not materially affect our business. We do not guarantee that information or communication systems we or others supply will not be vulnerable to E-Problems. It is your responsibility to protect yourself from E-Problems. You should also take reasonable steps to verify your suppliers, lenders, landlords, customers, and governmental agencies on which you rely, have reasonable protection from E-Problems. This may include trying to secure your Computer Systems (including firewalls, password protection, and anti-virus systems), and to provide backup systems.

Website and Internet

We have the right, but not the obligation, to establish and maintain a website to promote the Proprietary Marks and/or the System (the “Website”): (i) we will have sole control over all aspects of the Website, and can discontinue operation of the Website at any time without notice to you; (ii) unless you obtain our prior written consent, you are prohibited from establishing or maintaining a separate website or otherwise maintaining another presence on the Internet through any social networking site in connection with the operation of the Franchise Business; (iii) we have the right to modify or supplement our policies regarding social media and Internet use at any time in writing, whether as part of the Manuals, or otherwise.

If you are in default of any obligations under the Franchise Agreement, we may, in addition to our other remedies, temporarily remove reference to your Franchised Business from the Website, and/or discontinue your access to any such sites, until such defaults are cured to our satisfaction. We may, at our option, discontinue, replace, and/or modify the Website and/or any support sites at any time and at our sole discretion. Nothing in this Section will limit our right to maintain websites other than the Website, or to maintain other portals.

Unless otherwise authorized by us, you will only use an e-mail address, related to or associated with the operation of your Franchised Business, which is a part of the “nextdayaccess.com” Internet domain name or other domain as authorized by the Manual.

Information Security System Requirements

We expressly reserve the right to implement further policies or guidelines regarding information security including, but not limited to: risk management protocols, email encryption standards, document retention policies, PCI compliance and the use of third-party security advisors and their security systems/products. You understand that either us, or our approved third-party information security system providers, may charge you both initial and ongoing fees for the creation, implementation and maintenance of any information security system we, at our sole discretion, deem necessary.

1.==

~~You may only use Web materials, Web pages, and Web site content which we have approved in advance in writing. You must promptly incorporate on, and remove from, your Web site any information we require. You must provide on your Web site all hyperlinks or other links we require. You are prohibited from using the Marks on your Web site except as we expressly permit. You are prohibited from posting or including any confidential information (as described in the Franchise Agreement) or any other copyrighted material or information on your Web site without our prior written approval. You must not modify your approved Web site without our prior written approval. We may provide you with materials for your Web site, which you must adapt and use, but we will at all times remain the owner of the copyrights for all material which appears on your Web site. You must obtain our prior written approval for each Internet domain name and/or home page address you use in connection with your Web site, and we will at all times remain the sole owner of the domain name and/or home page address for the Web site you maintain in connection with the Franchised Business. (Franchise Agreement, Section 12.5).~~

Computer System

~~We recommend you use a reliable computer and operating system. Examples include versions of Microsoft Windows, Apple IOS, Chrome OS, Customer Management software, and accounting software in the operation of your franchise as specified in the Operating Manual. We reserve the right to require you to purchase a specific brand of computer equipment that is configured in a specific manner that we believe in our sole opinion to be required for the Franchise Business to be operated effectively. You may also be required to purchase specific software applications and to maintain and update that software as we deem appropriate (see Franchise Agreement 7.18.1). Also, you will need a combined printer, facsimile machine, and scanner, in order to operate the franchise. We estimate that you will spend approximately \$1,900 on the computer system and components described above. You will use the personal computer to generate reports, maintain office administrative records, and communicate with us through the Internet. It will be your responsibility to find an Internet Service Provider through which you can communicate with us.~~

~~You agree to maintain at your own expense a computer system that conforms to the requirements and formats we prescribe from time to time, including updating all computer software and hardware as required by us. We do not have any contractual obligation for maintenance, repairs, updates, or upgrades to your computer system. There is no contractual limitation on the frequency or cost of your obligation to maintain, upgrade or update your computer systems in conformance with our directives or requirements. We have the right, as often as we deem appropriate, including on a daily basis, to access all computer systems that you are required to maintain in connection with the operation of the Next Day Access franchise and to monitor and retrieve all information relating to the franchise's operations. (Franchise Agreement, Section 7.18.3). There are no contractual limitations on our ability to access your computer systems or information. The information stored may include, but will not be limited to, customer data including name, address, phone number, items purchased, sales reporting, leads and lead analytics, pricing, proposals and estimates. We estimate that the annual cost to upgrade and maintain your computer and software will be \$500.~~

~~You and your key employees are required to utilize our approved email, document creation, and cloud-based storage provider ("Productivity Suite Provider"). (Franchise Agreement, Section 4.3).~~

Operations Manual

~~The Table of Contents for the Operating Manual is attached as Exhibit F to this document. You will receive one (1) copy of the Operating Manual after you purchase the Franchised Business which is on loan to you to use to use in guiding the operation of that business and which must be returned on termination of your Franchise Agreement. It consists of a total of 55 pages.~~

Topic	Approx # of Pages
Commitment to the Franchise	2
Your Franchise Responsibilities	5
Establishing Your Business	3
Recommended List of Equipment	2
Initial Inventory	2
Working with Independent Contractors	3
The Marketing/Advertising Plan	6
Customer Service	3
Next Day Access Sales Presentation	4
Inventory Management Recommendations	2

Topic	Approx # of Pages
Customer Processing	2
Installation Procedures	3
Job Site Behavior	2
Customer Repair Calls	2
Software/Accounting	2
Specifications for Your Location	2
Pricing Guidelines	2
Working with the Government	2
Attachments	2

Training Programs

~~Our current initial training program consists of 5 days of virtual office training and 5 working days of in-person training for you (or your managing shareholder, member, or partner), and any additional employees you elect to enroll in the training program to be furnished at our training facility in Bartlett, Tennessee or such other location or locations that we designate. On the job training will take place at your Franchised Business or at an existing Franchised Business near our training facilities in Bartlett, Tennessee. The initial training program will be conducted at our mutual convenience within sixty (60) days after signing of the franchise agreement. No other additional or refresher courses are required for you to commence operation of your franchise. You (or your managing shareholder, member, or partner), and your employees are required to complete the initial training to our satisfaction. You also are required to participate in all other activities required to operate the Franchised Business. Although we will furnish initial training to you (or your managing shareholder, member, or partner) and any additional employees at no additional fee or other charge, you will be responsible for all travel and living expenses which you (or your managing shareholder, member, or partner) and your employee incur in connection with training. If we determine that you (or your managing shareholder, member, or partner) are unable to complete initial training to our satisfaction, by written and/or oral exam or otherwise, we have the right to terminate the Franchise Agreement. If we determine that you are not operating within our system standards or that you need additional training, we may require you to attend additional training or refresher courses at a location dictated by us. When we hold a franchisee conference, usually annually, you are required to attend absent a compelling reason that would excuse your absence.~~

~~Our training instructors will typically have a minimum of three (3) years of experience in the accessibility and mobility product installation and service arena and a minimum of five (5) years of experience in skilled trade and service-oriented industries. Our training program is conducted under the supervision of Desmond Baker, our Product Training Manager. Desmond has worked for us in this capacity for over three (3) years.~~

Pricing Assistance; Restrictions

You may not advertise your products at less than the manufacturer's lowest published price but you may sell the products at any price. At the time of this disclosure, we do not have minimum and maximum price restrictions (other than those indicated immediately above) however we reserve the right to require you to comply with price maintenance restrictions (both minimum and maximum) we set on rental or sale prices for specific products, merchandise, or services offered and sold by you as required in the Operating Manual, including but not limited to National Accounts or as otherwise directed by us in writing from time to time.

TRAINING PROGRAM

Our Training Program is generally completed within 90 of the signing of your franchise agreement. The actual training takes approximately one week to complete and includes your participation over the weekend during this period (typically Wednesday to Wednesday). Training occurs in our Designated Location/s (currently Bartlett, Tennessee, Jackson, Tennessee, and Covington, Tennessee) and within your Approved Location and is a combination of self-study, eLearning, virtual classes, in person, and field training. However, we expressly reserve the right: to modify the training program, the frequency of training, and the location of your training at any time.

You, the owners, must attend and complete our entire Training Program. Any attendee of yours that is not an owner must be accompanied by an owner during their training. You must pay all travel and lodging expenses incurred by you or your other approved attendees in connection with any training conducted regardless of location. Additionally, please bring work clothes and gloves as well as wet/hot/cold weather gear for in field evaluations and installations.

Our training program is conducted under the supervision of Desmond Baker, our Product Trainer and Supplier Liaison. Desmond has 14 years' experience in the mobility industry and four years of franchisee training. The training team includes departmental experts, vendor representatives, franchise business consultants and Desmond. In addition, certain current or former franchisees who have mastery of our System may provide training to new franchisees.

INITIAL TRAINING

<u>WEEK ONE</u>			
SUBJECT	HOURS OF CLASSROOM TRAINING	HOURS OF ON THE JOB TRAINING	LOCATION
<u>AdministrationOrientation</u>	<u>4.5</u>	0	<u>Virtually or at our training facility in Bartlett, TN Designated Location/s</u>
<u>OperationsStair Lift – Evaluation, Configuration, & Preparation</u>	<u>87.5</u>	0	<u>Virtually or at our training facility in Bartlett, TN Designated Location/s</u>
<u>Field SalesStair Lift Installation and QA</u>	<u>124</u>	0	<u>Virtually or at our training facility in Bartlett, TN Designated Location/s</u>
<u>Client ServiceGrab Bar Compliance & Installation</u>	<u>41.5</u>	0	<u>Virtually or at our training facility in Bartlett, TN Designated Location/s</u>
Product Training	<u>402.5</u>	80	<u>Our training facility in Bartlett, TN Designated Location/s</u>

<u>WEEK ONE</u>			
SUBJECT	HOURS OF CLASSROOM TRAINING	HOURS OF ON THE JOB TRAINING	LOCATION
<u>Store Visit</u>	<u>1.5</u>	<u>0</u>	<u>Designated Location/s</u>
<u>VPL Overview</u>	<u>6</u>	<u>0</u>	<u>Designated Location/s</u>
<u>Ramp Evaluation, Configuration, Preparation, & Installation</u>	<u>4</u>	<u>0</u>	<u>Designated Location/s</u>
Totals	<u>6827.5</u>	<u>80</u>	

<u>WEEK TWO</u>			
<u>SUBJECT</u>	<u>HOURS OF CLASSROOM TRAINING</u>	<u>HOURS OF ON THE JOB TRAINING</u>	<u>LOCATION</u>
<u>Ramp Training</u>	<u>21.5</u>	<u>0</u>	<u>Designated Location/s</u>
<u>Marketing</u>	<u>2.5</u>	<u>0</u>	<u>Designated Location/s</u>
<u>Stair Lift Evaluations & Configurations (ctd.)</u>	<u>1</u>	<u>0</u>	<u>Designated Location/s</u>
<u>Presentations</u>	<u>.5</u>	<u>0</u>	<u>Designated Location/s</u>
<u>Totals</u>	<u>25.5</u>	<u>0</u>	

POST OPENING ASSISTANCE

You may request that a member of our field support team travel to your Approved Location to assist you in managing a mobility installation opportunity. You must request such assistance at least two weeks prior to the expected opportunity. However, we make no assurances we can attend depending our team member/s schedule. You are required to pay our travel and lodging costs while onsite for this Post Opening Assistance.

ITEM 12

TERRITORY

You will be granted the right to operate your Next Day Access Business from a specific location, which must be approved by us. Note, however, if you intend to operate from your personal residence, your neighborhood may have restrictive covenants that prevent you from operating your Next Day Access Business from that location.

-You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from channels of distribution or competitive brands that we control. We refer to your protected area as your Area of Primary Responsibility (the "APR"), or "Territory", which area must be

approved by us. ~~There is no minimum territory associated with your APR.~~ You will operate your Next Day Access Business from a specific location in your APR. Your APR will generally contain between 500,000 and 1,500,000 persons. You do not have the contractual right to develop business outside your APR however you may conduct business that comes your way in any unowned territory. Business conducted outside of your primary APR does not count towards your minimum revenue requirements.

Every franchise owner is responsible to develop their owned ~~territory~~Territory to meet minimum standards. In some cases, we may refuse requests to expand territory to owners who want additional territory but have failed to develop the zip codes in their APR. We reserve the right to establish or operate or license another person(s) to establish or operate, other Next Day Access businesses under the System and the Marks within any unowned area despite any business or business development you may have done there.

You may not solicit business outside of your APR without our prior written consent ~~from the VP, COO or CEO or Next Day Access.~~ We may from time to time convey additional services to be performed at locations outside of your APR. We (and our Affiliates) retain all rights not expressly granted to you in the Franchise Agreement, including, among others, the rights: (a) to sell, distribute, or license others to sell or distribute, directly or indirectly, any products and services other than Next Day Access branded products sold through the Next Day Access System, through any channels of distribution (including the Internet), at any location outside your APR under any proprietary marks(including the Marks); and (b) to establish, operate, and license others to establish or operate Next Day Access businesses at any location outside your APR, on such terms and conditions as we deem appropriate and without paying any compensation to you. Although we and our affiliates do not currently have any plans to conduct a business similar to that being offered by this Disclosure Document, you may face competition from outlets that we own, or from other channels of distribution or competitive brands that we control within your APR under the Marks or any other proprietary marks we own or our affiliates own and we do not have any obligation to compensate you.

~~We reserve the right to:~~ (i) offer and sell products and services similar to those provided by you via alternative channels of distribution, including the Internet and other channels of e-commerce; (ii) establish and operate, and license others, the right to establish and operate, businesses using Proprietary Marks and System at any location outside of your ~~territory~~Territory; (iii) establish and operate, and grant others the right to establish and operate, businesses that offer similar products to those offered by us under any other mark other than the Proprietary Marks at any location; (iv) acquire, or be acquired by, any company, including a company operating one or more businesses offering products or services similar to those offered by us, in any location; and (v) use the Proprietary Marks and System, and license others to use the Proprietary Marks and System, to engage in any other activities not expressly prohibited by the Franchise Agreement.

We are not required to pay you any compensation if we exercise any of these rights.

National or Regional Accounts

We have a National or Regional Accounts program. We may designate any of your current or prospective customers as National and Regional Accounts without paying you any compensation except for compensation paid to you for participating in that customer's National or Regional Account program. If you qualify to participate in a National or Regional Accounts program, you generally will be given the first option to service National or Regional Account customers in your APR on behalf of the System, in accordance with the pricing and other terms that we have negotiated and any rules that we have prescribed as we may in our sole discretion determine to change them from time to time. You may not enter into conflicting arrangements with National or Regional Accounts. You may elect not to participate in any National or Regional Account Program, or to terminate your participation in the National or Regional Account program at any time by giving us at least 30 days' prior written notice. If you elect not to participate in a National or Regional Account Program or terminate your participation in the National or Regional Account program or if you fail to satisfy the conditions and obligations of any National or Regional Account, we have the right to service and/or authorize others to service National or Regional Account customers within your APR without any compensation to you as a result of such servicing by us or designation of another to provide such services. If you are subsequently willing and able to provide service within your APR, we will have no obligation to readmit you to the program or to transfer any National or Regional Account customer to you. We reserve to ourselves the unconditional right to sell on any terms and conditions that we see fit the business of a National or Regional Account in any APR in which we operate the business of that National or Regional Account as a result of our establishing that business or acquiring that business from you or any other of our franchisees or other legal entity.

Your rights in and to your APR and your Next Day Access franchise are dependent on your attaining or exceeding \$75,000 in quarterly Gross Revenue at every quarter in a calendar year in each of your territories. (As defined in the Franchise Agreement, Section ~~7.3 and Section 1.3.3-5~~). We have the right, at our discretion, effective immediately upon delivery of written notice to you, to terminate the Franchise Agreement and all rights granted in the Franchise Agreement, reduce the size of your APR, or terminate your APR protection described in the Franchise Agreement, if at the end of the initial twelve-month period (or any subsequent 12-month period) you have failed to attain \$75,000 in quarterly Gross Revenue during the applicable 12-month period for each of your territories. This will be effective beginning the new quarter after the initial 12 months of operations from date of opening. The definition of your APR, as well as any other terms of the Franchise Agreement, may not be changed without our and your written consent.

You must not relocate your Next Day Access Business without our prior written approval. We have the right, in our sole discretion, to withhold approval of any relocation request. Relocation approval by us will be based upon the individual circumstances of your request to relocate and the reasons you wish to relocate. We do not grant any options, rights of first refusal or similar rights to obtain additional franchises. If you wish to obtain an additional franchise, you must enter into a separate Franchise Agreement.

ITEM 13

TRADEMARKS

We own the following trademark on the Principal Register of the United States Patent and Trademark Office:

MARK	<u>U.S.</u> REGISTRATION NUMBER	DATE OF REGISTRATION
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	6,146,183	September 8, 2020
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<u>MARK</u>	<u>SERIAL NUMBER</u>	<u>DATE FILED</u>
	<u>98964934</u>	<u>January 15, 2025</u>

We disclaimed the exclusive right to use the word “Access” apart from the mark as shown. We have filed all required affidavits in connection with the Mark. The Mark has not yet been due for a renewal and, as such, has not been renewed.

We own the Next Day Access design mark, license, the right to use the Mark, and permit our franchisees to use the Next Day Access mark. There are no agreements currently in effect or proposed which significantly limit our right to use or license the use of the Marks which are in any manner material to the franchise.

You agree to use any future trademarks, service marks, and trade names to which we make claim only in the ways we have approved in advance in writing as we have set forth in our Operations Manual or other written materials. You also agree to cease using any trademarks, service marks or trade names we determine to be no longer part of the Next Day Access System standards, including the Next Day Access trademark. We reserve the right, at our sole discretion, to modify, add to, or discontinue use of the Marks, or to substitute different marks for use in identifying the System and the business operating under the Marks. You must promptly comply with such changes, revisions and/or substitutions, and bear all the costs of modifying your signs, advertising materials, interior graphics and any other items which bear the Marks to conform therewith.

You may not use the term “Next Day Access” in your business entity’s legal name. You must not contest, directly or indirectly, our use or, rights in and ownership of the Marks, trade secrets or methods and procedures are a part of the System. You must not register, seek to register or contest our sole right to register, use and license others to use the Marks, names, information, and symbols.

There are no other currently effective material determinations at the Patent and Trademark Office, the Trademark Trial and Appeal Board, the trademark administrator of this state, or any court, nor any pending infringement, opposition, or cancellation proceeding, nor any pending material litigation involving the Marks which may be relevant to their use.

We are not obligated, by the terms of the Franchise Agreement or otherwise, to protect your right to use the principal trademarks. You must promptly notify us of any suspected unauthorized use of the Marks, any challenge to the validity of the Marks, or any challenge to our license of, our right to use and to license others to use, or your right to use, the Marks. We have the sole right to direct and control any administrative proceeding or litigation involving the Marks, including any settlement thereof. We have the right, but not the obligation, to take action against uses by others that may constitute infringement of the Marks. We will defend you against any third-party claim, suit, or demand arising out of your use of the Marks. If we, in our sole discretion, determine that you have used the Marks in accordance with this Agreement, the cost of such defense, including the cost of any judgment or settlement, will be borne by us. If we, in our sole discretion, determine that you have not used the Marks in accordance with this Agreement, the cost of such defense, including the cost of any judgment or settlement, will be borne by you. In the event of any litigation relating

to your use of the Marks, you must execute any and all documents and do such acts as can, in our opinion, be necessary to carry out such defense or prosecution, including, becoming a nominal party to any legal action. Except to the extent that such litigation is the result of your use of the Proprietary Marks in a manner inconsistent with the terms of this Agreement, we agree to reimburse you for your out-of-pocket costs in doing such acts.

We have no actual knowledge of either superior prior rights or infringing uses that could materially affect your use of the Marks in the state where your franchise may be located.

ITEM 14

PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

We own no rights to, or licenses in, any patent or copyright that is material to the franchise system.

You must operate your Next Day Access Business in accordance with the standards, methods, policies, and procedures specified in the Operations Manual. The Operations Manual may consist of multiple volumes of printed text, computer disks, other electronically stored data and DVDs. You must treat the Operations Manual, any other manuals created for or approved for use in the operation of the Next Day Access Business, and the information contained therein, as confidential, and you must use all reasonable efforts to maintain such information as secret and confidential. You may not copy, duplicate, record, or otherwise reproduce the foregoing materials, in whole or in part or otherwise make them available to any unauthorized person. We consider this information to be part of our trade secrets.

We have not registered any copyrights with the United States Copyright Office. There are no determinations of the United States Copyright Office or any court regarding any of our copyrights. Although we have not filed an application for copyright registration, we claim copyright protection for the Operations Manual, software, advertising materials, and other materials we give you for your use or for public dissemination, other proprietary information and publications we own or have acquired under license from a third party, and everything contained in the Operations Manual. All of this is our proprietary intellectual property.

We are not obligated by the Franchise Agreement, or otherwise, to protect any rights you have to use the copyrights or to defend you against claims arising from your use of the copyrights.

We have no actual knowledge of any patent or copyright infringements that could materially affect you. You may not use any of our copyrighted materials on the Internet without our written permission. This includes display of our copyrighted materials on commercial websites and social networking websites.

During the term of your Franchise Agreement, we may disclose in confidence to you, either orally or in writing, certain trade secrets, know-how, and other confidential information (collectively, "Proprietary Information") relating to the System, our business, or the management, operation, or any Proprietary Information (including without limitation all or any portion of the Manuals) to any other person, except to the extent necessary for your professional advisors and employees to perform their functions in the operation of the Franchised Business. You will be liable to us for any unauthorized use or disclosure of Proprietary Information by any of your employees or any other person to whom you disclose Proprietary Information. You must take reasonable precautions to protect the Proprietary Information from unauthorized use or disclosure and must implement any systems, procedures, or training programs that we require. You must require anyone who may have access to the Proprietary Information to sign a non-disclosure agreement in a form satisfactory to us that identifies us as a third party beneficiary of the covenants with the independent right to enforce the agreement ~~(Addendum C and C.1 to the Franchise Agreement).~~

If you or your employees or owners develop any new concept, process, or improvement in the operation or promotion of your Next Day Access Business, you must promptly notify us and give us all necessary information about the new process or improvement, without compensation. You and your owners agree that any of these concepts, processes, or improvements will become our exclusive property, and we may use or disclose them to other franchisees, as we determine appropriate.

ITEM 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISED BUSINESS

Our minimum operating hour requirements are Monday – Friday 8:00 am to 5:00 pm in your time zone. Weekend hours are at your discretion. We require your Next Day Access Business be operational under the direct supervision of one of your principals, or another individual who has satisfactorily completed the initial training program, which we reserve the right to approve in our sole discretion. At least one (1) individual who has completed our initial training program must be available to operate the Next Day Access Business during all hours of operation specified by us in writing in the Operations Manual or otherwise in writing from time to time. The supervisor in charge is required to attend and satisfactorily complete our initial training program. There is no specific amount of equity interest that the supervisor must own, but we recommend supervision by you or one of your principal owners.

We require an after-hours emergency phone number that can be reached by customers included in your after-hours greeting or messaging to callers.

You must obtain and furnish to us signed non-competition and confidentiality covenants (attached ~~as Addendum C~~ to the Franchise Agreement) from your employees having access to our confidential information, including your manager, assistant manager, and any sales representatives or installers acting as independent contractors. You are also bound by the non-competition provisions contained in the franchise agreement. You (or, if you are a corporation, partnership or limited liability company, your principals, general partners or members) and, at our request, the spouses of your principals, partners, or members must personally guarantee your obligations under the franchise agreement and execute a personal guarantee, attached to the Franchise Agreement ~~as Addendum D~~.

As security for the payment of all amounts from time to time owing by you to us under the Franchise Agreement and all other agreements between the parties, and performance of all obligations to be performed by you, you must grant to us a security interest in all of your assets, including all equipment, furniture, fixtures, and building and road signs, as well as all proceeds of the foregoing (the “Collateral”). The security interest will be prior to and superior to all other security interests held by financial institutions, if any. You may not remove the Collateral from the Premises without our prior written consent. Upon the occurrence of any event entitling us to terminate the Franchise Agreement or any other agreement between the parties, we will have all the rights and remedies of a secured party under the Uniform Commercial Code of the state in which the Franchised Business is located, including the right to take possession of the Collateral. Other than the Franchise Agreement, there are no documents that you must sign in connection with the security interest.

ITEM 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must (1) sell or offer for sale only the approved products we have expressly approved for sale in writing; (2) sell or offer for sale all types of products and services we specify; (3) refrain from any deviation from our standards and specifications without our prior written consent; (4) discontinue selling and offering for sale any approved products, and other products or services which we may, in our discretion, disapprove in writing at any time; and (5) refrain from marketing, offering, or selling products independently of the other products sold or leased by the Franchised Business. We reserve the right to add additional authorized products and services that you must sell or offer for sale in your Franchised Business. Required or authorized goods and services, and designated or approved suppliers of goods, services, equipment, materials, and supplies are set forth in our Operations Manual or otherwise in writing from time to time.

We may periodically modify the Operations Manual as we determine and any such modifications may obligate you to invest additional capital in the Next Day Access businesses and/or incur higher operating costs. The Franchise Agreement does not limit our right to make changes in the types of authorized goods and services.

ITEM 17

RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

This table lists certain important provisions in the Franchise Agreement. You should read these provisions in the Franchise Agreement attached to this disclosure document.

THE FRANCHISE RELATIONSHIP

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
a.- <u>Length of the franchise term</u>	2.1.	10 years
b.- <u>Renewal or extension of the term</u>	2.2.	You have the right to renew the Franchise Agreement for 1 additional consecutive term of 10 years.
c.- <u>Requirements for you to renew or extend</u>	2.2	Give written notice between 8 6 and 12 months before the end of the current term; make or provide for renovation and modernization of the Business as we reasonably require; not be in default of any agreement between us and you, or between our Affiliate and you; complied with such agreements during their terms; satisfied all obligations, including monetary obligations, due and owed to us or to our Affiliate, and met those obligations throughout the term of the Franchise Agreement; if you operate your Next Day Access Business in any location other than your personal residence, you must present evidence that you have the right to remain in possession of the premises for the duration of the renewal term or obtain our approval for a new location; sign our then ten-current franchise agreement, which may have materially different terms and conditions than your original franchise agreement; sign a general release of us and our Affiliate; comply with our then ten-current qualification and training requirements; and pay us a renewal fee equal to 50% of the then current franchise fee.
d.- <u>Termination by you</u>	15.	You may not terminate the Franchise Agreement except by operation of law.
e.- <u>Termination by us without cause</u>	Not Applicable	The Franchise Agreement does not contain such a provision.
f.- <u>Termination by us with cause</u>	15 14.	We have the right to terminate the Franchise Agreement with cause. Depending upon the reason for termination, we may not provide you an opportunity to cure.

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
g.- “Cause” defined – curable defaults	15.3 <u>14.</u>	We must provide you with an opportunity to cure the following deficiencies: if you fail to substantially comply with any of the requirements imposed by the Franchise Agreement or fail to carry out the terms of the Franchise Agreement in good faith; if you fail, refuse or neglect promptly to pay any monies owing to us when due, or to submit the financial or other information required by us under the Franchise Agreement; if you fail to maintain or observe any of the standards or procedures prescribed by us in the Franchise Agreement, the Operations Manual, or otherwise in writing; except as otherwise provided in the Franchise Agreement, if you fail, refuse or neglect to obtain our prior written approval or consent as required by this Agreement; if, upon inspection by us or a government health inspector, your Next Day Access Business is in violation of the health, safety, or sanitation standards prescribed by us in the Franchise Agreement, the Operations Manual, or otherwise in writing, or is in violation of any health or safety law, codes, or regulation; if you act, or fail to act, in any manner which is inconsistent with or contrary to your lease or sublease for the Premises, or in any way jeopardize your right to renewal of such lease or sublease; if you engage in any business or market any service or product under a name or mark which, in our opinion, is confusingly similar to the Proprietary Marks; or if you fail to comply with all applicable laws, rules and regulations related to the operation of the Next Day Access Business (including, without limitation, the applicable provisions of the ADA regarding the construction, design and operation of the Next Day Access Business)
h.- “Cause” defined – non-curable defaults	15.1 and 15.2 <u>14.</u>	We may terminate the Franchise Agreement without providing you an opportunity to cure the following deficiencies: if you fail to open and operate the business within the applicable time limit; if you or your designated manager fail to complete the Initial Training Program to our satisfaction; if you at any time cease to operate or otherwise abandon the business for 5 consecutive business days; if you fail to attain or exceed \$75,000 in quarterly Gross Revenue each quarter every 12 calendar months after execution of the Franchise Agreement; if you or any of your principals, officers, or directors are convicted of a felony, a crime involving moral turpitude, or any other crime or offense that we believe is reasonably likely to have an adverse effect on the System, the marks, the goodwill associated with the business or if you, any of your principals, officers, or directors engage in any behavior that we believe is reasonably likely to have an

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
		<p>adverse effect on the System, the Marks, the goodwill associated with the business; if a threat or danger to public health or safety results from the construction, maintenance, or operation of your business; if you purport to assign or transfer any direct or indirect interest in the Franchise Agreement without complying with the requirements under the Franchise Agreement; if you fail to comply with the confidentiality and non-competition covenants set forth in the Franchise Agreement; if you intentionally under-report your Gross Revenue; if you knowingly maintain false books or records or submit any false reports or other documentation to us; if you misuse or make any unauthorized use of the Marks or any other identifying characteristics of the System; if you refuse to permit us to inspect the Premises, or the books, records or accounts of your business upon demand; if you, after curing any default, commit the same default again; if you sell products not previously approved by us, or purchase any product from a supplier not previously approved by us; if you (or any of your owners) have made any material misrepresentation to us or any other party or omission in connection with your purchase of the business; or if we cure any default by you relating to a transfer of the business; or if you become insolvent or make a general assignment for the benefit of creditors; a petition in bankruptcy is filed by you or such a petition is filed against and not opposed by you; you are adjudicated bankrupt or insolvent; a bill in equity or other proceeding for the appointment of a receiver of you or other custodian for your business or assets is filed and consented to by you; a receiver or other custodian (permanent or temporary) of your assets or property, or any part thereof, is appointed by any court of competent jurisdiction; proceedings for a composition with creditors under any state or federal law should be instituted by or against you; a final judgment remains unsatisfied or of record for thirty (30) days or longer (unless supersedes bond is filed); you are dissolved; execution is levied against your business or property; suit to foreclose any lien or mortgage against the Premises or equipment is instituted against you and not dismissed within thirty (30) days; or the real or personal property of the Franchised Business shall be sold after levy thereupon by any sheriff, marshal, or constable.</p>
<p>i.- <u> </u> Your obligations on termination/ non-renewal</p>	<p>16<u>15</u>.</p>	<p>Cease operations; cease use of confidential information and Marks; cancel any assumed name registration or equivalent registration obtained by you which contains any Mark; at our option you must assign the lease or sublease for the Premises; pay all amounts due to us; pay</p>

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
		liquidated damages calculated in accordance with the Franchise Agreement, return the Operations Manual and all confidential information; cease to use any Next Day Access business domain name, URL, or home page address, and shall not establish any Website using any similar or confusing domain name, URL, and/or home page address; comply with all post- termination covenants, assign all customer accounts and contracts to our designee, and sell us any equipment that we elect to purchase.
k.- "Transfer" by you defined	14.13.2 and 14.3.	You may not transfer any interest in the Franchise Agreement or Franchisee, or sell substantially all of the assets of the Franchised Business, without our prior written consent.
l.- Our approval of transfer by you	14.3 13.4.	Any purported assignment or transfer, by operation of law or otherwise, not having our written consent required by the Franchise Agreement, will be null and void.
m.- Conditions for our approval of transfer	14.13.3.	We may impose any or all of the following conditions on our approval of your proposed transfer: you have satisfied your accrued monetary obligations and other obligations to us; you are not in default of any agreement between us and you, you sign a general release of us; the transferee enter into a written assignment, assuming and agreeing to perform your obligations under the Franchise Agreement, and that you guarantee the performance of all such obligations; the transferee shows to us that it meets our standards, as specified in the Franchise Agreement; the transferee sign our then-current form of franchise agreement; you remain liable for all of your obligations to us in connection with the Franchised Business which arose prior to the transfer; the transferee complete our training programs; and you pay a \$15,000 transfer fee to us and reimburse us for our costs and expenses, including but not limited to attorney fees and accountant fees.
n.- Our right of first refusal to acquire your business	14.5 13.1.	We will have the option to purchase the seller's interest on the same terms and conditions offered by a third party.
o.- Our option to purchase your business	16.10 13.7	On termination or expiration, we have the option to purchase from you any or all of the assets related to the operation of the Franchised Business at fair market liquidation value, or 60% of your original investment, whichever is less.
p.- Your death or disability	14.6 13.5.	Upon the death or mental incapacity of any person with any interest in the Franchise Agreement, in you, or in substantially all of the assets of the Franchised Business, the executor, administrator, or personal representative must

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
		transfer the deceased's interest to a third party approved by us within 6 months after his/her death. Such transfers will be subject to the same conditions as any other transfer.
q.- <u>Non-competition covenants during the term of the franchise</u>	17 <u>16.2.</u>	You must not (a) divert or attempt to divert any present or prospective business or customer of any Next Day Access business to any competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Proprietary Marks and the System; (b) employ or seek to employ any person who is at that time employed by us, our Parents, or by any of our other franchisees, or otherwise directly or indirectly induce such person to leave his or her employment; or (c) own, maintain, operate, engage in, act as a consultant for, perform services for, or have any interest in any retail business which is the same as, or substantially similar to, an Next Day Access business; or offers to sell or sells Ramps, Additional Approved Products, or other services, equipment, products or items which are the same as, or substantially similar to, any of the services, equipment, product or other items offered by an Next Day Access business.
r.- <u>Non-competition covenants after the franchise is terminated or expires</u>	17 <u>16.3.</u>	You must not, for a continuous uninterrupted period of 2 years following the transfer, termination or expiration of the Franchise Agreement own, maintain, operate, engage in, be employed by, provide assistance to, or have any interest in (as owner or otherwise) any retail business that is the same as, or substantially similar to, an Next Day Access business; or offers to sell or sells Ramps, Additional Approved Products, or other services, equipment, products or items which are the same as, or substantially similar to, any of the services, equipment, product or other items offered by an Next Day Access business, and that is, or intended to be, operated within: (i) the "APR" (as defined in the Franchise Agreement); (ii) 100 miles of the Location; or (iii) 100 miles of the Location of other any other Next Day Access business in operation or under construction.
s.- <u>Modification of the Agreement</u>	24 <u>21.</u>	The Franchise Agreement may only be modified by written agreement signed by both parties.
t.- <u>Integration/ merger clause</u>	24 <u>22.</u>	The terms of the Franchise Agreement and the representations contained in this Disclosure Document are binding (subject to state law). Any other promises may not be enforceable. Notwithstanding the foregoing, nothing in any agreement is intend to disclaim the representations made in the Franchise Disclosure Document, its exhibits and amendments.

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
u.- Dispute resolution by arbitration or mediation	26.2 and 26.4 <u>23.3.</u>	Except as otherwise provided, all disputes and claims relating to the Franchise Agreement must be settled by mediation and litigation against us in ShelbyOakland County, Tennessee <u>Michigan</u> .
v.- Choice of forum	26.4 <u>23.5.</u>	Any action whether or not arising out of, or relating to the Franchise Agreement, brought by you (or any of your principals) against us, must be brought in ShelbyOakland County, Tennessee <u>Michigan</u> . We have the right to commence an action against you in any court of competent jurisdiction and nothing prohibits us from removing an action from state court to federal court. (subject to applicable state law).
w.- Choice of law	26 <u>23.1.</u>	The <u>Subject to applicable state law, the</u> Franchise Agreement will be interpreted and construed under the laws of Tennessee <u>Michigan</u> , the conflicts provisions of which that would apply the law of another state being specifically disclaimed. (subject to applicable state law)

Some states have enacted statutes which may supersede certain provisions of the Franchise Agreement, including provisions concerning termination, transfer, and renewal of your franchise, choice of forum, or choice of law. See the applicable state addendum for additional information.

ITEM 18

PUBLIC FIGURES

There are no public figures involved in the sale of this franchise.

ITEM 19

FINANCIAL PERFORMANCE REPRESENTATIONS

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

~~Presented below are historic gross revenue figures for~~ This Item 19 contains historical financial performance data as provided by certain franchised Next Day Access ~~business owners for the one-~~ franchisees. The representations made in this Item 19 are based upon the franchise system's outlets existing for the period of time indicated below unless otherwise specifically excluded, as discussed below.

The financial performance information included in Tables A and B below reflect average gross sales by year period from in operation.

The financial performance information included in Tables C and D below reflect average gross sales by quartile.

Only franchises that were open and in operation during the entire period of January 1, 2023, 2024 through December 31, 2023. Only data from franchisees who were open for at least one year as of December 31, 2023, 2024 (the "Measurement Period") were included. We consider a franchisee to be "open and in the table operation" once they have completed their training and all assigned door opening tasks.

The financial performance information presented below has been extracted from financial revenue reports submitted provided to us by our franchisees, the Franchisees. We have not audited this information, nor have we independently verified this information.

There were 26 Next Day Access franchised units that are included in this information (each unit consists of a single franchise territory). All 26 franchised units were open for at least one year as of that date, were operated on a full-time basis, and provided all of Next Day Access' services. Of the 26 units, two were operated pursuant to franchise agreements by the prior owners of Next Day Access (the "Affiliated Outlets"). Operational information for franchises that were not open for a full year were not included. Table A below breaks down the performance of all 26 units by quartile, with six units in the top quartile, and seven units in the second and third quartile, and six in the fourth quartile. Table B below provides the same data, with the Affiliated Outlets omitted.

TABLE A TABLE A - GROSS SALES INFORMATION BY FRANCHISE TERRITORY OPERATING PRIOR TO JANUARY 1, 2024							
Quartile Time in Business	Territories	Average Gross Sales	Number/Percent Attained or Exceeded Average	Median Gross Sales	Number/Percent Attained or Exceeded Median	Highest Performer	Lowest Performer
Top Quartile 60+ months	613	\$17,506,939 2,042,576	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58 59 60 61 62 63 64 65 66 67 68 69 70 71 72 73 74 75 76 77 78 79 80 81 82 83 84 85 86 87 88 89 90 91 92 93 94 95 96 97 98 99 100 101 102 103 104 105 106 107 108 109 110 111 112 113 114 115 116 117 118 119 120 121 122 123 124 125 126 127 128 129 130 131 132 133 134 135 136 137 138 139 140 141 142 143 144 145 146 147 148 149 150 151 152 153 154 155 156 157 158 159 160 161 162 163 164 165 166 167 168 169 170 171 172 173 174 175 176 177 178 179 180 181 182 183 184 185 186 187 188 189 190 191 192 193 194 195 196 197 198 199 200 201 202 203 204 205 206 207 208 209 210 211 212 213 214 215 216 217 218 219 220 221 222 223 224 225 226 227 228 229 230 231 232 233 234 235 236 237 238 239 240 241 242 243 244 245 246 247 248 249 250 251 252 253 254 255 256 257 258 259 260 261 262 263 264 265 266 267 268 269 270 271 272 273 274 275 276 277 278 279 280 281 282 283 284 285 286 287 288 289 290 291 292 293 294 295 296 297 298 299 300 301 302 303 304 305 306 307 308 309 310 311 312 313 314 315 316 317 318 319 320 321 322 323 324 325 326 327 328 329 330 331 332 333 334 335 336 337 338 339 340 341 342 343 344 345 346 347 348 349 350 351 352 353 354 355 356 357 358 359 360 361 362 363 364 365 366 367 368 369 370 371 372 373 374 375 376 377 378 379 380 381 382 383 384 385 386 387 388 389 390 391 392 393 394 395 396 397 398 399 400 401 402 403 404 405 406 407 408 409 410 411 412 413 414 415 416 417 418 419 420 421 422 423 424 425 426 427 428 429 430 431 432 433 434 435 436 437 438 439 440 441 442 443 444 445 446 447 448 449 450 451 452 453 454 455 456 457 458 459 460 461 462 463 464 465 466 467 468 469 470 471 472 473 474 475 476 477 478 479 480 481 482 483 484 485 486 487 488 489 490 491 492 493 494 495 496 497 498 499 500 501 502 503 504 505 506 507 508 509 510 511 512 513 514 515 516 517 518 519 520 521 522 523 524 525 526 527 528 529 530 531 532 533 534 535 536 537 538 539 540 541 542 543 544 545 546 547 548 549 550 551 552 553 554 555 556 557 558 559 560 561 562 563 564 565 566 567 568 569 570 571 572 573 574 575 576 577 578 579 580 581 582 583 584 585 586 587 588 589 590 591 592 593 594 595 596 597 598 599 600 601 602 603 604 605 606 607 608 609 610 611 612 613 614 615 616 617 618 619 620 621 622 623 624 625 626 627 628 629 630 631 632 633 634 635 636 637 638 639 640 641 642 643 644 645 646 647 648 649 650 651 652 653 654 655 656 657 658 659 660 661 662 663 664 665 666 667 668 669 670 671 672 673 674 675 676 677 678 679 680 681 682 683 684 685 686 687 688 689 690 691 692 693 694 695 696 697 698 699 700 701 702 703 704 705 706 707 708 709 710 711 712 713 714 715 716 717 718 719 720 721 722 723 724 725 726 727 728 729 730 731 732 733 734 735 736 737 738 739 740 741 742 743 744 745 746 747 748 749 750 751 752 753 754 755 756 757 758 759 760 761 762 763 764 765 766 767 768 769 770 771 772 773 774 775 776 777 778 779 780 781 782 783 784 785 786 787 788 789 790 791 792 793 794 795 796 797 798 799 800 801 802 803 804 805 806 807 808 809 810 811 812 813 814 815 816 817 818 819 820 821 822 823 824 825 826 827 828 829 830 831 832 833 834 835 836 837 838 839 840 841 842 843 844 845 846 847 848 849 850 851 852 853 854 855 856 857 858 859 860 861 862 863 864 865 866 867 868 869 870 871 872 873 874 875 876 877 878 879 880 881 882 883 884 885 886 887 888 889 890 891 892 893 894 895 896 897 898 899 900 901 902 903 904 905 906 907 908 909 910 911 912 913 914 915 916 917 918 919 920 921 922 923 924 925 926 927 928 929 930 931 932 933 934 935 936 937 938 939 940 941 942 943 944 945 946 947 948 949 950 951 952 953 954 955 956 957 958 959 960 961 962 963 964 965 966 967 968 969 970 971 972 973 974 975 976 977 978 979 980 981 982 983 984 985 986 987 988 989 990 991 992 993 994 995 996 997 998 999 1000	47% \$1,108,362	5 18 54 54 %	\$1,682,401 3,067	3/50% \$463,829
Second Quartile 49-60 months	71	\$6,343,642 \$998,710	3(100%)	43% \$998,710	\$1,708,986 (100%)	\$857,543 \$998,710	4/57% \$998,710

TABLE A - GROSS SALES INFORMATION BY FRANCHISE TERRITORY OPERATING PRIOR TO JANUARY 1, 2024

<u>Quartile Time in Business</u>	<u>Territories</u>	<u>Average Gross Sales</u>	<u>Number/Percent Attained or Exceeded Average</u>	<u>Median Gross Sales</u>	<u>Number/Percent Attained or Exceeded Median</u>	<u>Highest Performer</u>	<u>Lowest Performer</u>
			5 1				
Third Quartile 37-48 months	73	\$4,448,550 \$723,027	4 (33%) 6 3 5 5 0 7 1	57% \$718,098	\$696 \$522,465 (67%) 65 2	-\$654,701 \$881,011	4/57% \$569,974
Fourth Quartile 25-36 months	63	\$1,774,601 \$918,110	3 (67%) 2 9 5 7 6 7 2	50% \$1,009,400	\$441 \$93,112 (67%) 33 2	-\$290,277 \$1,181,771	3/50% \$563,158
12-24 months	5	\$408,309	2 (40%)	\$383,941	3 (60%)	\$737,438	\$132,519
Total/AH	2625	\$30,073,732 \$1,380,686	7 (24%) 1 3 1 5 6 6 8 2 6	27% \$737,438	\$918 \$93,112 (52%) 55 13	\$702,876 \$1,172,307	13/50% \$132,519

Note to Table A:

- This Table A includes data for the Affiliated Outlets, which earned Gross Revenues as follows: (i) \$1,805,895 (Quartile 1); and (ii) \$1,007,703 (Quartile 2).

**TABLE B - GROSS SALES INFORMATION BY FRANCHISE OWNER
PRIOR TO JANUARY 1, 2024**

<u>Quartile Time in Business</u>	<u>Territories</u> <u>Owners</u>	<u>Average Gross Sales</u>	<u>Number/Percent Attained or Exceeded Average</u>	<u>Median Gross Sales</u>	<u>Number/Percent Attained or Exceeded Median</u>
Top Quartile <u>60+ months</u>	<u>5</u> <u>12</u>	<u>\$15,701,044</u> <u>2,212,790</u>	<u>\$3,140,209</u> <u>1</u> (<u>25%</u>)	<u>20%</u> <u>\$1,313,226</u>	<u>\$9,518,055</u> <u>6</u>
<u>49-60 months</u>	<u>1</u>	<u>\$998,710</u>	<u>1</u> (<u>100%</u>)	<u>\$998,710</u>	<u>1</u>
Second Quartile <u>37-48 months</u>	<u>6</u> <u>4</u>	<u>\$5,335,940</u> <u>813,116</u>	<u>\$889,323</u> <u>2</u> (<u>50%</u>)	<u>33%</u> <u>\$799,554</u>	<u>\$1,157,618</u> <u>2</u>
Third Quartile	<u>7</u>	<u>\$4,448,550</u>	<u>\$635,507</u>	<u>4</u>	<u>57%</u>
Fourth Quartile <u>25-36 months</u>	<u>6</u> <u>3</u>	<u>\$1,774,601</u> <u>\$918,110</u>	<u>\$295,767</u> <u>2</u> (<u>67%</u>)	<u>50%</u> <u>\$1,009,400</u>	<u>\$441,433</u> <u>2</u>
<u>12-24 months</u>	<u>5</u>	<u>\$408,309</u>	<u>2</u> (<u>40%</u>)	<u>\$383,941</u>	<u>3</u>
Total/All	<u>24</u><u>25</u>	<u>\$27,260,135</u><u>1,424,021</u>	<u>\$1,135,839</u><u>6</u> (<u>24%</u>)	<u>25%</u><u>\$881,011</u>	<u>\$9,518,055</u><u>13</u>

**TABLE C - GROSS SALES INFORMATION BY FRANCHISE TERRITORY OPERATING
PRIOR TO JANUARY 1, 2024**

<u>Quartile</u>	<u>Territories</u>	<u>Average Gross Sales</u>	<u>Number/Percent Attained or Exceeded Average</u>	<u>Median Gross Sales</u>	<u>Number/Percent Attained or Exceeded Median</u>	<u>Highest Performer</u>	<u>Lowest Performer</u>
<u>1</u>	<u>7</u>	<u>\$3,274,048</u>	<u>1</u> (<u>14%</u>)	<u>\$1,780,806</u>	<u>4</u> (<u>57%</u>)	<u>\$11,723,067</u>	<u>\$1,181,771</u>
<u>2</u>	<u>6</u>	<u>\$967,988</u>	<u>4</u> (<u>67%</u>)	<u>\$1,004,055</u>	<u>3</u> (<u>50%</u>)	<u>\$1,108,362</u>	<u>\$737,438</u>
<u>3</u>	<u>6</u>	<u>\$591,731</u>	<u>2</u> (<u>33%</u>)	<u>\$574,316</u>	<u>3</u> (<u>50%</u>)	<u>\$718,098</u>	<u>\$485,706</u>
<u>4</u>	<u>6</u>	<u>\$373,417</u>	<u>4</u> (<u>67%</u>)	<u>\$423,885</u>	<u>3</u> (<u>50%</u>)	<u>\$479,526</u>	<u>\$132,519</u>
Total	<u>25</u>	<u>\$1,380,686</u>	<u>6</u> (<u>24%</u>)	<u>\$737,438</u>	<u>13</u> (<u>52%</u>)	<u>\$11,723,067</u>	<u>\$132,519</u>

**TABLE D - GROSS SALES INFORMATION BY FRANCHISE OWNER OPERATING
PRIOR TO JANUARY 1, 2024**

<u>Quartile</u>	<u>Owners</u>	<u>Average Gross Sales</u>	<u>Number/ Percent Attained or Exceeded Average</u>	<u>Median Gross Sales</u>	<u>Number/ Percent Attained or Exceeded Median</u>	<u>Highest Performer</u>	<u>Lowest Performer</u>
<u>1</u>	<u>7</u>	<u>\$3,356,713</u>	<u>1 (14%)</u>	<u>\$2,212,533</u>	<u>4 (57%)</u>	<u>\$11,723,067</u>	<u>\$1,181,771</u>
<u>2</u>	<u>6</u>	<u>\$1,025,645</u>	<u>3 (50%)</u>	<u>\$1,041,203</u>	<u>3 (50%)</u>	<u>\$1,108,362</u>	<u>\$881,011</u>
<u>3</u>	<u>6</u>	<u>\$618,194</u>	<u>3 (50%)</u>	<u>\$602,383</u>	<u>3 (50%)</u>	<u>\$737,438</u>	<u>\$485,706</u>
<u>4</u>	<u>6</u>	<u>\$373,417</u>	<u>4 (67%)</u>	<u>\$423,885</u>	<u>3 (50%)</u>	<u>\$479,526</u>	<u>\$132,519</u>
<u>Total</u>	<u>25</u>	<u>\$1,424,021</u>	<u>6 (24%)</u>	<u>\$881,011</u>	<u>13 (52%)</u>	<u>\$11,723,067</u>	<u>\$132,519</u>

Table A & C Notes:

- (a) Tables A & C provides the annual average gross sales reported to us by an individual franchise territory. Table A is categorized by year in operation and Table C is broken down into quartiles.
- (b) Of the 50 franchised territories in operation as at 31 December 2024, we excluded 1 franchisee who has 2 territories because the franchisee reports sales information for both territories as a single territory unit; 23 additional territories were excluded because they were open for less than a year.
- (c) These tables include territories opened in each year from 2012 through December 31, 2023 with the distribution of start dates as follows: 2023-5, 2022-3, 2021-3, 2020-1, 2018-1, 2017-4, 2016-1, 2015-2, 2014-1, 2013-1, 2012-3. We consider a territory to be open once they have completed their training and their assigned door opening task.
- (d) Table A & C includes data for the two Affiliated Outlets (prior owners of Next Day Access), which earned Gross Revenues as follows: (i) \$1,780,806; and (ii) \$578,659.

Table B & D Notes:

- (a) Tables B & D provide the annual gross sales reported by the franchisees, and aggregates gross sales by owner regardless of the number of territories they may own. As a result, the data represented in Table B & Table D may be more favorable than the data reported by franchise territory as represented in Table A & Table C. Table B is categorized by year in operation and Table D is broken down into quartiles.
- (b) For purposes of this Item 19, the definition of Gross Sales can be found in “Additional Notes” at the end of this Item 19.
- (c) Of the 25 franchises listed in these tables, 2 of the included franchisees own 1 additional territory.
- (d) 23 territories were excluded because they were open for less than a year.

(e) Tables B & D includes data for the two Affiliated Outlets (prior owners of Next Day Access), which earned combined Gross Revenues of \$2,359,465.

Additional Notes:

For purposes of this Item 19, the term “Gross Revenue” means all revenues generated from the sale or lease of Product and any other revenue derive from operating the Next Day Access[®] Business conducted upon, from or with respect to the Next Day Access[®] Business, whether such sales are evidenced by cash, check, credit, charge, account, barter or exchange. Gross Revenue includes, without limitation, monies or credit received from the sale of products and services, from tangible property of every kind and nature, business interruption insurance, promotions or otherwise. Gross Revenue does not include good faith refunds, adjustments, credits and allowances actually made by your Next Day Access Business in compliance with the Operating Manual. Gross Revenue also does not include any sales taxes or other taxes collected from customers by you and paid directly to the appropriate taxing authority.

The Gross Revenue figures do not reflect the costs of sales, other operating expenses, or other costs or expenses, such as royalty and marketing fees you are required to pay us under the terms of your franchise agreement, that must be deducted from Gross Revenue to obtain net income or profit.

Some outlets have sold this amount. Your individual results may differ. There is no assurance that you will sell as much.

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

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 the franchisor’s management by contacting David Tarr at 3150 Stage Post Drive, Suite 101, Bartlett, TN 38133 (Tel. 901-386-1830), and the appropriate state regulatory agencies.

TABLE 3 – STATUS OF FRANCHISED OUTLETS FOR YEARS ~~2021~~2022 TO ~~2023~~2024

STATE	YEAR	OUTLETS AT START OF YEAR	OUTLETS OPENED	TERMINATIONS	NON-RENEWALS	REACQUIRED BY FRANCHISOR	CEASED OPERATIONS – OTHER REASONS	OUTLETS AT END OF THE YEAR
	2023	1	0	0	0	0	0	1
Florida	2021 2024	1	0 1	0	0	0	0	1 2
Florida	2022	1	0	0	0	0	0	1
	2023	1	1	0	0	0	0	2
Illinois	2021 2024	0 2	0 1	0	0	0	0	0 3
Idaho	2022	0	0 1	0	0	0	0	0 1
	2023	0 1	0	0	0	0	0	0 1
Indiana	2021 2024	0	0 1	0	0	0	0	0 1

TABLE 3 – STATUS OF FRANCHISED OUTLETS FOR YEARS ~~2021~~2022 TO ~~2023~~2024

STATE	YEAR	OUTLETS AT START OF YEAR	OUTLETS OPENED	TERM-INATIONS	NON-RENE WALS	REACQUIRED BY FRANCHISOR	CEASED OPER-ATIONS – OTHER REASONS	OUTLETS AT END OF THE YEAR
Illinois	2022	0	0 <u>1</u>	0	0	0	0	0 <u>1</u>
	2023	0 <u>1</u>	1 <u>0</u>	0	0	0	0	1
Iowa	2021 <u>20</u> 24	1	0 <u>1</u>	0	0	0	0	1 <u>2</u>
Indiana	2022	0 <u>1</u>	0	0	0	0	0	0 <u>1</u>
	2023	0 <u>1</u>	1 <u>0</u>	0	0	0	0	1
Kansas	2021 <u>20</u> 24	0 <u>1</u>	0	0	0	0	0	0 <u>1</u>
Iowa	2022	0 <u>1</u>	1 <u>0</u>	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1 <u>0</u>	0 <u>1</u>	0 <u>0</u>	0 <u>1</u>	0 <u>0</u>	0 <u>1</u>	1 <u>0</u>
Maryland	2021 <u>20</u> 2	0 <u>1</u>	1 <u>0</u>	0	0	0	0	1
	2022	1 <u>0</u>	0 <u>1</u>	0 <u>0</u>	0 <u>0</u>	0 <u>0</u>	0 <u>0</u>	0 <u>1</u>
	2023	1	0	0	0	0	1	0
	2024	0 <u>1</u>	0 <u>0</u>	0 <u>0</u>	0 <u>0</u>	0 <u>0</u>	0 <u>0</u>	0 <u>1</u>
Massachusetts	2022 <u>20</u> 21	1	0	0	0	0	0	1
	2022	1 <u>0</u>	0 <u>1</u>	0 <u>0</u>	0 <u>0</u>	0 <u>0</u>	0 <u>0</u>	0 <u>1</u>
	2023	1	0	0	0	0	0	1
	2024	1 <u>0</u>	0 <u>1</u>	0 <u>0</u>	0 <u>0</u>	0 <u>0</u>	0 <u>0</u>	1 <u>0</u>
Michigan	2022 <u>20</u> 21	1	0	0	0	0	0	1
	2022	1 <u>0</u>	0 <u>1</u>	0 <u>0</u>	0 <u>0</u>	0 <u>0</u>	0 <u>0</u>	0 <u>1</u>
	2023	1	0	0	0	0	0	1
	2024	1 <u>0</u>	0 <u>1</u>	0 <u>0</u>	0 <u>0</u>	0 <u>0</u>	0 <u>0</u>	1 <u>0</u>
Minnesota	2022 <u>20</u> 21	1	0	0	0	0	0	1
	2023	1 <u>0</u>	0 <u>1</u>	0 <u>0</u>	0 <u>0</u>	0 <u>0</u>	0 <u>0</u>	1 <u>0</u>
	2024	1 <u>0</u>	0 <u>1</u>	0 <u>0</u>	0 <u>0</u>	0 <u>0</u>	0 <u>0</u>	1 <u>0</u>
New York	2022	0 <u>1</u>	0	0	0	0	0	0 <u>1</u>
	2023	0 <u>1</u>	0	0	0	0	0	0 <u>1</u>
	2024	0 <u>1</u>	1 <u>0</u>	0 <u>0</u>	0 <u>0</u>	0 <u>0</u>	0 <u>0</u>	1 <u>0</u>
North Carolina	2022 <u>20</u> 21	1 <u>2</u>	1 <u>0</u>	0	0	0	0	2
	2022	2 <u>1</u>	0 <u>1</u>	0 <u>0</u>	0 <u>0</u>	0 <u>0</u>	0 <u>0</u>	1 <u>2</u>
	2023	2	0	0	0	0	1	1
Ohio	2021 <u>20</u> 24	2 <u>1</u>	1 <u>2</u>	0	0 <u>1</u>	0	0	3 <u>2</u>
Ohio	2022	3	0	0	0	0	0	3
	2023	3	0	0	0	0	0	3
	2024	3 <u>2</u>	0 <u>1</u>	0 <u>0</u>	0 <u>0</u>	0 <u>0</u>	0 <u>0</u>	3 <u>2</u>
Oklahoma	2022 <u>20</u> 21	0	0 <u>1</u>	0	0	0	0	0 <u>1</u>
	2022	0 <u>1</u>	1 <u>0</u>	0 <u>0</u>	0 <u>0</u>	0 <u>0</u>	0 <u>0</u>	1 <u>0</u>
	2023	1	0	0	0	0	0	1
	2024	1 <u>0</u>	0 <u>1</u>	0 <u>0</u>	0 <u>0</u>	0 <u>0</u>	0 <u>0</u>	1 <u>0</u>

TABLE 3 – STATUS OF FRANCHISED OUTLETS FOR YEARS ~~2021~~2022 TO ~~2023~~2024

STATE	YEAR	OUTLETS AT START OF YEAR	OUTLETS OPENED	TERMINATIONS	NON-RENEWALS	REACQUIRED BY FRANCHISOR	CEASED OPERATIONS – OTHER REASONS	OUTLETS AT END OF THE YEAR
Pennsylvania	2022 2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	1	0	0	0	0	0	1
	2024	1	1	0	0	0	0	2
South Carolina	2022 2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	1	0	0	0
Tennessee	2022 2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Texas	2021 2020	1	1	0	0	0	0	2
Texas	2022	2	0	0	0	0	0	2
	2023	2	3	0	0	0	0	5
Utah	2021 2020	1	1	0	0	0	0	2

TABLE 3 – STATUS OF FRANCHISED OUTLETS FOR YEARS ~~2021~~2022 TO ~~2023~~2024

STATE	YEAR	OUTLETS AT START OF YEAR	OUTLETS OPENED	TERMINATIONS	NON-RENEWALS	REACQUIRED BY FRANCHISOR	CEASED OPERATIONS – OTHER REASONS	OUTLETS AT END OF THE YEAR
Utah	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Virginia	2022 21	0 1	1	0	0	0	0	1 2
	2022	1	1	0	0	0	0	2
	2023	2	0	0	0	0	0	2
Total	2021 24	16 2	50	0	0	0	0	24 2
Total	2022	21	4	0	0	0	1	24
	2023	24	6	0	0	0	2	28
	2024	28	24	0	2	0	0	50

TABLE 4 – STATUS OF COMPANY-OWNED OUTLETS FOR YEARS ~~2021~~2022 TO ~~2023~~2024

STATE	YEAR	OUTLETS AT START OF YEAR	OUTLETS OPENED	OUTLETS REACQUIRED FROM FRANCHISEE	OUTLETS CLOSED	OUTLETS SOLD TO FRANCHISEE	OUTLETS AT END OF THE YEAR
Tennessee	2022 21	2	0	0	0	0	2
	2023 22	2	0	0	0	0	2
	2023 24	2	0	0	0	0 2	2 0
Texas	2022 21	2 1	0	0	1	0	1 0
	2023 22	1 0	0	0	1 0	0	0
	2023 24	0	0	0	0	0	0
Total	2022 21	4 3	0	0	1	0	3 2
	2023 22	3 2	0	0	1 0	0	2
	2023 24	2	0	0	0	0 2	2 0

TABLE 5 - PROJECTED OPENINGS AS OF DECEMBER 31, 2023

STATE	FRANCHISE AGREEMENTS SIGNED BUT CENTERS NOT OPENED	PROJECTED NEW FRANCHISED OUTLETS IN THE NEXT FISCAL YEAR	PROJECTED NEW COMPANY-OWNED OUTLETS IN THE CURRENT FISCAL YEAR
Arizona	0	1 2	0

TABLE 5 - PROJECTED OPENINGS AS OF DECEMBER 31, 2023

STATE	FRANCHISE AGREEMENTS SIGNED BUT CENTERS NOT OPENED	PROJECTED NEW FRANCHISED OUTLETS IN THE NEXT FISCAL YEAR	PROJECTED NEW COMPANY-OWNED OUTLETS IN THE CURRENT FISCAL YEAR
California	0	14	0
Colorado	0	1	0
Florida	02	12	0
Georgia	03	12	0
<u>Idaho</u>	<u>0</u>	<u>1</u>	<u>0</u>
<u>Illinois</u>	<u>1</u>	<u>2</u>	<u>0</u>
Indiana	01	01	0
<u>Maryland</u>	<u>0</u>	<u>1</u>	<u>0</u>
Michigan	0	0	0
Missouri	0	1	0
<u>New Hampshire</u>	<u>1</u>	<u>0</u>	<u>0</u>
New Jersey	0	10	0
<u>New York</u>	<u>0</u>	<u>1</u>	<u>0</u>
North Carolina	0	12	0
New York	0	1	0
Oregon	0	10	0
Pennsylvania	0	10	0
<u>South Carolina</u>	<u>0</u>	<u>1</u>	<u>0</u>
Texas	0	12	0
Total	08	1223	0

A list of our current franchisees and the addresses and telephone numbers of their outlets is attached as Exhibit G to this Disclosure Document. Listed in Exhibit H to this Disclosure Document is the name, city and state, and last known telephone number of each franchisee that had an outlet transferred, terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the Franchise Agreement during the most recently completed fiscal year or has not communicated with Next Day Access® within the 10 weeks preceding the date of this application. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

In the last three fiscal years, some Next Day Access franchisees have signed confidentiality provisions restricting their ability to speak with you about their franchised business. 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.

ITEM 21

FINANCIAL STATEMENTS

Exhibit A includes the audited financial statement of Next Day Access, LLC for fiscal years ended December 31, ~~2021~~, 2022, 2023, and 2023~~2024~~. Our fiscal year end is December 31.

ITEM 22

CONTRACTS

The following agreements and contracts are attached as exhibits to this Disclosure Document:

Exhibit B Franchise Agreement and Addenda
Exhibit D ~~Sample Deposit Agreement~~ Power of Attorney
Exhibit E ~~Sample Release Agreement~~ G State Addenda

ITEM 23

RECEIPTS

Exhibit K is a detachable document to use for acknowledging receipt of the Franchise Disclosure Document, including all exhibits.

EXHIBIT A
FINANCIAL STATEMENTS

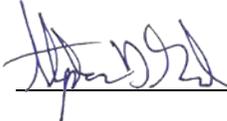
GUARANTEE OF PERFORMANCE

For value received, CFC Holding Company, LLC (the “Guarantor”), located at 45 Rockefeller Center, 630 5th Avenue, Suite 400, New York, NY 10111, absolutely and unconditionally guarantees to assume the duties and obligations of Next Day Access, LLC, located at 900 Wilshire Dr., Suite 102, Troy, MI 48084 (the “Franchisor”), under its franchise registration in each state where the franchise is registered, and under its Franchise Agreement identified in its 2025 Franchise Disclosure Document, as it may be amended, and as that Franchise Agreement may be entered into with franchisees and amended, modified or extended from time to time. This guarantee continues until all such obligations of the Franchisor under its franchise registrations and the Franchise Agreement are satisfied or until the liability of Franchisor to its franchisees under the Franchise Agreement has been completely discharged, whichever first occurs. The Guarantor is not discharged from liability if a claim by a franchisee against the Franchisor remains outstanding. Notice of acceptance is waived. The Guarantor does not waive receipt of notice of default on the part of the Franchisor. This guarantee is binding on the Guarantor and its successors and assigns.

The Guarantor signs this guarantee at 900 Wilshire Dr., Suite 102, Troy, MI 48084, on this 17th day of March, 2025.

Guarantor:

CFC Holding Company, LLC

By:  _____

Name: Stephen D. Greenwald

Title: In-house Counsel

**CFC Holding Company, LLC
and Subsidiaries
d/b/a Best Life Brands**

Consolidated Financial Report
December 31, 2024

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RSM US LLP

Independent Auditor's Report

Board of Directors
CFC Holding Company, LLC and Subsidiaries d/b/a Best Life Brands

Opinion

We have audited the consolidated financial statements of CFC Holding Company, LLC and Subsidiaries d/b/a Best Life Brands (the Company), which comprise the consolidated balance sheets as of December 31, 2024 and 2023, the related consolidated statements of operations, changes in members' (deficit) equity, and cash flows for the years ended December 31, 2024, 2023 and 2022, and the related notes to the consolidated financial statements (collectively, the financial statements).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and the results of their operations and their cash flows for the years ended December 31, 2024, 2023 and 2022 in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

RSM US LLP

Detroit, Michigan
March 13, 2025

CFC Holding Company, LLC and Subsidiaries d/b/a Best Life Brands

Consolidated Balance Sheets
December 31, 2024 and 2023

	2024	2023
Assets		
Current assets:		
Cash	\$ 6,455,273	\$ 3,771,114
Restricted cash	1,648,151	2,064,387
Royalty receivables, net of allowance for credit losses	3,444,054	4,591,643
Other receivables, net of allowance for credit losses	5,477,626	3,828,681
Current deferred commissions	486,510	165,771
Current notes receivable, net of allowance for credit losses	233,783	114,376
Current contract asset	56,751	125,042
Prepaid expenses	682,513	736,893
Total current assets	18,484,661	15,397,907
Property and equipment, net	96,428	93,365
Other assets:		
Right-of-use asset—operating leases, net	287,558	395,641
Goodwill, net	12,012,999	7,212,105
Intangibles, net	6,778,274	3,176,262
Noncurrent deferred commissions	6,653,710	3,003,713
Noncurrent other receivables, net of allowance for credit losses	517,729	13,000
Noncurrent notes receivable, net of allowance for credit losses	890,679	132,713
Noncurrent contract asset	-	89,913
Total other assets	27,140,949	14,023,347
Total assets	\$ 45,722,038	\$ 29,514,619
Liabilities and Members' Deficit		
Current liabilities:		
Accounts payable	\$ 2,795,527	\$ 1,941,644
Accrued liabilities	6,082,977	4,492,813
Current deferred revenue	937,135	332,532
Operating lease liabilities, current	126,061	121,770
Total current liabilities	9,941,700	6,888,759
Long-term liabilities:		
Noncurrent deferred revenue	8,604,546	5,438,430
Operating lease liabilities noncurrent	208,671	334,732
Long-term debt, net of debt issuance costs	54,405,765	24,910,181
Total liabilities	73,160,682	37,572,102
Members' deficit	(27,438,644)	(8,057,483)
Total liabilities and members' deficit	\$ 45,722,038	\$ 29,514,619

See notes to consolidated financial statements.

CFC Holding Company, LLC and Subsidiaries d/b/a Best Life Brands

**Consolidated Statements of Operations
Years Ended December 31, 2024, 2023 and 2022**

	2024	2023	2022
Revenues:			
Franchise royalties	\$ 20,309,167	\$ 16,095,737	\$ 14,267,295
Franchise fees	4,362,608	2,367,099	2,974,329
National advertising fund revenue	3,422,013	3,556,747	2,805,447
Marketing fees	3,106,702	2,475,139	2,250,119
Technology fees	2,568,530	2,275,097	2,122,923
Service revenue	2,127,520	-	-
Other revenue	1,409,189	1,647,623	547,695
Total revenues	37,305,729	28,417,442	24,967,808
Expenses:			
General and administrative expenses	25,320,883	19,553,824	16,521,517
National advertising fund expense	3,422,013	3,556,747	2,805,447
Amortization expense	3,831,846	3,015,167	3,397,233
Transaction expenses	1,728,480	-	-
Franchise broker commissions	1,617,997	1,014,812	1,158,212
Total expenses	35,921,219	27,140,550	23,882,409
Operating income	1,384,510	1,276,892	1,085,399
Other income (expense):			
Interest income	86,214	15,040	-
Interest expense	(4,544,585)	(2,991,495)	(2,371,325)
Loss from continuing operations	(3,073,861)	(1,699,563)	(1,285,926)
Loss from discontinued operations (including loss on disposal of \$4,082,797 as of December 31, 2023)	-	(5,944,167)	(1,250,929)
Net loss	\$ (3,073,861)	\$ (7,643,730)	\$ (2,536,855)

See notes to consolidated financial statements.

CFC Holding Company, LLC and Subsidiaries d/b/a Best Life Brands

**Consolidated Statements of Changes in Members' (Deficit) Equity
Years Ended December 31, 2024, 2023 and 2022**

Balance at December 31, 2021	\$ 2,288,102
Net loss	<u>(2,536,855)</u>
Balance at December 31, 2022	(248,753)
Net loss	(7,643,730)
Distributions	<u>(165,000)</u>
Balance at December 31, 2023	(8,057,483)
Distributions	(16,307,300)
Net loss	<u>(3,073,861)</u>
Balance at December 31, 2024	<u><u>\$ (27,438,644)</u></u>

See notes to consolidated financial statements.

CFC Holding Company, LLC and Subsidiaries d/b/a Best Life Brands

**Consolidated Statements of Cash Flows
Years Ended December 31, 2024, 2023 and 2022**

	2024	2023	2022
Cash flows from operating activities:			
Net loss from continuing operations	\$ (3,073,861)	\$ (1,699,563)	\$ (1,285,926)
Net loss from discontinued operations	-	(5,944,167)	(1,250,929)
Adjustments to reconcile net loss from continuing operations to cash provided by (used in) operating activities:			
Depreciation	48,879	31,472	20,348
Accretion of debt issuance costs	170,636	82,909	82,909
Amortization	3,831,846	3,015,167	3,397,233
Changes in operating assets and liabilities:			
Royalty receivables	1,753,722	(2,416,070)	(749,280)
Other receivables	(1,300,983)	(123,573)	(1,132,427)
Deferred commissions	(3,970,736)	(1,358,928)	(289,546)
Contract asset	158,204	323,793	391,691
Prepaid expenses	55,336	(226,578)	(341,828)
Accounts payable	596,140	(823,686)	986,766
Accrued liabilities	1,330,188	(921,076)	(239,765)
Deferred revenue	3,232,338	2,297,394	716,125
Operating lease assets and liabilities	(13,687)	(11,171)	72,023
Net cash provided by (used in) operating activities—continuing operations	2,818,022	(1,829,910)	1,628,323
Net cash used in operating activities—discontinued operations	-	(1,876,348)	(979,496)
Net cash provided by (used in) operating activities	2,818,022	(3,706,258)	648,827
Cash flows from investing activities:			
Acquisition of businesses, net of cash acquired	(12,550,332)	-	-
Investment in internally developed software	(88,100)	-	-
Purchase of furniture and computers	(51,942)	(45,161)	(23,870)
Net cash used in investing activities	(12,690,374)	(45,161)	(23,870)
Cash flows from financing activities:			
Borrowings from loan	30,000,000	-	-
Payment of debt issuance costs	(675,052)	-	-
Note receivables	(877,373)	(247,089)	-
Distributions to members	(16,307,300)	(165,000)	-
Net cash provided by (used in) financing activities	12,140,275	(412,089)	-
Net increase (decrease) in cash	2,267,923	(4,163,508)	624,957
Cash and restricted cash:			
Beginning	5,835,501	9,999,009	9,374,052
Ending	<u>\$ 8,103,424</u>	<u>\$ 5,835,501</u>	<u>\$ 9,999,009</u>

(Continued)

CFC Holding Company, LLC and Subsidiaries d/b/a Best Life Brands

Consolidated Statements of Cash Flows (Continued)
Years ended December 31, 2024, 2023 and 2022

	2024	2023	2022
Supplemental disclosure of cash flow information:			
Cash payments for interest	<u>\$ 4,108,227</u>	<u>\$ 2,028,736</u>	<u>\$ 2,025,173</u>
Supplemental schedule of noncash operating, investing and financing activities:			
Acquisition of businesses:			
Assets acquired	\$ 5,969,557	\$ -	\$ -
Liabilities assumed	<u>(1,056,100)</u>	-	-
Net identifiable assets acquired	<u>4,913,457</u>	-	-
Goodwill	<u>7,517,652</u>	-	-
Net assets acquired	<u>12,431,109</u>	-	-
Less cash acquired	<u>(733,468)</u>	-	-
Add due from seller	<u>852,691</u>	-	-
Cash purchase price	<u>\$ 12,550,332</u>	<u>\$ -</u>	<u>\$ -</u>

See notes to consolidated financial statements.

CFC Holding Company, LLC and Subsidiaries d/b/a Best Life Brands

Notes to Consolidated Financial Statements

Note 1. Nature of Business and Significant Accounting Policies

Nature of business: CFC Holding Company, LLC and Subsidiaries d/b/a Best Life Brands (collectively, the Company) entered into an agreement to acquire 100% of the interest in ComForCare Healthcare Holdings, Inc. (Holdings) on January 31, 2017. The subsidiaries of the Company include Best Life Brands, LLC (BLB), ComForCare Franchise Systems, LLC (ComForCare), CarePatrol Franchise Systems, LLC (CarePatrol), Blue Moon Franchise Systems, LLC (Blue Moon), Boost Home Health, LLC (Boost), PROHealth Home Health Services, LLC (PROHealth) and Next Day Access, LLC (NDA). BLB was formed as a holding company which is wholly owned by the Company. BLB wholly owns ComForCare, CarePatrol, Blue Moon, Boost, PROHealth and NDA. BLB acquired 100% of the interest in NDA on March 20, 2024.

ComForCare is a franchisor of certain nonmedical home health care services and business operations primarily in North America. ComForCare provides a systematic method for starting and operating a home health care business under the trade name ComForCare Home Care and At Your Side Home Care (hereinafter collectively CHC). ComForCare provides its franchisees territorial rights for operation of their CHC businesses. They also provide initial training and ongoing support for franchisees to assure continuity and growth of their business operations.

CarePatrol is a franchisor that offers franchises for the operation of a business that provides assisted living senior referral and placement services, as well as information and marketing services for families looking for assisted living, in-home care and other senior-related services.

Blue Moon is a franchisor that provides management of estate sales.

Boost is a franchisor that provides home health programs relating to rehabilitation and clinical services that enhance at-home healing and support recovery.

PROHealth is a home health agency providing in home health care. PROHealth was sold on September 1, 2023, (see Note 11).

NDA is a franchisor and service company that provides numerous accessibility products for people living with disabilities and those who are mobility challenged. NDA provides its franchisees name recognition, training, and advertising. NDA service company contracts with vendors to install numerous accessibility products.

Significant accounting policies:

Basis of presentation: The consolidated balance sheets are presented as of December 31, 2024 and 2023. The consolidated statements of operations, changes in members' (deficit) equity, and cash flows are presented for the years ended December 31, 2024, 2023 and 2022. The accompanying consolidated financial statements of CFC Holding Company, LLC include its wholly owned subsidiaries, BLB, ComForCare, CarePatrol, Blue Moon, Boost, PROHealth and NDA. All intercompany accounts and transactions have been eliminated in consolidation.

Use of accounting estimates: The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

CFC Holding Company, LLC and Subsidiaries d/b/a Best Life Brands

Notes to Consolidated Financial Statements

Note 1. Nature of Business and Significant Accounting Policies (Continued)

Cash and restricted cash: The Company maintains cash balances that, at times, may exceed federally insured limits. Management believes the Company is not exposed to any significant risk on these cash balances. Cash collected and held within the National Advertising Fund is recorded as restricted cash (see Note 6).

The following table provides a reconciliation of cash and restricted cash (Note 6) reported within the consolidated balance sheets that sums to the total of the same such amounts shown in the consolidated statements of cash flows:

	2024	2023
Cash	\$ 6,455,273	\$ 3,771,114
Restricted cash	1,648,151	2,064,387
	<u>\$ 8,103,424</u>	<u>\$ 5,835,501</u>

Receivables: The Company adopted Accounting Standards Update (ASU) 2016-13, *Financial Instruments—Credit Losses (Topic 326)*, on January 1, 2023. This accounting standard requires companies to measure expected credit losses on financial instruments based on the total estimated amount to be collected over the lifetime of the instruments which would include accounts receivables. Prior to the adoption of this accounting standard, the Company recorded incurred loss reserves against account receivable balances based on current and historical information. The adoption of this ASU did not have a material effect on the Company's financial statements.

Royalty receivables represent amounts due from franchisees pursuant to their individual franchise agreements. Royalty receivables are stated at historical value which approximates fair value. The allowance for credit losses on royalty receivables represents the Company's estimate of expected credit losses over the lifetime of the receivables. This estimation process is based on historical experience, current conditions, asset-specific risk characteristics and reasonable and supportable forecasts about future economic and market conditions. Royalty receivables are written off when deemed uncollectible. Recoveries of royalty receivables previously written off are recorded when received. The allowance for credit loss was approximately \$428,000 and \$232,000 for the years ended December 31, 2024 and 2023, respectively. The Company will continue to monitor and evaluate the adequacy of the allowance for credit losses on accounts receivable on a regular basis and make adjustments as necessary in response to changes in economic conditions and credit quality indicators.

Other receivables represent amounts due from franchisees pursuant to their individual franchise for franchise fees, marketing fees, technology fees, national ad fund revenue and other revenue. The allowance for credit losses on other receivables represents the Company's estimate of expected credit losses over the lifetime of the receivables. This estimation process is based on historical experience, current conditions, asset-specific risk characteristics and reasonable and supportable forecasts about future economic and market conditions. Other receivables are written off when deemed uncollectible. Recoveries of other receivables previously written off are recorded when received. The allowance for credit loss was approximately \$485,000 and \$103,000 for the years ended December 31, 2024 and 2023, respectively. The Company will continue to monitor and evaluate the adequacy of the allowance for credit losses on accounts receivable on a regular basis and make adjustments as necessary in response to changes in economic conditions and credit quality indicators.

CFC Holding Company, LLC and Subsidiaries d/b/a Best Life Brands

Notes to Consolidated Financial Statements

Note 1. Nature of Business and Significant Accounting Policies (Continued)

Below is a summary of changes in the Company's allowance for credit losses for royalty and other receivables for the year ended December 31, 2024 and 2023, respectively:

	Royalty receivables	
	2024	2023
Benignning balance	\$ 231,896	\$ 167,924
Provision for expected credit losses	279,767	66,469
Charge-offs	(84,030)	(2,497)
Ending balance	<u>\$ 427,633</u>	<u>\$ 231,896</u>
	Other receivables	
	2024	2023
Benignning balance	\$ 103,232	\$ 131,693
Provision for expected credit losses	449,873	80,000
Charge-offs	(68,288)	(108,461)
Ending balance	<u>\$ 484,817</u>	<u>\$ 103,232</u>

The closing balances of the Company's receivables are stated on the accompanying consolidated balance sheets at December 31, 2024 and 2023. The opening balance of royalty receivables and other receivables as of January 1, 2023, was \$2,175,573 and \$3,718,108, respectively.

Notes receivable: The Company enters into promissory notes with franchisees that allow the franchisees to defer payments in an amount that is generally half the franchise fees due. Promissory notes are repaid through monthly installments of principal and interest over the life of the note which ranges from one to sixty months with a 10% interest rate. Notes receivable are stated at amortized cost. The allowance for credit loss on notes receivable represents the Company's estimate of expected credit losses over their lifetime. Management considers the following factors when determining the collectability of the outstanding notes receivables: credit-worthiness of franchisees, past transaction history with all franchisees, current economic industry trends, and reasonable and supportable forecasts about future economic and market conditions. If the financial conditions of the Company's franchisees were to deteriorate, adversely affecting their ability to make payments, additional allowances would be required. Based on management's assessment, the Company provides for estimated uncollectible amounts through a charge to earnings and an allowance for credit losses. At December 31, 2024 and 2023, the allowance for credit losses was \$49,000 and \$0, respectively. Below is a summary of changes in the Company's allowance for credit losses for notes receivables for the year ended December 31, 2024 and 2023, respectively:

	2024	2023
Benignning balance	\$ -	\$ -
Provision for expected credit losses	49,000	-
Ending balance	<u>\$ 49,000</u>	<u>\$ -</u>

CFC Holding Company, LLC and Subsidiaries d/b/a Best Life Brands

Notes to Consolidated Financial Statements

Note 1. Nature of Business and Significant Accounting Policies (Continued)

Concentration of credit risk: The Company's financial instruments that are exposed to concentrations of credit risk consist primarily of cash and restricted cash, royalty receivables, other receivables and notes receivable. The Company maintains its cash and restricted cash in bank deposit accounts, which at times may exceed federally insured limits. Management believes the financial institutions that hold the Company's cash and restricted cash are financially sound and, accordingly, minimal credit risk exists with respect to these accounts. The Company grants credit to its franchisees. Consequently, the Company's ability to collect the amounts due from franchisees is affected by economic fluctuations. The Company routinely assesses the financial strength of its franchisees and believes that its royalty receivables, other receivables and notes receivable credit risk exposure is limited.

Property and equipment: Property and equipment, which primarily consist of furniture and office equipment, are recorded at cost and depreciated over the estimated useful life of the assets using the straight-line method. Useful lives used to depreciate property and equipment range from three to seven years.

Goodwill: Goodwill results from business acquisitions and represents the excess of the purchase price over the fair value of the identifiable net assets acquired.

The Company follows an accounting alternative that allows it to amortize goodwill on a straight-line basis over a period of 10 years. Also pursuant to the accounting alternative, the Company will test its goodwill for impairment at the entity level only upon the occurrence of an event or circumstance that may indicate the fair value of the entity is less than its carrying amount. As of December 31, 2024 and 2023, the Company has determined that there was no occurrence of an event or circumstance that might indicate the fair value of the entity is less than the carrying amount.

Intangible assets: Intangible assets are amortized over their finite useful lives using the straight-line method. Intangible assets include franchise agreements, software and trade names.

Impairment of long-lived assets: The Company reviews long-lived assets, including property and equipment and certain intangible assets, for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of these assets is measured by a comparison of the carrying amount of the asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment charge to be recognized is measured by the amount by which the carrying amount of the asset exceeds the estimated fair value of the asset. There were no impairment charges for the years ended December 31, 2024 and 2023.

Deferred revenue: The Company receives deposits of initial and renewal franchise fees for certain territories and future rights to the ComForCare, CarePatrol, Blue Moon, Boost and NDA business models. The Company recognizes revenue when contracts have been signed and each performance obligation has been performed. The closing balances of the Company's deferred revenue is stated on the accompanying consolidated balance sheets at December 31, 2024 and 2023. The opening balance of deferred revenue as of January 1, 2023, was \$3,473,568.

Debt issuance costs: Debt issuance costs associated with long-term debt are capitalized as a reduction to the related debt obligation and amortized over the terms of the related debt using the effective-interest method. Amortization expense is included within interest expense in the consolidated statements of operations.

CFC Holding Company, LLC and Subsidiaries d/b/a Best Life Brands

Notes to Consolidated Financial Statements

Note 1. Nature of Business and Significant Accounting Policies (Continued)

Revenue recognition: The Company recognizes revenue in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 606, which provides a five-step model for recognizing revenue from contracts with customers as follows:

- Identify the contract with a customer
- Identify the performance obligations in the contract
- Determine the transaction price
- Allocate the transaction price to the performance obligations in the contract
- Recognize revenue when or as performance obligations are satisfied

Nature of revenues: The Company's franchisor revenues for ComForCare, CarePatrol, Blue Moon, Boost and NDA includes franchise royalties, advertising fund contributions, marketing fees, technology fees, and initial and renewal franchise fees. The Company also collects lead placement revenue, through its CarePatrol franchise.

NDA non-franchise revenues consist of service revenue for home modification services in addition to the franchisor revenues.

The Company collects patient service revenue, through its PROHealth subsidiary which is derived from patient service by providing medical services. PROHealth was sold on September 1, 2023.

A summary of the Company's significant products and services are as follows:

Franchise revenues - Franchise agreements include: (a) the right to use symbolic intellectual property over the term of each franchise agreement, (b) ongoing services, such as management of the advertising fund contributions, and marketing services, and providing access to franchise specific technology, and (c) pre-opening services, such as training.

The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring goods and services to the customer. Agreements may include initial and renewal franchise fees (includes the right to use symbolic intellectual property and pre-opening services), royalties (includes the right to use symbolic intellectual property), marketing fees (ongoing services), technology fees (ongoing services), and National Ad Fund fees (ongoing services).

The right to use symbolic intellectual property and ongoing services are highly dependent upon and interrelated with the franchise right granted in the franchise agreement, so they are not considered to be individually distinct and, therefore, are accounted for as a single performance obligation (License of IP). The performance obligation under the franchise agreement is the promise to provide daily access to the symbolic intellectual property over the term of each franchise agreement, which is a series of distinct services that represents a single performance obligation. Although the franchisor's underlying activities associated with the symbolic intellectual property will vary both within a day and day-to-day, the symbolic intellectual property is accessed over time and the franchisee simultaneously receives and consumes the benefit from the franchisor's performance of providing access to the symbolic intellectual property (including ongoing services).

CFC Holding Company, LLC and Subsidiaries d/b/a Best Life Brands

Notes to Consolidated Financial Statements

Note 1. Nature of Business and Significant Accounting Policies (Continued)

ComForCare, Blue Moon, Boost and NDA royalties are calculated as a percentage of franchise sales that are related entirely to the License of IP performance obligation under the franchise agreement. These royalties are considered variable consideration. Royalty revenue is recognized as franchisee sales occur.

CarePatrol royalties are charged to the vast majority of franchisees as a percentage of franchise sales and others as standard fixed amounts in which all royalties are related entirely to the License of IP performance obligation under the franchise agreement.

CarePatrol royalties charged as a percentage of franchise sales are considered variable consideration. Royalty revenue is recognized as franchisee sales occur.

CarePatrol royalties charged as standard fixed amounts are considered fixed consideration. Royalty amounts are billed each month for each franchisee. The agreements call for increasing fees throughout the life of the agreement. CarePatrol recognizes revenues for these standard amounts on a straight-line basis over the life of the agreements which results in a contract asset which is presented on the Company's consolidated balance sheets. The closing balances of the Company's contract assets are stated on the accompanying consolidated balance sheets at December 31, 2024 and 2023. The opening balance of contract assets as of January 1, 2023, was \$538,748.

The Company charges marketing fees, technology fees, and National Ad Fund fees which are related entirely to the License of IP performance obligation under the franchise agreement. These revenues are recognized as the fees are billed to franchisees.

Initial and renewal franchise fees are recognized as revenue in regard to two identified performance obligations within the contract. A portion of the fee is recognized when the Company provides training services, as these services are distinct within the contract. The remaining portion of the fees is recognized as revenue related to the License of IP performance obligation on a straight-line basis over the term of the respective agreement beginning when the franchisee signs an agreement. Stand-alone selling price for each performance obligation was determined using an expected cost plus margin approach for training and an observable selling price for the License of IP.

All franchise revenue is recognized over time as the services are provided to franchisees.

Lead placement revenue—Specific to placement services that CarePatrol provides, the Company collects a lead placement fee from retirement facilities when a senior is placed within that facility. This revenue is recognized at a point in time when placement has occurred.

NDA service revenue – In assessing the recognition of revenue, the Company evaluates whether two or more contracts should be combined and accounted for as one contract and if the combined or single contract should be accounted for as multiple performance obligations which could change the amount of revenue and profit (loss) recorded in a period. All of the Company's service contracts with customers are accounted for as one performance obligation, as all of the tasks and services are part of a single integrated project.

CFC Holding Company, LLC and Subsidiaries d/b/a Best Life Brands

Notes to Consolidated Financial Statements

Note 1. Nature of Business and Significant Accounting Policies (Continued)

The timing of revenue recognition for each performance obligation is over time. The Company recognizes service revenue over time when: (a) the customer simultaneously receives and consumes benefits as the Company performs services, (b) customer controls the asset as the Company creates or enhances the asset, or (c) there is no alternative use and an enforceable right to payment. Revenues are recognized using the input method using cost as a measure of progress, which most accurately represents the amount of goods and services than have been transferred to the customer as the work is being performed on the customer's premise. Provision for estimated losses on in process contract, if any, are made in the fiscal year in which such losses are determined. Changes in job performance, job conditions and estimated profitability, including those arising from final contract settlements, may result in revisions to costs and income and are recognized in the fiscal year in which the revisions can be measured.

Patient service revenue—PROHealth's patient service revenues are fee-for-service, the patient is charged a fee based on the services performed. For patients that receive treatment there is consent (written, implied or verbally) to obtain treatment. The Company receives payments directly from private consumers, commercial insurers, Medicare and other third-party payors. Revenue is recognized as performance obligations are satisfied.

Because all of its performance obligations relate to contracts with a duration of less than one year, the Company has elected to apply the optional exemption and, therefore, is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period.

The Company determines the transaction price based on standard charges for goods and services provided, reduced by explicit price concessions comprised of contractual adjustments provided to third-party payors and discounts provided to uninsured patients in accordance with the Company's policy, and implicit price concessions proved to uninsured patients. The Company determines its estimates of contractual adjustments and discounts based on contractual agreements, its discount policies, and historical experience. The Company determines its estimate of implicit price concessions based on its historical collection experience with this class of patients.

All patient service revenue is recognized at a point in time when the services are provided to the patients.

Total revenue recognized at a point in time and over time was as follows for the years ended December 31:

	2024	2023	2022
Revenue recognized at a point in time	\$ 1,165,431	\$ 2,594,195	\$ 3,410,580
Revenue recognized over time	36,140,298	25,823,247	21,557,228
	<u>\$ 37,305,729</u>	<u>\$ 28,417,442</u>	<u>\$ 24,967,808</u>

Costs to obtain a contract - Franchise broker commissions paid to brokers that are incremental to the acquisition of customer contracts are capitalized as deferred franchise broker commissions on the consolidated balance sheets when the period of benefit is determined to be greater than one year. The Company determines the period of benefit for commissions paid for the acquisition of an initial contract by taking into consideration the initial estimated customer life, as well as future expectations about whether the renewal commission will be commensurate with the pattern of revenue recognition.

CFC Holding Company, LLC and Subsidiaries d/b/a Best Life Brands

Notes to Consolidated Financial Statements

Note 1. Nature of Business and Significant Accounting Policies (Continued)

The closing balances of the Company's deferred commissions are stated on the accompanying consolidated balance sheets at December 31, 2024 and 2023. The opening balance of deferred commissions as of January 1, 2023, was \$1,810,556.

Leases: The Company records leases under FASB issued ASC Topic 842, Leases. ASC 842 requires lessees to recognize most leases on their balance sheets as a right-of-use (ROU) asset representing the right to use an underlying asset and a lease liability representing the obligation to make lease payments over the lease term, measured on a discounted basis.

The Company determines if an arrangement is or contains a lease at inception, which is the date on which the terms of the contract are agreed to, and the agreement creates enforceable rights and obligations. A contract is or contains a lease when: (i) explicitly or implicitly identified assets have been deployed in the contract and (ii) the Company obtains substantially all of the economic benefits from the use of that underlying asset and directs how and for what purpose the asset is used during the term of the contract. The Company also considers whether its service arrangements include the right to control the use of an asset.

The Company made an accounting policy election available under Topic 842 not to recognize ROU assets and lease liabilities for leases with a term of twelve months or less. For all other leases, ROU assets and lease liabilities are measured based on the present value of future lease payments over the lease term at the commencement date of the lease. The ROU assets also include any initial direct costs incurred and lease payments made at or before the commencement date and are reduced by any lease incentives. To determine the present value of lease payments, the Company made an accounting policy election available to non-public companies to utilize a risk-free borrowing rate, which is aligned with the lease term at the lease commencement date.

The Company has made an accounting policy election to account for lease and non-lease components in its contracts as a single lease component for its various asset classes. The non-lease components typically represent additional services transferred to the Company, such as common area maintenance for real estate, which are variable in nature and recorded in variable lease expense in the period incurred.

Reclassifications: Certain reclassifications of amounts previously reported have been made to the accompanying consolidated financial statements to maintain consistency between periods presented. The reclassifications had no impact on the previously reported equity.

Subsequent events: The Company has evaluated subsequent events for potential recognition and/or disclosure through March 13, 2025, the date the consolidated financial statements were available to be issued.

Note 2. Acquisition of Businesses

Next Day Access: On March 20, 2024, Best Life Brands, LLC acquired 100% of the membership interest in Next Day Access, LLC for total consideration of approximately \$13.3 million. As a result of the acquisition, the Company and its investors seek to increase the value of their investment by growing the existing business and geographic footprint of NDA, through development activities to expand market share. The acquisition was funded through a restructuring of the Company's long term debt.

The goodwill arising from the above acquisition is largely due to the fair value of certain intangible assets along with the assembled workforce being subsumed into goodwill, NDA's presence in the marketplace, and its long-term expected revenue growth.

CFC Holding Company, LLC and Subsidiaries d/b/a Best Life Brands

Notes to Consolidated Financial Statements

Note 2. Acquisition of Businesses (Continued)

The business combination was accounted for under the acquisition method of accounting. The following table summarizes the consideration paid, assets acquired, and liabilities assumed recognized at the preliminary fair value at the date of acquisition:

Consideration:	
Cash	\$ 13,283,800
Due from seller	(852,691)
Total purchase consideration	<u>\$ 12,431,109</u>
Fair value of identifiable assets acquired and liabilities assumed:	
Cash	733,468
Accounts receivable	606,133
Other asset	956
Intangible assets	4,629,000
Accounts payable	(257,743)
Accrued expenses	(259,976)
Contract Liabilities	(538,381)
Total identifiable net assets acquired	<u>4,913,457</u>
Goodwill	<u>7,517,652</u>
	<u>\$ 12,431,109</u>

The recognized amounts of accounts receivable approximate the gross contractual amounts, as there are no significant amounts expected to not be collected.

The Company engaged an independent valuation firm to assist with the valuation of intangible assets using the projected discounted future cash flows. Of the \$4,629,000 of identified intangible assets, \$1,458,000 was assigned to trade names and \$3,171,000 was assigned to franchise agreements that were determined to have useful lives of 20 and 10 years, respectively. The weighted-average useful life in years for the identified intangible assets in the aggregate is 13 years.

The primary area of the preliminary valuation that is not yet finalized relates to the on-going negotiations with the Company and the seller on the working capital settlement regarding \$167,300 recorded in accrued expenses for state tax payables and the same amount included in due from seller are estimated at December 31, 2024.

In connection with the transaction, the Company incurred \$1,728,480 of transaction expenses which were expensed in 2024 in the accompanying consolidated statement of operations.

Note 3. Related-Party Transactions

The Company pays consulting fees and expense to certain members of management of the Riverside Company and board members. Consulting fees and expenses for the years ended December 31, 2024, 2023 and 2022, were approximately \$510,000, \$454,000 and \$530,000, respectively. Accrued consulting fees and expenses as of December 31, 2024 and 2023, were approximately \$85,000 and \$78,000, respectively, and were included in accrued liabilities in the accompanying consolidated balance sheets.

CFC Holding Company, LLC and Subsidiaries d/b/a Best Life Brands

Notes to Consolidated Financial Statements

Note 4. Property and Equipment

Property and equipment is summarized as follows:

	2024	2023
Furniture and fixtures	\$ 82,076	\$ 82,076
Computer equipment	149,497	97,555
	<u>231,573</u>	<u>179,631</u>
Less accumulated depreciation	(135,145)	(86,266)
	<u>\$ 96,428</u>	<u>\$ 93,365</u>

Note 5. Intangible Assets and Goodwill

Following is a summary of the intangible assets:

December 31, 2024				
	Amortization Period (in Years)	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Franchise agreements	5-10	\$ 11,260,000	\$ (7,048,304)	\$ 4,211,696
Trade names	20	3,197,000	(711,531)	2,485,469
Software	5	1,000,100	(918,991)	81,109
		<u>\$ 15,457,100</u>	<u>\$ (8,678,826)</u>	<u>\$ 6,778,274</u>
Goodwill	10	<u>\$ 28,804,488</u>	<u>\$ (16,791,489)</u>	<u>\$ 12,012,999</u>
December 31, 2023				
	Amortization Period (in Years)	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Franchise agreements	5-10	\$ 8,089,000	\$ (6,123,917)	\$ 1,965,083
Trade names	20	1,739,000	(567,554)	1,171,446
Software	5	912,000	(872,267)	39,733
		<u>\$ 10,740,000</u>	<u>\$ (7,563,738)</u>	<u>\$ 3,176,262</u>
Goodwill	10	<u>\$ 21,286,836</u>	<u>\$ (14,074,731)</u>	<u>\$ 7,212,105</u>

CFC Holding Company, LLC and Subsidiaries d/b/a Best Life Brands

Notes to Consolidated Financial Statements

Note 5. Intangible Assets and Goodwill (Continued)

The change in the carrying value of goodwill for the years ended December 31, 2024 and 2023, is as follows:

Balance at December 31, 2022	\$ 9,340,791
Amortization expense	(2,128,686)
Balance at December 31, 2023	7,212,105
Additions of goodwill	7,517,652
Amortization expense	(2,716,758)
Balance at December 31, 2024	<u>\$ 12,012,999</u>

Amortization expense recognized on intangible assets and goodwill totaled \$1,115,088 and \$2,716,758, respectively, for the year ended December 31, 2024. Amortization expense recognized on intangible assets and goodwill totaled \$886,481 and \$2,128,686, respectively, for the year ended December 31, 2023. Amortization expense recognized on intangible assets and goodwill totaled \$1,268,547 and \$2,128,686, respectively, for the year ended December 31, 2022.

Estimated amortization expense for existing amortizable intangibles and goodwill is as follows for each of the next five years ending December 31:

	Intangible Assets	Goodwill
2025	\$ 1,113,169	\$ 2,880,449
2026	1,113,170	2,880,449
2027	546,120	1,383,845
2028	494,570	881,470
2029	1,825,025	816,035

Note 6. National Advertising Fund

The Company maintains a National Advertising Fund (NAF) for the creation and development of marketing, advertising, and related programs and materials for all franchises located in the United States and Canada. On behalf of the NAF, ComForCare collects 1% of gross monthly membership billings from franchisees. CarePatrol, Blue Moon, Boost and NDA collect varying amounts based on respective franchise agreements. The use of amounts received by the NAF is restricted to advertising, product development, public relations, merchandising, and administrative expenses and programs to increase sales and further enhance the public reputation of each brand. The Company consolidates and reports all balances held by the NAF within the consolidated financial statements. Amounts received and not spent by the NAF are reported as restricted cash which amounted to \$1,648,151 and \$2,064,387 as of December 31, 2024 and 2023, respectively. The Company records all revenues and expenses of the NAF within the consolidated statements of operations.

CFC Holding Company, LLC and Subsidiaries d/b/a Best Life Brands

Notes to Consolidated Financial Statements

Note 7. Long-Term Debt

On December 4, 2020, the Company amended a term note payable (Term Loan) with a financial institution. The Term Loan provides for \$25,000,000 in principal borrowings with the full principal amount being due on January 31, 2025. The Term Loan was amended on June 30, 2023 changing the monthly interest to Secured Overnight Financing Rate (SOFR) plus Applicable Margin from the previous rate of London Interbank Offered Rate plus Applicable Margin. In connection with the Next Day Access, LLC acquisition, the Company amended its debt agreement on March 20, 2024 to borrow an incremental \$14,000,000 of principal and extend the maturity date of the Term Loan to December 31, 2027. The Company further amended its debt agreement on November 19, 2024 to borrow an incremental \$16,000,000 of principal. There was \$55,000,000 and \$25,000,000 outstanding on the Term Loan at December 31, 2024 and 2023, respectively. The interest rate on the Term Loan was 10.75% at December 31, 2024.

Borrowings under the Term Loan agreement are collateralized by substantially all assets of the Company. The term note agreement also includes certain affirmative and negative covenants restricting certain corporate acts and requires the maintenance of consolidated leverage and fixed charge coverage ratios.

In connection with the Term Loan, amendments of the Term Loan and previous term loan agreements, the Company incurred debt issuance costs of approximately \$1,341,000, which are amortized over the term of the debt facilities. Amortization of debt issuance costs of \$170,636, \$82,909, and \$82,909 has been included in interest expense for the years ended December 31, 2024, 2023 and 2022, respectively.

A summary of long-term debt is as follows as of December 31:

	2024	2023
Term loan	\$ 55,000,000	\$ 25,000,000
Less unamortized debt issuance costs	(594,235)	(89,819)
	<u>\$ 54,405,765</u>	<u>\$ 24,910,181</u>

Note 8. Operating Leases

The Company leases real estate under operating lease agreements that have initial term of 67 months. Some leases include one or more options to renew, generally at the Company's sole discretion, with renewal terms that can extend the lease twice up to a term of five years each. In addition, certain leases contain termination options, where the rights to terminate are held by either the Company, the lessor or both parties. These options to extend or terminate a lease are included in the lease terms when it is reasonably certain that the Company will exercise that option. The Company's operating leases generally do not contain any material restrictive covenants or residual value guarantees.

Operating lease cost is recognized on a straight-line basis over the lease term. Lease expense is approximately \$114,000 for the years ended December 31, 2024, 2023 and 2022, respectively. Weighted average remaining on lease term is 2.6 years and 3.6 years for the years ended December 31, 2024 and 2023, respectively. Weighted average discount rate is 1.4% for the years ended December 31, 2024 and 2023, respectively.

CFC Holding Company, LLC and Subsidiaries d/b/a Best Life Brands

Notes to Consolidated Financial Statements

Note 8. Operating Leases (Continued)

Supplemental cash flow information related to leases is as follows for the years ended December 31:

	2024	2023
Operating leases		
Operating cash outflows—payments on operating leases	\$ 127,331	\$ 124,817

Future undiscounted cash flows for each of the next four years and thereafter and a reconciliation to the lease liabilities recognized on the consolidated balance sheets are as follows as of December 31, 2024:

	Operating Leases
Years ending December 31:	
2025	129,845
2026	132,358
2027	78,553
Total lease payments	340,756
Less imputed interest	(6,024)
Total present value of lease liabilities	\$ 334,732

Note 9. Members' Equity

Members' (deficit) equity consisted of the following membership units:

	December 31, 2024	
	Units Authorized	Units Issued and Outstanding
Class A Units	1,000,000	23,619
Class B Units	3,029	3,020
	December 31, 2023	
	Units Authorized	Units Issued and Outstanding
Class A Units	1,000,000	23,619
Class B Units	3,029	2,725

Class A Units have voting rights on all matters requiring the consent, approval or vote of the Members. The Class A Units receive preference on distributions.

Class B Units are profit interests that do not have voting rights and have been issued to designated management employees of the Company without any corresponding capital contribution. The holders of these units are entitled to share in the appreciation of the Company's assets that occur subsequent to the date of grant. The Class B Units are dilutive to the participating preferred units. The units substantially vest upon a change in control of the Company, if still employed.

CFC Holding Company, LLC and Subsidiaries d/b/a Best Life Brands

Notes to Consolidated Financial Statements

Note 9. Members' Equity (Continued)

The Company has issued Class B units of 295 and 190 to certain management employees for the years ended December 31, 2024 and 2023, respectively. During the years ended December 31, 2024 and 2023, 0 and 228 units, respectively, were forfeited.

No compensation expense is recognized on the Class B units as their vesting condition is not considered probable until a change in control.

Note 10. Income Taxes

As a limited liability company, the Company is treated as a partnership for federal and state income tax purposes. As such, the taxable income of the Company is allocated in the tax returns of its members for federal and state tax purposes in accordance with their respective ownership percentage. Accordingly, no provision for federal income taxes is included in the consolidated financial statements. Entity-level, composite state and local income taxes (benefits) are accrued at the applicable rates, if any, and are included in the consolidated statements of operations.

The FASB provides guidance for how uncertain tax provisions should be recognized, measured, disclosed and presented in the consolidated financial statements. The Company identifies its tax positions taken or expected to be taken in the course of preparing its tax returns and determines whether any tax positions are more likely than not of being sustained when challenged or when examined by the applicable tax authority. Management has determined that there are no uncertain tax positions at December 31, 2024 and 2023.

The Company's income tax filings are subject to audit by various taxing authorities. The Company's open audit period is 2021 and later.

Note 11. Discontinued Operations

PROHealth provided home health care services and was sold by the Company on September 1, 2023, for \$4 in cash. This entity operated as a separate business. The sale of PROHealth business is considered a strategic change in operations and was considered the lone non-franchisor owned in the Company's portfolio. PROHealth is therefore being accounted for as discontinued operations. The results of operations and sale of PROHealth business is being presented as income from discontinued operations in the accompanying consolidated statements of operations for the years ended December 31, 2023 and 2022.

CFC Holding Company, LLC and Subsidiaries d/b/a Best Life Brands

Notes to Consolidated Financial Statements

Note 11. Discontinued Operations (Continued)

The results of operations of PROHealth included in income from discontinued operations in the consolidated statements of operations for the years ended December 31, 2023 and 2022, is summarized as follows:

	<u>2023</u>	<u>2022</u>
Revenues:		
Patient service revenue	\$ 1,199,911	\$ 3,201,760
Total revenues	<u>1,199,911</u>	<u>3,201,760</u>
Expenses:		
General and administrative expenses	2,781,107	4,032,914
Amortization expense	279,850	419,775
Total expenses	<u>3,060,957</u>	<u>4,452,689</u>
Operating loss	(1,861,046)	(1,250,929)
Other expense:		
Interest expense	324	-
Loss on sale of discontinued operations	4,082,797	-
Net loss	<u>\$ (5,944,167)</u>	<u>\$ (1,250,929)</u>

NEXT DAY ACCESS, LLC
FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NEXT DAY ACCESS, LLC

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ROWLAND & CARTER, PLLC

CERTIFIED PUBLIC ACCOUNTANTS

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To the Members
Next Day Access, LLC
Memphis, Tennessee

INDEPENDENT AUDITORS' REPORT

We have audited the accompanying financial statements of NEXT DAY ACCESS, LLC, which comprise the balance sheets as of December 31, 2023 and 2022, and the related statements of income, members' equity and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of NEXT DAY ACCESS, LLC as of December 31, 2023 and 2022, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of NEXT DAY ACCESS, LLC and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about NEXT DAY ACCESS, LLC's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with auditing standards generally accepted in the United States of America, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of NEXT DAY ACCESS, LLC's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about NEXT DAY ACCESS, LLC's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.



Memphis, Tennessee
March 25, 2024

Rowland & Carter, PLLC
Certified Public Accountants

NEXT DAY ACCESS, LLC
BALANCE SHEETS
DECEMBER 31, 2023 AND 2022

<u>ASSETS</u>		
	<u>2023</u>	<u>2022</u>
<u>Current Assets</u>		
Cash	388,236	55,537
Accounts receivable - Trade	<u>367,550</u>	<u>444,821</u>
Total Current Assets	<u>755,786</u>	<u>500,358</u>
<u>Property and Equipment</u>		
Equipment		4,748
Less: Accumulated depreciation		<u>4,748</u>
Net Property and Equipment		<u> </u>
<u>Other Assets</u>		
Advances to affiliate	390,600	333,323
Organization costs, net of amortization	<u>10,278</u>	<u>13,611</u>
Total Other Assets	<u>400,878</u>	<u>346,934</u>
Total Assets	<u>1,156,664</u>	<u>847,292</u>
<u>LIABILITIES AND MEMBERS' EQUITY</u>		
<u>Current Liabilities</u>		
Accounts payable	87,886	112,696
<u>Long-Term Liabilities</u>		
Advances from affiliate	<u>772,826</u>	<u>511,665</u>
Total Liabilities	860,712	624,361
<u>Members' Equity</u>		
Members' equity	<u>295,952</u>	<u>222,931</u>
Total Liabilities and Member Equity	<u>1,156,664</u>	<u>847,292</u>

The accompanying notes are an integral part of these statements.

NEXT DAY ACCESS, LLC

STATEMENTS OF INCOME AND MEMBERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
Revenue		
Franchise Licensing Fees	637,450	375,595
Franchise Royalty Fees	1,969,991	1,529,563
Marketing Fee	203,468	141,497
Customer Management Fees	58,049	51,675
Creation Fees	56,440	
Other Income	<u>27,319</u>	<u>39,660</u>
Total Revenue	2,952,717	2,137,990
Operating Expenses	<u>2,074,536</u>	<u>1,336,315</u>
Income from Operations	878,181	801,675
Members' Equity:		
Beginning of Year	222,931	23,800
Members' Draw	<u>(805,160)</u>	<u>(602,544)</u>
End of Year	<u>295,952</u>	<u>222,931</u>

The accompanying notes are an integral part of these statements.

NEXT DAY ACCESS, LLC

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
<u>Cash Flows from Operating Activities</u>		
Net income	878,181	801,675
Adjustments to reconcile net income to net cash provided by operating activities:		
Amortization	3,333	3,333
(Increase) Decrease in:		
Trade receivables	77,271	(289,529)
Increase (Decrease) in:		
Accounts payable	<u>(24,810)</u>	<u>(67,438)</u>
Net Cash Provided by Operating Activities	<u>933,975</u>	<u>448,041</u>
<u>Cash Flows from Financing Activities</u>		
Net advances from affiliate	203,884	135,961
Member draws	<u>(805,160)</u>	<u>(602,544)</u>
Net Cash (Used) by Financing Activities	<u>(601,276)</u>	<u>(466,583)</u>
Net Increase (Decrease) in Cash	332,699	(18,542)
Cash Balance - Beginning of Year	<u>55,537</u>	<u>74,079</u>
Cash Balance - End of Year	<u>388,236</u>	<u>55,537</u>
<u>Supplemental Cash Flow Information</u>		
Interest paid	None	None
Taxes paid	None	None

The accompanying notes are an integral part of these statements.

NEXT DAY ACCESS, LLC

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

Note 1 - Summary of Significant Accounting Policies

Organization and Company's Activities:

Next Day Access, LLC was organized March 26, 2012 under the laws of the State of Tennessee. Next Day Access franchises provide a number of accessibility products for people living with disabilities and those who are mobility challenged, such as aging seniors and those recovering from a debilitating accident. The Company, as a franchisor, provides name recognition, training and advertising for its franchises. At December 31, 2023, the Company had 35 franchises in 18 states and Canada. At December 31, 2022, the Company had 30 franchises in 18 states and Canada.

Revenue Recognition:

We have analyzed the provisions of the FASB's ASC Topic 606, *Revenue from Contracts with Customers*, and have concluded that no changes are necessary to conform with the new standard. Our sales contain a single delivery element and revenue is recognized at a single point in time when ownership, risks and rewards transfer.

ASU 2021-02 allows non-public franchisors to account for pre-opening services provided to a franchisee as a distinct performance obligation that is separate from the franchise license. ASU 2021-02 also allows the franchisor the ability to recognize pre-opening services as a single performance. The Company accounts for franchisee pre-opening services as a single performance obligation.

The Company utilizes the overall accrual method of accounting. Franchise fees are recognized as income when a contract with the franchise is executed. Monthly royalty fees are recognized as income based on the franchisee's revenue.

Cash and Cash Equivalents:

For purposes of the statement of cash flows, the Company considers all highly liquid debt instruments with a maturity of three months or less, when purchased, to be cash equivalents.

Accounts Receivable and Bad Debts:

The Company contracts with its franchisees on an open credit basis. Management closely monitors outstanding accounts receivable and charges off to expense any balances that are determined to be uncollectible. As of December 31, 2023 and 2022, the Company considered its accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts was recorded. Bad debt expense for the years ended December 31, 2023 and 2022 totaled \$0 and \$0, respectively.

NEXT DAY ACCESS, LLC

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

Note 1 - Summary of Significant Accounting Policies (Continued)

Equipment and Depreciation:

Equipment is recorded at cost less applicable depreciation. For financial statement purposes, depreciation is computed using the straight-line method with a useful life of five years. For the years ended December 31, 2023 and 2022, there was no depreciation expense. Accelerated methods are used for tax depreciation purposes with a useful life of five years. The Company follows the practice of expensing all items that do not exceed \$3,000.

Maintenance and repairs are charged to operations when incurred. Betterments and renewals that extend the useful lives of equipment are capitalized. When equipment is sold or otherwise disposed of, the asset account and related accumulated depreciation account are reduced, and any gain or loss is included in operations.

Fair Value of Financial Instruments:

Substantially all of the Company's current assets and liabilities are considered financial instruments. These assets and liabilities are reflected at fair value, or at carrying amounts that approximate fair value because of the short maturity of the instrument. Other financial instruments consist of long-term obligations. The fair value of long-term obligations is estimated based on current interest rates offered to the Company for obligations with similar remaining maturities. The recorded value of these financial instruments approximated fair value at December 31, 2023 and 2022.

Income Taxes:

The Company is a limited liability company and is recognized as a partnership for federal and state income tax purposes. For federal purposes, all items of income and expense are passed through to the individual members to report on their income tax returns. Therefore, the Company pays no federal income tax itself and, accordingly, no provision for Federal income taxes has been made in these financial statements. State laws vary as to the treatment of income tax.

Uncertain Tax Positions:

The Company is required to recognize, measure, classify, and disclose in the financial statements uncertain tax positions taken or expected to be taken in the Company's tax returns. Management has determined that the Company does not have any uncertain tax positions and associated unrecognized benefits that materially impact the financial statements or related disclosures.

NEXT DAY ACCESS, LLC

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

Note 1 - Summary of Significant Accounting Policies (Continued)

Uncertain Tax Positions (Continued):

Since tax matters are subject to some degree of uncertainty, there can be no assurance that the Company's tax returns will not be challenged by the taxing authorities and that the Company or its members will not be subject to additional tax, penalties, and interest as a result of such challenge. Generally, the Company's tax returns remain open for federal and state income tax examination for three years from the date of filing.

Advertising Costs:

Advertising costs are expensed as incurred and are included in Operating Expenses. For the years ended December 31, 2023 and 2022, advertising expense was \$303,188 and \$169,937, respectively.

Use of Estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the financial statements and the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates.

Date of Management's Review:

The Company has evaluated events and transactions that occurred between December 31, 2023 and March 25, 2024, which is the date that the financial statements were available to be issued, for possible recognition or disclosure in the financial statements and has determined that there are no additional adjustments or disclosures allowed.

Note 2 - FASB ASC 606 New Accounting Guidance Implementation

The Financial Accounting Standards Board (FASB) issued new guidance that created Topic 606, *Revenue from Contracts with Customers*, in the Accounting Standards Codification (ASC). Topic 606 supersedes the revenue recognition requirements in FASB ASC 605, *Revenue Recognition*, and required the recognition of revenue when promised goods or services are transferred to customers in an amount that reflects the consideration to which an entity expects to be entitled in exchange for those goods or services. The new guidance also added Subtopic 340-40, *Other Assets and Deferred Costs - Contracts with Customers*, to the ASC to require the deferral of incremental costs of obtaining a contract with a customer. Collectively, we refer to the new Topic 606 and Subtopic 340-40 as the "new guidance."

NEXT DAY ACCESS, LLC

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

Note 2 - FASB ASC 606 New Accounting Guidance Implementation (Continued)

We adopted the requirements of the new guidance as of January 1, 2019, utilizing the modified retrospective method of transition. Adoption of the new guidance resulted in changes to our accounting policies for revenue and cost recognition, previously described.

Note 3 - Accounts Receivable and Bad Debts

The Company provides services on an open credit basis. The Company performs periodic credit and evaluation of its customer's financial condition. The Company does not require collateral to support such receivables. Management closely monitors outstanding accounts receivable and charges off to expense any balances that are determined to be uncollectible. As of December 31, 2023 and 2022, the Company considered its accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts was recorded. The aged accounts receivable at December 31, 2023 and 2022 were as follows:

	<u>Total</u>	<u>Current</u>	<u>30 - 60</u>	<u>61 - 90</u>	<u>Over 90</u>
2023	<u>367,550</u>	<u>230,356</u>	<u>31,614</u>	<u>32,372</u>	<u>73,208</u>
2022	<u>444,821</u>	<u>172,536</u>	<u>43,158</u>	<u>39,801</u>	<u>189,326</u>

Bad debts for the years ended December 31, 2023 and 2022 totaled \$0 and \$0, respectively.

Note 4 - Transactions with Affiliates

The three Members of the Company each own 16.33% of the stock of American Access, Inc. which is a Sub-S Corporation. The three Members also equally own 100% of BDPC Enterprises, LLC. Both of these companies provide accessibility products for people living with disabilities and those who are mobility challenged, such as aging seniors and those recovering from a debilitating accident. The Company made advances and received advances from these two affiliated companies during the year. There is no interest charged between the companies on the advances. A summary of the affiliate balances at December 31, 2023 and 2022 are as follows:

	<u>2023</u>	<u>2022</u>
Due From American Access, Inc.	<u>390,600</u>	<u>333,323</u>
Due To BDPC Enterprises, LLC	<u>772,826</u>	<u>511,665</u>

NEXT DAY ACCESS, LLC

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

Note 4 - Transactions with Affiliates (Continued)

The Company provides management and administrative service to BDPC, LLC and American Access, Inc. During the current year the Company received reimbursement from American Access, Inc. in the amount of \$137,500. There was no reimbursement received from BDPC, LLC during the current year. The total amount of \$137,500 is presented in the Schedule of Operating Expenses.

During the year ended December 31, 2022, the Company received reimbursement from BDPC, LLC in the amount of \$104,000 and from American Access, Inc. in the amount of \$127,500.

Note 5 - Concentrations of Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of trade receivables. The Company grants credit primarily to private authorities located throughout the United States.

Accounts receivable are stated at the amount management expects to collect from outstanding balances. The Company establishes an allowance for doubtful accounts based upon factors surrounding the credit risk of specific customers, historical trends, and other information. Generally, the Company does not require collateral or other security to support customer receivables.

The Company may be subject to credit risk to its cash and cash equivalent investments, which are placed with high credit-quality financial institutions. The Federal Deposit Insurance Corporation ("FDIC") insures up to \$250,000 for substantially all depository accounts. From time to time, the Company may have amounts on deposit in excess of FDIC limits. Management believes the Company is not exposed to any significant credit risk on cash and cash equivalents. At December 31, 2023 and 2022, the Company had no cash and cash equivalents in excess of the FDIC limits.

Note 6 - Sale of Membership Interests' Subsequent to Year End

The Members of the Company entered into a Membership Interest Purchase Agreement with another company and the Agreement was executed on March 20, 2024. As part of the Membership Interest Purchase Agreement, the Members sold 100% of their ownership in the Company to the new owners.



ROWLAND & CARTER, PLLC

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To the Member
Next Day Access, LLC
Memphis, Tennessee

INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION

We have audited the financial statements of NEXT DAY ACCESS, LLC as of and for the years ended December 31, 2023 and 2022, and our report thereon dated March 25, 2024, which expressed an unmodified opinion on those financial statements, appears on page 1. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The information in the accompanying schedules of operating expenses is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Memphis, Tennessee
March 25, 2024

Rowland & Carter, PLLC
Certified Public Accountants

NEXT DAY ACCESS, LLC

SCHEDULES OF OPERATING EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023 AND 2022

<u>Operating Expenses</u>	<u>2023</u>	<u>2022</u>
Advertising and marketing	303,188	169,937
Amortization	3,333	3,333
Bank and finance charges	6,318	15,044
Computer expenses	223,380	124,180
Conference meetings	109,213	15,670
Insurance	74,104	32,480
Meals and entertainment	24,315	22,518
Office supplies	44,776	28,128
Postage and delivery expense	3,759	2,304
Professional fees	401,296	236,212
Rent	27,617	8,157
Taxes and licenses	268	2,666
Telephone	3,304	178
Travel	139,224	144,215
Utilities	5,395	1,152
Administrative fee	842,546	761,641
Administrative reimbursements	<u>(137,500)</u>	<u>(231,500)</u>
 Total Operating Expenses	 <u>2,074,536</u>	 <u>1,336,315</u>

The notes to the financial statements are an integral part of these schedules.

NEXT DAY ACCESS, LLC
FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021

NEXT DAY ACCESS, LLC

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To the Members
Next Day Access, LLC
Memphis, Tennessee

INDEPENDENT AUDITORS' REPORT

We have audited the accompanying financial statements of NEXT DAY ACCESS, LLC, which comprise the balance sheets as of December 31, 2022 and 2021, and the related statements of income, members' equity and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of NEXT DAY ACCESS, LLC as of December 31, 2022 and 2021, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of NEXT DAY ACCESS, LLC and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about NEXT DAY ACCESS, LLC's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with auditing standards generally accepted in the United States of America, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of NEXT DAY ACCESS, LLC's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about NEXT DAY ACCESS, LLC's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.



Memphis, Tennessee
April 14, 2023

Rowland & Carter, PLLC
Certified Public Accountants

NEXT DAY ACCESS, LLC
BALANCE SHEETS
DECEMBER 31, 2022 AND 2021

<u>ASSETS</u>			
	<u>2022</u>	<u>2021</u>	
<u>Current Assets</u>			
Cash			55,537	74,079
Accounts receivable - Trade			444,821	155,292
Total Current Assets			500,358	229,371
<u>Property and Equipment</u>			
Equipment			4,748	4,748
Less: Accumulated depreciation			4,748	4,748
Net Property and Equipment	-	-	
<u>Other Assets</u>			
Advances to affiliate			333,323	61,671
Organization costs, net of amortization			13,611	16,944
Total Other Assets			346,934	78,615
Total Assets			847,292	307,986
<u>LIABILITIES AND MEMBERS' EQUITY</u>			
<u>Current Liabilities</u>			
Accounts payable			112,696	180,133
<u>Long-Term Liabilities</u>			
Advances from affiliate			511,665	104,053
Total Liabilities			624,361	284,186
<u>Members' Equity</u>			
Members' equity			222,931	23,800
Total Liabilities and Members' Equity			847,292	307,986

The accompanying notes are an integral part of these statements.

NEXT DAY ACCESS, LLC

STATEMENTS OF INCOME AND MEMBERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
Revenue		
Franchise Licensing Fees	375,595	403,233
Franchise Royalty Fees	1,529,563	1,069,966
Marketing Fee	141,497	116,288
Web Assistance Fees	51,675	-
Other Income	39,660	35,756
	<u>2,137,990</u>	<u>1,625,243</u>
Gross Profit		
	2,137,990	1,625,243
Operating Expenses	<u>1,336,315</u>	<u>1,040,073</u>
Income from Operations	801,675	585,170
Members' Equity:		
Beginning of Year	23,800	88,940
Capital Contributions	-	-
Members' Draw	<u>(602,544)</u>	<u>(650,310)</u>
End of Year	<u>222,931</u>	<u>23,800</u>

The accompanying notes are an integral part of these statements.

NEXT DAY ACCESS, LLC

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
<u>Cash Flows from Operating Activities</u>		
Net income	801,675	585,170
Adjustments to reconcile net income to net cash provided by operating activities:		
Amortization	3,333	3,333
(Increase) Decrease in:		
Trade receivables	(289,529)	9,134
Increase (Decrease) in:		
Accounts payable	(67,438)	121,889
Net Cash Provided by Operating Activities	<u>448,041</u>	<u>719,526</u>
<u>Cash Flows from Financing Activities</u>		
Member advance repayment	61,671	3,020
Net advances from (to) affiliates	74,290	(184,032)
Member draws	(602,544)	(650,310)
Net Cash (Used) by Financing Activities	<u>(466,583)</u>	<u>(831,322)</u>
Net Decrease in Cash	(18,542)	(111,796)
Cash Balance - Beginning of Year	<u>74,079</u>	<u>185,875</u>
Cash Balance - End of Year	<u>55,537</u>	<u>74,079</u>
<u>Supplemental Cash Flow Information</u>		
Interest paid	None	None
Taxes paid	None	None

The accompanying notes are an integral part of these statements.

NEXT DAY ACCESS, LLC

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021

Note 1 - Summary of Significant Accounting Policies

Organization and Company's Activities:

Next Day Access, LLC was organized March 26, 2012 under the laws of the State of Tennessee. Next Day Access franchises provide a number of accessibility products for people living with disabilities and those who are mobility challenged, such as aging seniors and those recovering from a debilitating accident. The Company, as a franchisor, provides name recognition, training and advertising for its franchises. At December 31, 2022, the Company had 30 franchises in 18 states and Canada. At December 31, 2021, the Company had 26 franchises in 15 states and Canada.

Revenue Recognition:

We have analyzed the provisions of the FASB's ASC Topic 606, *Revenue from Contracts with Customers*, and have concluded that no changes are necessary to conform with the new standard. Our sales contain a single delivery element and revenue is recognized at a single point in time when ownership, risks and rewards transfer.

ASU 2021-02 allows non-public franchisors to account for pre-opening services provided to a franchisee as a distinct performance obligation that is separate from the franchise license. ASU 2021-02 also allows the franchisor the ability to recognize pre-opening services as a single performance. The Company accounts for franchisee pre-opening services as a single performance obligation.

The Company utilizes the overall accrual method of accounting. Franchise fees are recognized as income when a contract with the franchise is executed. Monthly royalty fees are recognized as income based on the franchisee's revenue.

Cash and Cash Equivalents:

For purposes of the statement of cash flows, the Company considers all highly liquid debt instruments with a maturity of three months or less, when purchased, to be cash equivalents.

Accounts Receivable and Bad Debts:

The Company contracts with its franchisees on an open credit basis. Management closely monitors outstanding accounts receivable and charges off to expense any balances that are determined to be uncollectible. As of December 31, 2022 and 2021, the Company considered its accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts was recorded. Bad debt expense for the years ended December 31, 2022 and 2021 totaled \$0 and \$0, respectively.

NEXT DAY ACCESS, LLC

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021

Note 1 - Summary of Significant Accounting Policies (Continued)

Equipment and Depreciation:

Equipment is recorded at cost less applicable depreciation. For financial statement purposes, depreciation is computed using the straight-line method with a useful life of five years. For the years ended December 31, 2022 and 2021, there was no depreciation expense. Accelerated methods are used for tax depreciation purposes with a useful life of five years. The Company follows the practice of expensing all items that do not exceed \$3,000.

Maintenance and repairs are charged to operations when incurred. Betterments and renewals that extend the useful lives of equipment are capitalized. When equipment is sold or otherwise disposed of, the asset account and related accumulated depreciation account are reduced, and any gain or loss is included in operations.

Fair Value of Financial Instruments:

Substantially all of the Company's current assets and liabilities are considered financial instruments. These assets and liabilities are reflected at fair value, or at carrying amounts that approximate fair value because of the short maturity of the instrument. Other financial instruments consist of long-term obligations. The fair value of long-term obligations is estimated based on current interest rates offered to the Company for obligations with similar remaining maturities. The recorded value of these financial instruments approximated fair value at December 31, 2022 and 2021.

Income Taxes:

The Company is a limited liability company and is recognized as a partnership for federal and state income tax purposes. For federal purposes, all items of income and expense are passed through to the individual members to report on their income tax returns. Therefore, the Company pays no federal income tax itself and, accordingly, no provision for Federal income taxes has been made in these financial statements. State laws vary as to the treatment of income tax.

Uncertain Tax Positions:

The Company is required to recognize, measure, classify, and disclose in the financial statements uncertain tax positions taken or expected to be taken in the Company's tax returns. Management has determined that the Company does not have any uncertain tax positions and associated unrecognized benefits that materially impact the financial statements or related disclosures.

NEXT DAY ACCESS, LLC

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021

Note 1 - Summary of Significant Accounting Policies (Continued)

Uncertain Tax Positions (Continued):

Since tax matters are subject to some degree of uncertainty, there can be no assurance that the Company's tax returns will not be challenged by the taxing authorities and that the Company or its members will not be subject to additional tax, penalties, and interest as a result of such challenge. Generally, the Company's tax returns remain open for federal and state income tax examination for three years from the date of filing.

Advertising Costs:

Advertising costs are expensed as incurred and are included in Operating Expenses. For the years ended December 31, 2022 and 2021, advertising expense was \$169,937 and \$117,482, respectively.

Use of Estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the financial statements and the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates.

Date of Management's Review:

The Company has evaluated events and transactions that occurred between December 31, 2022 and April 14, 2023, which is the date that the financial statements were available to be issued, for possible recognition or disclosure in the financial statements and has determined that there are no additional adjustments or disclosures allowed.

Note 2 - FASB ASC 606 New Accounting Guidance Implementation

The Financial Accounting Standards Board (FASB) issued new guidance that created Topic 606, *Revenue from Contracts with Customers*, in the Accounting Standards Codification (ASC). Topic 606 supersedes the revenue recognition requirements in FASB ASC 605, *Revenue Recognition*, and required the recognition of revenue when promised goods or services are transferred to customers in an amount that reflects the consideration to which an entity expects to be entitled in exchange for those goods or services. The new guidance also added Subtopic 340-40, *Other Assets and Deferred Costs - Contracts with Customers*, to the ASC to require the deferral of incremental costs of obtaining a contract with a customer. Collectively, we refer to the new Topic 606 and Subtopic 340-40 as the "new guidance."

NEXT DAY ACCESS, LLC

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021

Note 2 - FASB ASC 606 New Accounting Guidance Implementation (Continued)

We adopted the requirements of the new guidance as of January 1, 2019, utilizing the modified retrospective method of transition. Adoption of the new guidance resulted in changes to our accounting policies for revenue and cost recognition, previously described.

Note 3 - Accounts Receivable and Bad Debts

The Company provides services on an open credit basis. The Company performs periodic credit and evaluation of its customer's financial condition. The Company does not require collateral to support such receivables. Management closely monitors outstanding accounts receivable and charges off to expense any balances that are determined to be uncollectible. As of December 31, 2022 and 2021, the Company considered its accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts was recorded. The aged accounts receivable at December 31, 2022 and 2021 were as follows:

	<u>Total</u>	<u>Current</u>	<u>30 - 60</u>	<u>61 - 90</u>	<u>Over 90</u>
2022	<u>444,821</u>	<u>172,536</u>	<u>43,158</u>	<u>39,801</u>	<u>189,326</u>
2021	<u>155,292</u>	<u>100,350</u>	<u>50,193</u>	<u>2,674</u>	<u>2,075</u>

Bad debts for the years ended December 31, 2022 and 2021 totaled \$0 and \$0, respectively.

Note 4 - Transactions with Affiliates

The three Members of the Company each own 16.33% of the stock of American Access, Inc. which is a Sub-S Corporation. The three Members also equally own 100% of BDPC Enterprises, LLC. Both of these companies provide accessibility products for people living with disabilities and those who are mobility challenged, such as aging seniors and those recovering from a debilitating accident. The Company made advances and received advances from these two affiliated companies during the year. There is no interest charged between the companies on the advances. A summary of the advances at December 31, 2022 and 2021 are as follows:

	<u>2022</u>	<u>2021</u>
Due From(to) American Access, Inc.	<u>333,323</u>	<u>61,671</u>
Due From(to) BDPC Enterprises, LLC	<u>(511,665)</u>	<u>(104,053)</u>

NEXT DAY ACCESS, LLC

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021

Note 4 - Transactions with Affiliates (Continued)

The Company provides management and administrative service to BDPC, LLC and American Access, Inc. During the current year the Company received reimbursement from BDPC, LLC in the amount of \$104,000 and from American Access, Inc. in the amount of \$127,500. The total amount of \$231,500 is presented in the Schedule of Operating Expenses.

During the year ended December 31, 2021, the Company received reimbursement from BDPC, LLC in the amount of \$125,840 and from American Access, Inc. in the amount of \$132,500.

Note 5 - Concentrations of Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of trade receivables. The Company grants credit primarily to private authorities located throughout the United States.

Accounts receivable are stated at the amount management expects to collect from outstanding balances. The Company establishes an allowance for doubtful accounts based upon factors surrounding the credit risk of specific customers, historical trends, and other information. Generally, the Company does not require collateral or other security to support customer receivables.

The Company may be subject to credit risk to its cash and cash equivalent investments, which are placed with high credit-quality financial institutions. The Federal Deposit Insurance Corporation ("FDIC") insures up to \$250,000 for substantially all depository accounts. From time to time, the Company may have amounts on deposit in excess of FDIC limits. Management believes the Company is not exposed to any significant credit risk on cash and cash equivalents. At December 31, 2022 and 2021, the Company had no cash and cash equivalents in excess of the FDIC limits.



ROWLAND & CARTER, PLLC

CERTIFIED PUBLIC ACCOUNTANTS

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To the Members
Next Day Access, LLC
Memphis, Tennessee

INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION

We have audited the financial statements of NEXT DAY ACCESS, LLC as of and for the years ended December 31, 2022 and 2021, and our report thereon dated April 14, 2023, which expressed an unmodified opinion on those financial statements, appears on page 1. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The information in the accompanying schedules of operating expenses is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Memphis, Tennessee
April 14, 2023

Rowland & Carter, PLLC
Certified Public Accountants

NEXT DAY ACCESS, LLC

SCHEDULES OF OPERATING EXPENSES
DECEMBER 31, 2022 AND 2021

<u>Operating Expenses</u>	<u>2022</u>	<u>2021</u>
Advertising and marketing	169,937	112,442
Amortization	3,333	3,333
Bank and finance charges	15,044	3,523
Computer expenses	124,180	123,712
Conference meetings	15,670	113,784
Insurance	32,480	2,946
Meals and entertainment	22,518	17,196
Office supplies	28,128	19,163
Postage and delivery expense	2,304	2,087
Professional fees	236,212	253,607
Rent	8,157	8,677
Taxes and licenses	2,666	131
Telephone	178	2,639
Travel	144,215	77,106
Utilities	1,152	-
Administrative fee	761,641	558,067
Administrative reimbursements	<u>(231,500)</u>	<u>(258,340)</u>
Total Operating Expenses	<u><u>1,336,315</u></u>	<u><u>1,040,073</u></u>

The accompanying notes are an integral part of these schedules.

EXHIBIT B
FRANCHISE AGREEMENT



Franchise Agreement

Offered by: New Day Access, LLC

FRANCHISEE

DATE OF AGREEMENT



Franchise Agreement

Offered by: New Day Access, LLC

FRANCHISEE

DATE OF AGREEMENT

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~~ADDENDUM I — SAMPLE HONORED VETERAN PROGRAM AMENDMENT~~

RELEASE AGREEMENT

NEXT DAY ACCESS FRANCHISE AGREEMENT

~~This~~ THIS FRANCHISE AGREEMENT (“Franchise Agreement” ~~–~~“ or “Agreement”) is made and entered into this _____ day of _____, 20____, ~~(the “~~____, (“Contract Date”~~)~~), by and between Next Day Access, LLC, a limited liability company formed and operating under the laws of the State of Tennessee ~~law, with and having~~ its principal place of business ~~address~~ at 3150 Stage Post 900 Wilshire Drive, Suite 101, Bartlett, TN 38133 (referred to in this Agreement as “102, Troy, MI 48084 (“we,” “us” ~~or,~~ “our”), and _____, a ~~with,~~ or “Franchisor”) and _____ formed and operating under the laws of the State of _____, and _____, an individual, and having its principal place of business at ~~(referred to in this Agreement as “~~_____ (“you”~~,”~~ “your”~~,”~~ or “ownerFranchisee”).

RECITALS:

- A. WHEREAS, ~~we have expended and continue to expend considerable time and effort in the development of a distinctive format and system (the “System”) for businesses~~ We, as a result of the expenditure of time, skill, effort, funds, equities, and assets, have developed and own a unique and distinctive business model relating to the establishment and operation of a business (“Franchised Business” or “Next Day Access Business”) that engage in the sale and rental of wheelchair ramps, stair lifts, porch lifts, auto lifts, ceiling lifts, pool lifts, patient lifts, grab bars, home modification work and additional, related products and accessories as described in our Operating Manual from time to time, and such other related goods and services that enhance the quality of life of physically disabled or challenged persons as we may specify from time to time ~~(collectively, “Additional Approved Products”);~~
- B. WHEREAS, ~~the distinguishing characteristics of the System include, without limitation: distinctive business~~ We use, promote, and license certain trademarks, service marks, and other commercial symbols for the operation of the Franchised Business, and we may create, use, and license other trademarks, service marks, and commercial symbols for the same use (collectively, “Proprietary Marks”).
- C. The Franchised Business operates using certain confidential information, trade secrets, formats, ~~methods, procedures, designs, layouts, standards and systems, methods, specifications, standards, and procedures, and Proprietary Marks,~~ all of which may be ~~changed, improved and,~~ further developed, or otherwise modified by us from time to time; ~~(the “System”).~~

~~WHEREAS~~, the System is identified by means of certain trade names, service marks, trademarks, logos, and indicia of origin, including, but not limited to, “Next Day Access®,” as are now designated and may hereafter be designated by us in writing for use in connection with the System (collectively, the “Proprietary Marks”);

- D. WHEREAS, we continue to develop, use, and control the use of such Proprietary Marks We permit certain individuals and/or entities to establish businesses for the purpose of implementing the Franchised Business under the System.

As a franchise owner (“Franchise Owner”) of a Next Day Access Business, you must comply with this Agreement in order to identify for the public the source of services and products marketed under those Marks and under the System, and to represent the System’s maintain the high standards of and consistent quality, appearance, that is critical to attracting and service;

~~E. **WHEREAS**, you desire to enter into the business keeping clients of operating a Next Day Access Business under our System and Proprietary Marks, and wish to enter into an agreement with us for that purpose, and to receive the training and other assistance we provide in connection therewith; and preserving the goodwill of the Proprietary Marks.~~

THE PARTIES AGREE AS FOLLOWS:

1. GRANT~~WHEREAS, you understand and~~

~~1.1. The Recitals above are incorporated by reference into this Agreement.~~

~~1.2. We grant you the right, and you accept the obligation, to own and operate a Franchised Business and perform the Approved Services by using such portions of the System as we may provide or disclose to you under this grant of license all in accordance with this Agreement within the geographic area delineated by Zip Codes described in Addendum A (“Area of Primary Responsibility,” “APR,” or “Territory”).~~

~~1.3. Your Franchised Business will be located at the street address indicated in the first paragraph of this Agreement (“Approved Location”). If a particular site has not been selected and approved at the time this Agreement is signed, after you have an Approved Location, we will unilaterally modify this Agreement as if originally set forth in this Agreement. Please see Section 5.~~

~~1.4. You may face competition from other franchisees, from outlets that we own, or from channels of distribution or competitive brands that we control. You do not have the contractual right to develop business outside your APR however you may conduct business that comes your way in any unowned territory. Revenue generated outside of your primary APR does not count towards your minimum revenue requirements.~~

~~You expressly acknowledge the importance of our high standards of quality and service and the necessity of operating the business franchised hereunder in conformity with our standards and specifications.~~

~~**NOW, THEREFORE**, the parties, in consideration of the undertakings and commitments of each party to the other party set forth herein, agree as follows:~~

~~1. — that, except as provided in this Section, **GRANT**~~

~~1.1. — Grant of Franchise. We grant to you the right, and you undertake the obligation, upon the express terms and conditions set forth in this Agreement, to establish and operate a Next Day Access Business under the Proprietary Marks and the System (the “Next Day Access Business” or the “Franchised Business”), and to use the Proprietary Marks and the System, as they may be changed and improved from time to time at our sole discretion, solely in connection with that business and only at the location set forth in Section 1.2 of this Agreement.~~

~~1.2. — Approved Location. You shall operate the Franchised Business only at a location approved by us (the “Approved Location”). You may operate the Next Day Access Business from your personal residence; however, if in our sole opinion the space available there is not sufficient to effectively operate the Franchised Business, you must lease storage space, at your sole cost, sufficient to store all products purchased by you pursuant to this Agreement. Further, if your personal residence has restrictive covenants that prevent the operation of the Next Day Access Business from it, you must locate and obtain our approval to operate from a commercial location. The exact street address of the Approved Location~~

~~franchise is listed on Addendum A to this Agreement, entitled APR Agreement. You shall not relocate the Franchised Business without our prior written approval which we can refuse to grant in our reasonable discretion, even if you move your personal residence.~~

~~1.5.1.3.— Your Area of Primary Responsibility. You shall operate the Next Day Access Business only within the zip codes described in Addendum A (“Approved Location”, or “Area of Primary Responsibility” or “APR”). Except as otherwise provided in this Agreement, during the term of this Agreement, we non-exclusive. We retain the right but have no obligation to establish, operate or to license any other person the right to establish or operate a Next Day Access Business. Except as specifically provided in Section 1.4, we retain the rights, among others, for ourselves, and/or through any affiliate, in any manner, and on any terms and conditions we deem advisable, and without granting you any rights therein:~~

~~1.5.1. 1.3.1.— To own, acquire, establish, and/or operate, and license others to establish and operate, a Next Day Access Business under the System and the Proprietary Marks at any location Franchised Businesses outside the APR, regardless of your Area of Primary Responsibility (see Franchise Agreement Section 1.4), notwithstanding the their proximity to your APR or the Approved Location and/or your APR, or the impact on your existing or potential clients;~~

~~1.3.2.— To sell or distribute, or license others to sell or distribute, directly or indirectly, any products and services other than Next Day Access branded products and services sold through the Next Day Access System, through any distribution channels (including, without limitation, the Internet), at any location whether within or outside your APR under any proprietary marks (including the Proprietary Marks);~~

~~1.3.3.— To terminate the territorial protection described in Section 1.4 hereof if you fail to attain or exceed seventy five thousand dollars (\$75,000) Gross Revenue in each quarter during each twelve (12) calendar months of this Agreement 12 months after the opening of your Franchise. The foregoing remedy shall be in addition to any other remedies we may have under this Agreement.~~

~~1.4.— Your “Area of Primary Responsibility” (“APR”). You have the right to operate the Franchised Business within the zip codes listed on Addendum A. These zip codes are your Area of Primary Responsibility. You may also purchase additional protected rights to other zip codes at the time you close on the purchase of the APR. If you do so, those additional rights you purchased will become a part of your Area of Primary Responsibility, effective with the closing of the purchase. If you purchase rights to expand your Area of Primary Responsibility to other zip codes after you purchase the franchised business, the cost of the additional zip codes is \$00.05 per person in each of the zip codes being purchased. If there are other Franchisees in such zip codes, then such desired zip codes may not be available. We will refer all business leads to you that we have received in connection with Next Day Access Business (either at our Corporate Office or from our Franchisees) to the extent that such leads required installation at a location within your Area of Primary Responsibility. You have the right of first refusal to all such business referred from us. You must accept the referral within 4 hours of receiving notice or we have the right to either refer it to any other Franchisee who has the non-exclusive right to operate in the area or to any dealer who sells and installs our or any of our affiliates’ products or we may take it ourselves.~~

~~1.5.— Alternate Channels of Distribution. You shall offer and sell products only from the Next Day Access Business and only in accordance with the requirements of this Agreement and the procedures set forth in the Operating Manual, as defined in Section 3.5 below.~~

~~1.6.—Supplementing the System. You acknowledge we may, in our sole discretion, (a) supplement, improve, change, and otherwise modify the System from time to time, and (b) supplement, improve, change, remove, and otherwise modify all Approved Products from time to time. You agree to comply with all of our requirements in that regard, including, without limitation, offering and selling new or different products, services, or merchandise as specified by us.~~

2. TERM AND RENEWAL

1.5.2. ~~2.1. Term. This Agreement shall be in effect upon our acceptance~~To use the Proprietary Marks and the System to market and sell, and grant others the right to market and sell, any products and services, similar to those which you will sell, through any channels of distribution within or outside of the APR, regardless of their proximity to the Approved Location or your APR, or the impact on your existing or potential clients. This includes, but is not limited to, other channels of distribution such as television, direct mail, mail order, catalog sales, telemarketing, over the Internet, via email, social media, and other channels of e-commerce;

1.5.3. To use and license others to use other proprietary and non-proprietary marks or methods, which are not the same as, or confusingly similar to the Proprietary Marks, whether in alternative channels of distribution, at any location, including within the APR, related to the operation of a business which may be the same as, similar to, or different from the business operated at your Franchised Business, or to sell products and services (regardless of similarity to products and services sold in your Franchised Business);

1.5.4. To anywhere purchase, merge, acquire (or be acquired by), affiliate with, or engage in any transaction with other businesses (whether competitive or not) having one or more businesses or locations, wherever located, including, but not limited to, transactions or arrangements involving competing outlets and execution/or brand conversions (to or from the Next Day Access brand and, except as otherwise provided herein, the System);

1.5.5. To implement multi-area marketing programs that allow us, or others, to solicit or sell to clients anywhere. We also reserve the right to issue mandatory policies to coordinate such multi-area marketing programs;

1.5.6. To develop relationships and solicit business on behalf of the System within your APR;

1.5.7. To operate a program that provides the Approved Services to workers' compensation insurers; and

1.5.8. To engage in any other activity, action, or undertaking that we are not expressly prohibited from taking under this Agreement.

1.6. You have no options or rights of first refusal or similar rights to acquire additional Franchised Businesses.

2. TERM, RENEWAL AND EXPIRED AGREEMENT

~~2.1. The term of this Agreement shall be begins on the Contract Date and expires ten (10) years from after the date first above written Contract Date, unless this Agreement is sooner terminated pursuant to its terms as provided in this Agreement.~~

~~2.2. — Successor Agreement. Upon the expiration of the term of this Agreement, you may, subject to the following conditions, enter into a Successor Agreement for one (1) additional consecutive term of ten (10) years. We may require, in our sole discretion, that any or all of the following conditions be met prior to entering such Successor Agreement:~~

~~2.2.2.1. — You shall We, at our sole discretion, may provide you with the right to renew Franchised Business(es) for one (1) additional term equal to the then-current initial term granted under the following terms and conditions:~~

~~2.2.1. — You must give us written notice of your election to renew no fewer than six (6) months, and not more than twelve (12) months, prior to the end of the then-current term;~~

~~2.2.2. — You must not be in default of any provision of this Agreement, any amendment hereto, or any other agreement agreements between you or any of your and us (including any agreements between you and our affiliates and us or our subsidiaries or affiliates; and), or of any standards set forth in our reasonable judgment, you shall the Manual (as the term is defined in Section 4.1), and you must have substantially complied with all the terms and conditions of such agreements during and the terms thereof Manual since the Contract Date;~~

~~2.2.2. — You shall have satisfied all monetary obligations due and owed by you to us and our subsidiaries and affiliates, and to the Next Day Access National Ad Fund Fee, and shall have timely met those obligations throughout the term of this Agreement;~~

~~2.2.3. — If you operate your Next Day Access Business in any location other than your personal residence, you shall present evidence satisfactory to us that you have the right to remain in possession of the Premises for the duration of the renewal term or shall obtain our approval, which may be withheld in our sole discretion, of a new location for the Next Day Access Business for the duration of the renewal term;~~

~~2.2.4. — You shall, at our option, execute our then-current form of franchise agreement (but only for such renewal terms as are provided by this Agreement) and other ancillary agreements, which shall supersede this Agreement in all respects, and the terms of which may differ materially from the terms of this Agreement, including, without limitation, increasing your required royalty fees, advertising contributions, and other fees, as determined by us, except that you shall not be required to pay an initial franchise fee and your APR shall remain the same and all other terms and conditions of the new Agreement shall be the same or more favorable to you than the then-current form of franchise agreement in use by us;~~

~~2.2.5. — You shall execute a General Release, in a form prescribed by us, of any and all claims, known or unknown, that you might have against us or our subsidiaries or affiliates, or their respective officers, directors, agents, or employees in the form we require as of the date of renewal;~~

~~2.2.6. — You shall comply with our then-current qualification and training requirements;~~

~~2.2.7.— You shall pay us a renewal fee in the amount equal to 50% of the then current franchise fee; and~~

~~2.2.8.— You shall be current with respect to your obligations to lessor, suppliers, and any others with whom you do business.~~

~~3.— OUR DUTIES~~

~~3.1.— Specifications. We may furnish you, at no charge to you, specifications for a Next Day Access Business, including requirements for image, equipment, signs and other procedures. You acknowledge that such specifications shall not contain the requirements of any federal, state or local law, code or regulation (including without limitation those concerning the Americans with Disabilities Act or similar rules governing public accommodations or commercial facilities for persons with disabilities).~~

~~3.2.— Training. We shall provide the training as set forth in Section 6 hereof.~~

~~3.3.— On Site Assistance. During the initial twelve (12) months of the term of this Agreement, our representative shall, at times we determine in our discretion, visit with you one (1) time in your APR or at a location agreeable to both parties to provide you with guidance in developing and operating the Next Day Access Business. Thereafter such visits may occur up to one (1) time per year as we determine in our sole discretion.~~

~~3.4.— Advertising and Promotional Materials. We may make available to you advertising and promotional materials at your expense.~~

~~3.5.— Manuals. We will supply you with, on loan, one paper copy of our confidential operations manual (the “Operating Manual”) at your initial training and we may grant you electronic access to the Operating Manual, if you request such access.~~

~~3.6.— Inspections. We will conduct, as we deem advisable in our sole discretion, inspections of the Premises and your operation of the Next Day Access Business at any time during your regular business hours and with or without notice to you.~~

~~3.7.— Equipment and Inventory. We will provide to you a list of initial equipment and a list of the initial inventory that you will be required to obtain as well as list of the permitted sources from which you may obtain such equipment, products and inventory for the Next Day Access Business. You will maintain a required inventory level of certain products as listed in the Operating Manual.~~

~~3.8.— Ongoing Advice. During the term of this Agreement, we will advise you from time to time regarding operating issues concerning the Next Day Access Business disclosed by reports you submit to us or on-site inspections we make. Such guidance will, in our sole discretion, be furnished in our Operating Manual, in bulletins or other written materials, during telephone consultations and/or consultations at our offices, or through the Internet. In addition, we will furnish guidance to you from time to time, as we deem appropriate in our sole discretion, on the following matters concerning the System; standards, specifications and operating procedures and methods to be utilized; purchasing required and recommended goods, equipment, materials, supplies and services; advertising and marketing programs; employee training; and administrative bookkeeping and accounting procedures. At your request, we will furnish~~

~~additional guidance and assistance relating to the operation of the business and, in such a case, we may, in our discretion, charge the per diem fees and charges we establish from time to time in the Operating Manual or otherwise in writing.~~

~~3.9.—Next Day Access National Ad Fund Fee. We shall have the right, without the obligation, to establish and administer a brand promotion and marketing fund in the manner set forth in Section 12 hereof.~~

~~3.10.—Performance by Designee. You acknowledge and agree that any duty or obligation imposed on us by this Agreement may be performed by any designee, employee, or agent of us, as we may direct.~~

~~3.11.—Fulfilling Our Obligations. In fulfilling our obligations pursuant to this Agreement, and in conducting any activities or exercising any rights pursuant to this Agreement, we (and our subsidiaries and affiliates) shall have the right: (a) to take into account, as we see fit, the effect on, and the interests of, other Franchised Businesses and Systems in which we have an interest and on our own activities and the activities of our subsidiaries and affiliates; (b) to share market and product research, and other proprietary and non-proprietary business information, with other franchised businesses and systems in which we have an interest or our subsidiaries or affiliates have an interest, or with our subsidiaries or affiliates; (c) to introduce proprietary and non-proprietary items or operational equipment used by the System into other franchised systems in which we have an interest; and/or (d) to allocate resources and new developments between and among systems, and/or our subsidiaries or affiliates, as we see fit.~~

2.2.3. ~~4.~~—You must be current with respect to your obligations to your landlord, vendors, and any others with whom you do business;

2.2.4. You must execute the then-current form of franchise agreement, and all other agreements, legal instruments, and documents then customarily used by us in the execution of franchise agreements. The renewal franchise agreement, and any other agreements, legal instruments, and documents, may vary materially from those agreements, legal instruments, and documents currently in use by us, including a longer term and the payment of higher fees; with the exception you are not obligated to pay our then-current initial franchise fee;

2.2.5. We may require you to attend our then-current training program(s);

2.2.6. You pay a \$10,000 Renewal Fee;

2.2.7. Subject to state law, you and us will execute a General Release Agreement, Waiver and Release of Claims (Addendum H), in a form prescribed by us, of any and all claims which each may have against the other, and their affiliates (except as to amounts then due to us for royalties, advertising contributions, materials, and the like), and their respective shareholders, directors, employees, and agents in their corporate and individual capacities. Unless otherwise prevented by state law, we will consider your failure to sign said release, and to deliver it to us for acceptance, and execution within thirty (30) days after it is delivered to you, to be an election not to acquire a successor franchise; and

2.3. If you do not sign a new franchise agreement and initiate and comply with the renewal procedures outlined in this section prior to the expiration of this Agreement, and continue to accept the benefits of this Agreement after the expiration of this Agreement; then, at our option, this Agreement may be treated either as:

2.3.1. Expired as of the date of expiration, with you then operating without a Franchised Business, and in so doing, you would be in violation of our rights; or

2.3.2. Continued on a month-to-month basis (“Interim Period”), until you or we provide the other party with written notice of such party’s intention to terminate the Interim Period; in which case, the Interim Period will terminate thirty (30) days after receipt of any such notice to terminate the Interim Period. In the latter case, all of your obligations will remain in full force and effect during the Interim Period, as if this Agreement had not expired, and all obligations and restrictions imposed upon you on the expiration of this Agreement, will be deemed to take effect upon the termination of the Interim Period.

3. FEES

3.1.4.1.—Fees Payable to Us

3.1.1. Initial Franchise Fee. You shall pay to us, on Fees

3.1.1.1. Upon execution of this Agreement, you shall pay to us, a nonrefundable initial franchise fee of \$23,000 ~~{plus \$0.05 per person up to a total population of 1,500,000 in your APR (together, the “Initial Franchise Fee”)}.~~ In addition, ~~there is a Territory Population Fee of \$0.05 per person total population in your APR. If you~~ the event you request and are a Conversion Franchise, you shall pay to us, on execution of this Agreement, a nonrefundable initial franchise fee of \$20,700, plus \$0.05 per person total ~~subsequently awarded an APR with a population in excess of 1,500,000, your APR. If you are an Honored Veteran Franchise, you shall pay to us, on execution of this Agreement, a nonrefundable initial franchise fee of \$18,400, plus \$0.05 per person total per person population in fee for any additional persons added to your APR over 1,500,000 will be \$0.075 per person.~~ The entire Initial Franchise Fee is fully earned and non-refundable in consideration of administrative and other expenses incurred by us in granting this franchise and for our lost or deferred opportunity to enter into this Agreement with others. ~~If you wish to enlarge the size of your APR, you can purchase additional zip codes that are contiguous to your existing APR for the fee of the then current per person fee multiplied by the population of the additional zip codes according to the latest Census.~~

3.1.1.2. 4.2.—Initial Marketing Fee. You shall pay to us, on Upon the execution of this Agreement, you shall pay to us a nonrefundable initial marketing fee of \$5,000500 (the “Initial Marketing Fee².”) for the first unit. This fee includes the cost of creating your Internet mini-site/landing page, as well as other marketing related activities we assist you with.

4.3.—Royalty Fee. You shall pay to us a continuing royalty fee in the amount of Eight Percent (8%) on the first \$499,999.99 of Gross Revenue annually, with a minimum royalty payment of \$500 per month after your initial 6 month period. For annual Gross Revenues from \$500,000 \$2,999,999.99, you shall pay to us a continuing royalty fee in the amount of Six Percent (6%). For annual Gross Revenues \$3,000,000 and above you shall pay to us a continuing royalty fee in the amount of Five Percent (5%). If you achieve \$1,000,000 in Gross Sales during any calendar year during the Term, you will pay a royalty fee in the amount of Six Percent (6%) on all revenues up to \$3,000,000 during the next calendar year (the royalty fee on the first \$499,999.99 is reduced to 6%). If you achieve \$3,000,000 in Gross Sales during any calendar year during the Term, you will pay a royalty fee in the amount of Five Percent (5%) on all revenues up to \$3,000,000 during the next calendar year (the royalty fee on the first \$2,999,999.99 is reduced to 5%). The royalty rates are reset/set annually. The term “Gross Revenue” means all revenues generated from the sale or lease of Product and any other revenue you derive from operating your Next

~~Day Access Business conducted upon, from or with respect to the Next Day Access Business, whether such sales are evidenced by cash, check, credit, charge, account, barter, or exchange. Gross Revenue shall include, without limitation, monies or credit received from the sale of products and services, from tangible property of every kind and nature, business interruption insurance, promotions, or otherwise. Gross Revenue shall not include good faith refunds, adjustments, credits and allowances actually made by your Next Day Access Business in compliance with the Operating Manual. Gross Revenue shall also exclude any sales taxes or other taxes collected from customers by you and paid directly to the appropriate taxing authority.~~

3.1.1.3. 4.4. — General Service Fee. During the term of this Agreement, you will pay us a Initial Contact Center Fee. Upon the execution of this Agreement, you shall pay to us a nonrefundable initial contact center fee of \$4,800 (the “Initial Contact Center Fee”). See Section 3.1.1.12 for additional information.

3.1.1.4. Royalty Report. You are required to process your month end Royalty Report and submit it no later than 10 days subsequent to the end of each monthly billing period (or as updated in the Manuals).

3.1.1.5. Royalty Fee. During the term of the Franchise Agreement, you shall pay to us a continuing Royalty Fee as follows (applied annually, reset on January 1):

ROYALTY FEE CALCULATION	
<u>GROSS SALES</u>	<u>MONTHLY ROYALTY FEE</u>
<u>\$0- \$499,999.00</u>	<u>8% of Gross Revenue Minimum \$500/month after 6 months</u>
<u>\$500,000-\$2,999,999.99</u>	<u>6% of Gross Revenue</u>
<u>\$3,000,000.00 and above</u>	<u>5% of Gross Revenue</u>
<u>Achieve \$1,000,000.00</u>	<u>Each subsequent year 6% on \$0-\$2,999,999.00</u>
<u>Achieve \$3,000,000.00</u>	<u>Each subsequent year 5% on all Gross Revenue</u>

3.1.1.6. “Open Date” is defined under Section 5.3.1.

3.1.1.7. Your Royalty is an ongoing payment that allows you to use the Proprietary Marks and the intellectual property of the System and pays for our ongoing support and assistance.

3.1.1.8. General Service Fee. The General Service Fee is in place to support the services provided to franchisees, including onboarding of new franchisees, continuing support and training for existing franchisees, HelpDesk ticket management, and servicing specific graphic design, content creation and website update requests. This also includes the expenses associated with: technology improvements and programs related to the HelpDesk; and specific marketing content creation, including but not limited to brochure, collateral, direct mail, and social media. Additionally, it includes the reasonable salaries, benefits and expenses of personnel who create, manage and support these programs, not only the subject matter experts in the respective departments managing those efforts but also those on the leadership team and in other departments. **Currently,**

~~this fee is 1% of Gross Revenue with a monthly minimum of \$325 capped out at \$1,000 per month or \$12,000 per year. We reserve the right to increase this fee up to 2% per year with a monthly minimum of \$650 capped out at \$2,000 per month or \$24,000 per year. The cap resets each year on January 1.-~~

3.1.1.9. 4.5. — Productivity Suite National Advertising Fee. Not currently collected but we reserve the right to charge up to 2% of Gross Sales. Please see Section 9 for more information.

3.1.1.10. Field Service Management Software Fee. You must use the System's then current Field Service Management Software in connection with the operation of your Franchised Business, which we license to you. The fee is currently \$170 per month. The Field Service Management Software provides assistance with the management of client leads and data, sales records and documentation, inventory control, marketing efforts, administrative matters, and customer service for you and your employees and serves as a comprehensive business management software for your Franchised Business.

3.1.1.11. Google Workspace Fee. You and your key employees are required to utilize ~~our~~ approved Google's Workspace® (formerly Google Workspace®) as your email, document creation, and cloud based storage provider ("Productivity Suite Provider"). This fee ranges from \$14.00 to \$30.00 per month, per license/account depending on the package and services you select platform. During the term of this Franchise Agreement, you will pay us a non-refundable monthly Google Workspace Fee of \$18.00 (plus taxes, if applicable). This fee) per Google Workspace account via EFT which will be debited ~~via EFT~~ on the ~~10th~~20th of each month (or as updated in the Manuals). We reserve the right to ~~change the vendor utilized for this service as well~~ increase this fee, per license, with 30 days written notice.

3.1.1.12. 4.6. — Brand Promotion Expenditures and Contributions. Ongoing Contact Center Fee. We have established for your benefit a Contact Center. The Contact Center provides answering services, assistance with client management, assistance with scheduling, initial client qualification, CRM data entry, follow-up call scheduling, handling of after-hours calls, and other similar Contact Center activities. Participants will receive monthly reports detailing call volume, handling time, and customer satisfaction metrics. You are required to participate in the Contact Center for the first 12 months of your Franchised Business' operation. The first 6 months of Contact Center fees will be paid upon signing the franchise agreement. The following 6 months will be billed as a required monthly fee of \$799. During this time, the company will provide initial and ongoing training to ensure franchisees are able to effectively utilize the contact center services. After the 12th month, you may elect to stop utilizing the Contact Center and pay no further fees. We may elect to discontinue the Contact Center program at any time. Additionally, we reserve the right to: (i) change the monthly fee you pay after your initial 12 months of operation with 30 days written notice; and (ii) discount the monthly fees for any additional Franchised Businesses you are awarded. The Contact Center adheres to all applicable data privacy regulations and implements industry-standard security measures to protect client information. The contact center utilizes Dialpad and integrates with the franchise's scheduling software. The contact center will perform routine call monitoring to ensure quality and provide feedback to agents.

3.1.1.13. Applicant Tracking System Software Fee. We recommend, but do not require, that you utilize our approved applicant tracking system software provider.

3.2. Fees Payable Directly to Third-Parties.

3.2.1. Accounting Software Fee. At all times, you must utilize our approved third-party accounting software vendor. Currently, the approved vendor charges between \$32.00 and \$75.00 per month depending on the reporting package you select. We reserve the right to increase this fee as well as designate a new accounting software vendor with 30 days written notice.

3.2.2. Local Marketing Spend. You shall make monthly expenditures and contributions for local advertising and brand promotion as specified in Section ~~12 hereof~~ 9 below.

~~4.7. Payments.~~ All payments to us required by Sections 4.2 and 12 hereof shall be paid on or before the 10th day of the calendar month based on the Gross Revenue from the preceding month (or as updated in the operational manuals).

~~4.7.1. Bank Account.~~ You shall deposit all revenues from operation of the Franchised Business into one bank account within two (2) days of receipt, including cash, checks, credit card receipts, or the value of other forms of payment.

~~3.3.4.7.2. Payment of Fees.~~ Unless we specify otherwise, in writing:

3.3.1. Method of Payment. All payments required, or amounts owed, under this Franchise Agreement, will be made by automated clearing house (“ACH”) payments via electronic funds transfer (“EFT”) to an account specified by us or the third-party vendor. You will furnish us, and/or our payee, with such information and authorizations as may be necessary to permit such persons to make withdrawals by ACH via EFT. (please see Addendum C – EFT Form). You agree to bear all expenses associated with such authorizations and payments. We have the right to periodically specify (in the “Manual,” or otherwise in writing) different payees and/or payment methods, such as, but not limited to, weekly payment, bi-monthly payment, monthly payment by auto-draft, credit card, and payment by check. If you make any payment to us by credit card for any fee required, we will charge a service charge of up to four percent (4%) of the total charge. -

3.3.2. 4.7.3. First Payment of the Royalty Fee and General Service Fee. The first payment of your Royalty Fee and General Service Fee to us will be due on the 10th day of first full month after your Open Date. For example, if your Open Date is April 15, your first Gross Sales Report will be made on June 10 and we will debit those fees on June 25 (for all revenue generated from April 15.) Funds must be received by the 10th of each month electronic transfer or Direct Deposit as described in the Franchise Agreement, or by any other method as we may specify in the Operations Manual or otherwise in writing.

3.3.2.1. Payment of the National Advertising Fee. In the event we institute a National Advertising Fee, you will pay said fee at the same time via the same method as the Royalty Fee. Please see Section 9 for more information.

3.3.3. First Payment of the Contact Center Fee. The first payment of your Contact Center Fee will to us will be debited by us on the 25th day beginning in your 7th month of operation.

3.3.4. First Payment of Field Service Software Fee and Google Workspace Fee. The first payment of your Point-of-Sale Software Fee, Applicant Tracking System Software Fee, and Google Workspace Fee to us will be due upon issuance of your license or seat, billed in arrears on 10th day of the month. For example, if your license is issued on January 15, you will be billed on February 10 for your January use.

3.3.5. Late Payments. Any payment owed under this Agreement not made by the due date will be deemed overdue. In the event any payment owed to us is overdue, we have the right to automatically debit via EFT those fees from your account based on the higher of: (i) the minimum fees owed per this Section ~~43~~;

(2) the actual fees owed as calculated by our software or this Section 3; or (iii) an estimate based on your previous three fee submissions. In addition to the overdue amounts, you will pay us:

~~3.3.5.1. 4.7.3.1.~~—A late fee up to \$150.00 per week for each individual payment past due; and

~~3.3.5.2. 4.7.3.2.~~—Interest on such amounts from the date such amounts were due until paid, at 18% percent per annum (calculated daily), or the maximum rate permitted by law, whichever is less, calculated daily. Such interest will be in addition to any other remedies we may have under law or equity.

~~3.3.6. 4.7.4.~~—You agree to pay us, within fifteen (15) days, of any written request we make to you, that is accompanied by reasonable substantiating material, any monies which we have paid, or have paid on your behalf, for goods, services, fees, permits, taxes as provided in Section ~~76~~, or any other monies you owe to us for the development and/or operation of your Franchised Business and as required under this Agreement.

~~3.3.7. 4.7.5.~~—Despite any designation you make, we may apply your payments, or payments we receive on your behalf from third parties, to your past due indebtedness to us. We may set off any amounts you and/or your guarantors, if applicable, owe us against any amounts we owe you and, at our option, we may pay your trade creditors out of any sum(s) otherwise due to you. You may not withhold payment of any amounts you owe us due to our alleged non-performance of any obligations under this Agreement. No endorsement or statement on any check or payment of any sum(s) less than the full sum(s) due to us will be construed as acknowledging payment in full and/or as an accord and satisfaction, and we may accept and cash such check and/or payment without prejudice for the right to recover any balance(s) due, and/or pursue any other remedy provided to us by this Agreement or by law and/or in equity.

~~3.3.8. 4.7.6.~~—If any payment from you to us does not successfully convey funds due to insufficient funds, stop payment instructions, or any similar event, you must pay, upon demand, an insufficient funds fee of \$100.00 per incident.

~~3.4.4.8.~~—Late Reporting Fee. Any report owed to us under this Agreement not submitted by the due date will be deemed overdue. In the event any required report owed to us is overdue, we have the right to automatically debit via EFT a late reporting fee of up to ~~\$150.00~~\$500.00 for the first overdue report then \$100 per report per week until the overdue reports are submitted. Please see Section 11 for additional information.

~~4.9.—Call Center. We may (but are not obligated to) administer a call center, and/or online centralized booking or similar system (the “Call Center”) for use by some or all businesses using the System and/or our affiliated brands. You will be responsible for all costs and fees related to your participation in the Call Center.~~

~~5.—OPENING OF FRANCHISED BUSINESS~~

~~5.1.—Business Development. You shall develop, maintain, renovate or construct, and equip, the Next Day Access Business at your own expense. You shall comply with any and all specifications that we provide for a Next Day Access Business, including requirements for image, equipment, signs and other procedures.~~

~~5.2.—Licensing. You shall be responsible, at your own expense, for obtaining all zoning classifications, permits, certifications, and clearances required for the lawful establishment and operation of the Next Day Access Business, including, but not limited to, certificates of occupancy and business~~

~~licenses, which may be required by federal, state, or local laws, ordinances, or regulations, or which may be necessary or advisable owing to any restrictive covenants relating to the Premises or required by the lessor.~~

~~5.3.—Commencement Criteria. You agree not to commence operation of the Next Day Access Business until:~~

~~3.5.5.3.1. You have completed Annual Increase of Fixed Fees or Fixed Payments. We reserve the right to increase the amount of any fixed fee or fixed payment including, but not limited to, Technology Fees or Google Workspace Fees due us, or an affiliate, under the Agreement, or a related agreement. An Annual Increase to each particular fixed fee or fixed payment may occur only once during any calendar year and may not exceed the corresponding cumulative percentage increase in the Index, since the date of this Agreement or, as the case may be, the date that the last Annual Increase became effective for the particular fixed fee or fixed payment being increased. Annual Increases will be made at the same time during the calendar year. “Annual Increase” means the increase in the amount of a fixed fee or fixed payment due us or an affiliate under a franchise agreement, area development agreement or a related agreement. “Index” means the Consumer Price Index for All Urban Consumers (CPI-U) for the U.S. City Average for all Items (1982-1984=100), not seasonally adjusted, as published by the United States Department of Labor, Bureau of Labor Statistics. If the Index is discontinued or revised during the term of this Agreement, the other governmental index, or computation with which it is replaced, will be used to obtain substantially the same result as would be obtained if the Index had not been discontinued or revised.~~

~~3.6. Payment Frequency. We reserve the right to alter the payment frequency as well as the monthly amounts owed, but not the total amounts owed during a year, due to such factors as your geographic location, holiday seasonality, and time of year considerations.~~

~~3.7. Fees Upon Renewal. If this Agreement is the result of a renewal of the Franchised Business, you will begin paying any fees owed to us immediately, upon the execution of this Agreement, at the same performance level and schedule obtained under the previous Franchise Agreement, or at the same level and schedule of the then-current Franchise Agreement of similarly situated Franchised Businesses, whichever is greater.~~

~~3.8. Unapproved Services Fee. In the event you utilize our Proprietary Marks, as determined in our sole discretion, in the provision of unapproved services, you will pay us 1% of the Gross Sales you realize from the provision of said services upon the same frequency and terms as your Royalty Fees.~~

~~3.9. Search Engine Marketing (“SEM”) Fee. Not currently collected, but we reserve the right to charge up to \$500/year. We, or any of our affiliates, have the right, but not the obligation, to provide you with search engine marketing services or to arrange such services to be provided through a third-party SEM service provider. You may, after your first 60 days of operation, choose to use our then current SEM service provider in respect of your Franchised Business. We reserve the right to change the vendor. We also reserve the right to change the fee with 30 days written notice.~~

~~3.10. Referral Fees.~~

~~3.10.1. Franchisee Employees. We offer a \$15,000 discount off the \$23,000 initial franchise fee (and not the per person fee) to any current employee of a Next Day Access Franchised Business who wishes to become a Next Day Access franchisee. In order to qualify for this discount, the employee must have worked for an existing Next Day Access Franchised Business for at least 12 months as well as meet our then current new franchisee standards and requirements. These prospective franchisees are still required to complete all new franchisee training programs although we may accelerate or modify the training requirements, at our discretion, based on the prospective franchisee’s operational experience or business acumen. The prospective franchisee cannot be bound by any existing franchise broker and/or franchise referral~~

programs. In addition, you or your immediate relatives cannot have any ownership or equity in their proposed Franchised Business. We reserve the right to offer, modify, withdraw or reinstate any referral program in the future without notice to you.

3.10.2. New Franchisee. If you refer a prospective franchisee directly to us, and the prospective franchisee is granted the right to purchase a Franchised Business, upon receipt of the full initial franchisee fee, we will pay you a single \$15,000 referral fee (“Referral Fee”). In the event the prospective franchisee is awarded more than one territory, you will only be eligible for one Referral Fee. These referred prospective franchisees cannot be bound by any existing franchise broker and/or franchise referral program. In addition, you, or your immediate relatives, cannot have any ownership, or equity, in the prospective franchisee’s proposed Franchised Business. The Referral Fee is not available for the state of Washington and for the transfer of existing Franchised Businesses. We reserve the right to offer, modify (including reducing the Referral Fee), withdraw, or reinstate any referral program in the future without notice to you.

4. OUR RESPONSIBILITIES

4.1. The Manual. Subject to Section 8, we will loan you, or otherwise make available to you, one (1) copy of our confidential brand standards manual (the “Manual”), which may exist in various parts, locations, and formats and may, at our sole discretion, include a combination of audio, video, written material, electronic media, website content, and/or software components. We may from time to time revise the contents of the Manual, and you expressly agree to comply with each new or changed standard. You shall ensure that the Manual is kept current at all times. We have the right to maintain all or any portions of the Manual in written or electronic form, including, without limitation, on one or more Website.

4.2. Initial Training.

4.2.1. The Managing Owner/s must attend and successfully complete our initial training program before you open your Business. “Managing Owner” means the Owner that you designate, and we approve who is primarily responsible for the daily management and supervision of the Business. “Owner” or “Owners” means any individual who owns a direct or indirect ownership interest in the Entity that is the franchisee under this Agreement. “Owner” includes both passive and active owners.

4.2.2. Our Training Program is generally completed within 90 of the signing of your franchise agreement. The actual training takes approximately one week to complete and includes your participation over the weekend during this period (typically Wednesday to Wednesday). Training occurs in our Designated Location/s (currently Bartlett, Tennessee, Jackson, Tennessee, and Covington, Tennessee) and within your Approved Location and is a combination of self-study, eLearning, virtual classes, in person, and field training. However, we expressly reserve the right: to modify the training program, the frequency of training, and the location of your training at any time.

4.2.3. You are responsible for all costs associated with attending and participating in our training including those related to any additional persons you have attend.

4.2.4. If you currently own a Next Day Access franchised business and purchase additional territories, we are not obligated to provide you this initial training.

4.2.5. If you cannot, or do not, complete the Initial Training Program to our satisfaction, we may, in addition to any other remedies available to us, terminate this Agreement.

4.3. Periodic Training. From time to time, and at our sole discretion, we may offer additional training courses for you. We may designate these training courses as optional or mandatory. You are required to attend all mandatory courses.

4.4. If, during any training program, we determine that any individual attending is not qualified for the position they are expected to fulfil in your Franchised Business, we will notify you and you must select and enroll a substitute that is suitable to us, in the training program.

4.5. Ongoing Assistance.

- 4.5.1. We will furnish you guidance in connection with the operation of the Franchised Business as we deem appropriate. Any guidance provided is intended to protect our Proprietary Marks, goodwill and brand consistency, and may be furnished to you in the form of manuals, bulletins, emails, other e-communications, or other written materials, telephonic consultations and/or consultations at our Designated Location, or at your Approved Location Franchised Business.
- 4.5.2. Once you have opened, you may request that a member of our field support team travel to your Approved Location to assist you in managing a mobility installation opportunity. You must request such assistance at least two weeks prior to the expected opportunity. However, we make no assurances we can attend depending our team member/s schedule. You are required to pay our travel and lodging costs while onsite for this Post Opening Assistance.
- 4.5.3. You agree and understand that we are not obligated to provide your employment related forms and documents and, therefore, any such forms so provided by us to you are only suggestions, templates, and samples. You are solely responsible for compliance with all federal and state labor matters including, but not limited to, wage and hour compliance. We neither dictate, nor control labor or employment matters for you and your employees.

4.6. National Accounts Program.

- 4.6.1. We, and our affiliates, have the exclusive right, but not the obligation, to negotiate and enter into agreements or approve forms of agreements to provide services to National Accounts via our National Accounts Program. A “National Account” is a referral source that offers, on a local, statewide, national, or regional basis, the opportunity for franchisees in the applicable territory, geographic area or APR to provide any services and/or products to the referral sources, members, affiliates, or, however designated, other persons who have a similar relationship with that referral source (“National Account Client.”) Any dispute as to whether a particular customer is a National Account will be determined by us and our determination will be final and binding.
- 4.6.2. If you meet the operational and performance standards (as determined by us at our sole discretion), you may elect to participate in our National Accounts Program. Once enrolled, you are expected to service any National Account Client referred to you in accordance with the National Account Agreement and the guidelines set forth in the Manual. If you determine that you do not want to service the specific referred National Account Client, you may reject said referral conditioned upon you notifying us within 24 hours of this decision along with an explanation for your refusal.
- 4.6.3. We make no guarantees or promises that you will receive any referrals or generate any revenue through your participation in our National Accounts Program.
- 4.6.4. You understand that certain National Accounts may charge an enrollment fee and/or ongoing enrollment fees, and that the payment of such fees is solely your responsibility.
- 4.6.5. If you are in default of any terms of this Agreement, or if you fail to meet the operational and performance standards (as determined by us at our sole discretion); we may remove you from specific National Account, or the entire National Accounts Program.
- 4.6.6. If you elect not to enroll in a specific National Account’s program or the entire National Accounts Program or if you reject a specific National Account Client, we have the right to:

- 4.6.6.1. Directly provide services to the National Account Client within the APR on the terms and conditions contained in the National Accounts Agreement; and/or authorize another franchisee, licensee, or agent of ours to provide services to the National Account Client within the APR on the terms and conditions contained in the National Account Agreement; and/or
- 4.6.6.2. Contract with a third-party to provide services to the National Account Client within the APR on the terms and conditions contained in the National Accounts Agreement.
- 4.6.7. If you fail to provide services to a National Account Client in conformity with the terms and conditions of the National Account Agreement or the Manual, we have the right to:
- 4.6.7.1. Terminate this Agreement in accordance with Section 14; and/or
- 4.6.7.2. Directly provide services to the National Account Client within the APR on the terms and conditions contained in the National Accounts Agreement; and/or authorize another franchisee, licensee, or agent of ours to provide services to the National Account Client within the APR on the terms and conditions contained in the National Account Agreement; and/or
- 4.6.7.3. Contract with a third-party to provide services to the National Account Client within the APR on the terms and conditions contained in the National Accounts Agreement.
- 4.6.8. Neither the direct provision by us or another franchisee, licensee, or agent of ours, of services to National Account Clients as authorized above, will constitute a violation of your territorial exclusivity, even if such services are delivered from a location within your APR. You disclaim any compensation or consideration for work performed by others in the APR pursuant to this section.
- 4.6.9. You acknowledge and agree that we have the right to delegate to third-party designees, whether these designees are our agents or independent contractors with whom we have contracted: (i) the performance of any portion or all of our obligations under this Agreement; and (ii) any rights that we have under this Agreement.
- 4.6.10. Private Label Programs. Arrangements with National and Regional retail chains for the marketing and sale of products manufactured and / or sold by us or by our affiliate under other brands are excluded from the definition of a National Account or Regional Account. You have no rights in and to such "Private Label Programs" regardless of where and how they may be marketed and / or sold unless specifically granted by us at the time any Private Label Program is established in writing. The products covered by the Private Label Program may be designated as an Approved Product which you have the right to sell and install as a part of your Franchised Business.
- 4.6.11. Acceptance of Referral/Lead. If we refer a business lead to you either via our National Accounts Program or through other means, you must accept the referral within four hours of receipt or we have the right to any other Franchisee who has the non-exclusive right to operate in the area or to any dealer who sells and installs our or any of our affiliates' products or we may take it ourselves.

5. YOUR RESPONSIBILITIES

~~Standards.5.3.2.—All amounts then due to us or our affiliates have been paid;~~

~~5.3.3.—We have been furnished with copies of all insurance policies required by this Agreement, or such other evidence of insurance coverage and payment of premiums as we request; and~~

~~5.3.4.—We have been furnished with such evidence as we reasonably request you possess such necessary equipment as we require for you to operate the Next Day Access Business pursuant to our Operating Manual.~~

~~5.1.5.4—~~

~~5.1.1. You understand and acknowledge that every detail of the System and the operation of your Franchised Business are essential to you, us, and other franchisees in order to: (i) develop and maintain quality operating standards; (ii) increase the demand for the products and services sold by all franchisees operating under the System; and (iii) protect our reputation and goodwill. You will maintain our high standards with respect to services, products, and operations.~~

5.2. Site Selection; Office Space and Warehouse.

~~5.2.1. Warehouse for Inventory. Next Day Access is a service-based business that requires a warehouse or commercial space for stocking inventory and supporting operations. Franchise owners must secure and maintain a suitable facility that provides adequate space for storing products, housing necessary equipment, and facilitating efficient service delivery.~~

~~5.2.2. Administrative Office. You may not use your home address as your official business address for your Next Day Franchised Business. Because of this, we recommend that you seek warehouse space that also has sufficient room for an administrative office.~~

~~5.2.3. All warehouse or office space must be located within your APR to ensure timely customer service.~~

~~5.2.4. You are responsible for all costs, liabilities, and expenses associated with identifying, leasing, or purchasing and maintaining your warehouse and/or office space. If you choose to relocate your warehouse or office space, you must provide us with 30 days' written notice and obtain our approval to ensure it meets operational requirements. Any relocation must not disrupt the efficient operation of the Franchised Business.~~

~~5.2.5. If your selected location is subject to zoning or regulatory restrictions that impede business operations, you must secure an alternative site that complies with all applicable laws and obtain our approval before proceeding.~~

5.3. Development and Opening Deadline of the Franchised Business.

~~5.3.1. Open Date. You shall commence operation of the Next Day Access Business within ten (10) days after you have completed Initial Training Program to our satisfaction but in no event shall it be more than 90 days after the date of execution of this Agreement. (“Open Date.”) The parties agree that time is of the essence in the opening of the Next Day Access Business and that your failure to open the Next Day Access Business within the time periods described in this Section shall be considered a material breach and default under this Agreement and will entitle us to terminate this Agreement pursuant to Section 15 hereof. We~~

are not responsible or liable for any of your pre-opening obligations, losses or expenses, including those you might incur for your failure to comply with these obligations or your failure to open by a particular date. We have no responsibility for any lease; it is your sole responsibility to evaluate, negotiate and enter into a lease or a purchase agreement for the Franchise Location premises.

~~5.5—ADA Certification. If the Next Day Access Business is not located at your personal residence, prior to opening the Next Day Access Business, you shall execute and deliver to us an ADA Certification in the form attached to this Agreement as Addendum B, to certify to us that the Next Day Access Business and any proposed renovations comply with the ADA.~~

~~6.—TRAINING~~

~~6.1.—Initial Training Program. Before the Next Day Access Business commences operations, the following individuals shall attend and complete to our satisfaction the initial training program (“Initial Training Program”): (a) you (or, if you are a corporation, partnership or limited liability company, your managing shareholder, partner, or member); and (b) one additional employee you elect to enroll in the Initial Training Program. We shall have the right to approve those persons who attend the Initial Training Program and to require fewer or additional persons to attend the Initial Training Program as we determine in our sole discretion. In the event you (or your managing shareholder, partner, or member) or your employee fail, in our sole discretion, to successfully complete the Initial Training Program, to our satisfaction, we have the right to terminate this Agreement pursuant to Section 15 hereof.~~

~~6.1.1.—The Initial Training Program consists of ten (10) working days of training for you (or your managing shareholder, partner, or member) and your employees to be furnished at our training facility or at an operating Next Day Access Business that we designate.~~

~~6.1.2.—No other additional or refresher courses are required for you to commence operation of the Next Day Access Business.~~

~~6.2.—Subsequent Employees. At your option, any persons subsequently employed by you shall, prior to the assumption of duties, also attend and complete to our satisfaction the Initial Training Program and pay the then current training fee designated in the Operating Manual or otherwise in writing from time to time by us. We may require you to pay us fees for training your new employees hired after your Next Day Access Business commences operations.~~

~~6.3.—Additional Programs. You (or your managing shareholder, partner, or member) and your employees who attend the Initial Training Program or who are designated from time to time shall attend such additional courses, seminars and other training programs as we may reasonably require from time to time. We reserve the right to require you (or your managing shareholder, partner, or member) and your employees to attend an annual national or regional meeting, seminar, or convention for Next Day Access franchisees for training or business purposes.~~

~~6.4.—Training Fee and Expenses. All training programs required by this Agreement shall be at such times and places as may be designated by us. We shall furnish the Initial Training Program to you (or your managing shareholder, partner, or member) and three (3) additional employee at no additional fee or other charge. You shall be responsible for any and all expenses incurred by you or your employees in connection with attending the Initial Training Program and all other such programs, including, without limitation, the costs of transportation, lodging, meals, and wages.~~

~~7. YOUR DUTIES~~

~~5.3.2. 7.1. Operating~~ You will keep your Franchised Business open and in normal operation for at least such minimum hours and days as we specify in the Manual, or otherwise in writing.

~~5.3.3.~~ You agree to use your best efforts to have the Franchised Business' telephone answered by a "live" person during normal daytime working hours and implement a program to manage after business hours phone coverage.

~~5.4.~~ Initial and Ongoing Inventory. You are required at all times to maintain a sufficient inventory of the mobility solution products we specify in our Manual which may be updated at any time. We estimate that your initial inventory will cost between \$33,000 and \$68,500.

~~5.5.~~ Pricing Assistance, Restrictions. You may not advertise your products at less than the manufacturer's lowest published price but you may sell the products at any price. At the time of this disclosure, we do not have minimum and maximum price restrictions (other than those indicated immediately above) however we reserve the right to require you to comply with price maintenance restrictions (both minimum and maximum) we set on rental or sale prices for specific products, merchandise, or services offered and sold by you as required in the Operating Manual, including but not limited to National Accounts or as otherwise directed by us in writing from time to time.

~~Minimum Performance Requirements. In order to maintain your territorial rights, you must~~ ~~Standards. You understand and acknowledge that every detail of the System and the Franchised Business is important to you, us, and other Next Day Access businesses in order to develop and maintain high operating standards, to increase the demand for the products sold by all franchised businesses operating under the System, to protect and enhance our reputation and goodwill, to promote and protect the value of the Proprietary Marks, and other reasons.~~

~~7.2. Adherence to Standards and Specifications. To ensure that the highest degree of quality and service is maintained, you shall operate the Next Day Access Business in strict conformity with such methods, standards, and specifications as we may, from time to time, prescribe in the Operating Manual or otherwise in writing. You agree:~~

~~7.2.1. To maintain in sufficient supply, as we may prescribe in the Operating Manual or otherwise in writing, and to use at all times, only such types, models, and brands of products, equipment (including, but not limited to, a vehicle for use in the Franchised Business) in the model and bearing the signage we require, the tools, and the computer hardware and software), materials and supplies from a supplier or suppliers designated or approved by us that conform to our written standards and specifications, and to refrain from deviating from it by the use of nonconforming items, without our prior written consent;~~

~~7.2.2. To sell or offer for sale only the Approved Products, and such other products, equipment, and services as have been expressly approved for sale in writing by us; to refrain from any deviation from our standards and specifications without our prior written consent; and to discontinue selling and offering for sale any Approved Products, and other products, merchandise, equipment, and services which we may, in our discretion, disapprove in writing at any time;~~

~~7.2.3. To refrain from marketing, offering, or selling Approved Products independently of the other products sold or leased by the Next Day Access Business;~~

~~7.2.4.— To purchase all equipment, materials, products, supplies and services from suppliers as we approve and designate in the Operating Manual or otherwise in writing from time to time;~~

~~7.2.5.— To refrain from selling or renting any equipment or products at any type of location prohibited by Next Day Access in the Operating Manuals or otherwise in writing from time to time;~~

~~7.2.6.— To refrain from selling or advertising any equipment, other products, merchandise, or services hereunder on the Internet without our prior, written approval;~~

~~7.2.7.— To use, in the operation of the Franchised Business, such standards, specifications, and procedures as prescribed by us, which may relate to any one or more of the following with respect to the Next Day Access Business:~~

~~7.2.7.1.— Replacement of obsolete or worn-out equipment;~~

~~7.2.7.2.— Terms and conditions of the sale and delivery of, and terms and methods of payment for goods, services, including direct labor, materials and supplies that you obtain from us, our affiliates or others;~~

~~7.2.7.3.— Sales, marketing, advertising and promotional programs, and materials and media used in such programs;~~

~~7.2.7.4.— Staffing levels for the Next Day Access Business; matters relating to the overall method of operation of the Next Day Access Business; communication to us of the identities of the Next Day Access Business' personnel; and qualifications, training, dress and appearance of employees;~~

~~7.2.7.5.— Days and hours of operation of the Next Day Access Business;~~

~~7.2.7.6.— Participation in market research and testing of goods and services;~~

~~7.2.7.7.— Acceptance of credit cards, other payment systems, and check verification services;~~

~~7.2.7.8.— Participation in any intranet or extranet computer network we establish and maintain for Next Day Access franchisees (and to execute such agreement(s) and pay such fees as we reasonably require in connection therewith); bookkeeping, accounting, data processing and record keeping systems and forms; methods, formats, content and frequency of reports to us of sales, revenue, financial performance and condition; and furnishing tax returns and other operating and financial information to us;~~

~~7.2.7.9.— Sell or rent any products hereunder outside of your APR and not sell or rent any products hereunder in the APR of another Next Day Access franchisee. You must coordinate with us for referring sales or customers, including existing account and customers, located outside your APR to us or other Next Day Access franchisees and must~~

~~turn over accounts and customers that are located outside of your APR to us or other Next Day Access franchisees;~~

~~7.2.7.10.—Types, amounts, terms and conditions of insurance coverage required to be carried for the Next Day Access Business and standards for underwriters of policies providing required insurance coverage; our protection and rights under such policies as an additional named insured; required or impermissible insurance contract provisions; assignment of policy rights to us; periodic verification of insurance coverage that must be furnished to us; our right to obtain insurance coverage for the Next Day Access Business at your expense if you fail to obtain required coverage; our right to defend claims; and similar matters relating to insured and uninsured claims;~~

~~7.2.7.11.—Adhering to good business practices and observing high standards of honesty, integrity, fair dealing, and ethical business conduct in all dealings with customers, suppliers, and us; and~~

~~7.2.7.12.—Regulation of such other aspects of the overall operation and maintenance of the Next Day Access Business that we determine from time to time to be useful to preserve or enhance the efficient operation, image, or goodwill of the Marks and Next Day Access Businesses.~~

~~5.6.7.3.—Minimum Revenue. You shall~~ attain or exceed Seventy-Five Thousand Dollars (\$75,000) per quarter Gross Revenue during every twelve (12) calendar months of this Agreement. This will be effective beginning the new quarter after the initial 12 months of operations from date of opening.

~~7.4.—Fixtures, Furnishings, and Office Equipment. You shall purchase and install, at your expense, all fixtures, furnishings, office equipment (including, without limitation, a facsimile machine, telephone(s), computer, printer, and cash register or point of sale recording system), décor, and signs as we may reasonably direct from time to time. If you operate your business from any location other than your personal residence, you shall refrain from installing or permitting to be installed on or about the Premises, without our prior written consent, any fixtures, furnishings, equipment, décor, signs or other items not previously approved as meeting our standards and specifications.~~

~~5.6.1. 7.5.—Your failure to meet these Minimum Performance Requirements constitutes a material default under your Franchise Agreement, permitting us to terminate your franchise, refuse to enter into a renewal agreement with you, reduce the size of your APR, or terminate your territorial rights. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control.~~

~~5.6.2. The designated minimum performance levels do not imply that you will achieve these amounts or any other amounts within any certain time frame.~~

~~5.7. You acknowledge and agree that we have the absolute right to determine the scope of permissible services to be offered by you in your Franchised Business. You will sell, or offer for sale, those products and services we have expressly approved for sale in the Manual, or otherwise in writing, and will discontinue selling any products or services which we, at our sole discretion, determine may adversely affect the System or are no longer appropriately part of the System; and will refrain from offering any unapproved products or services.~~

5.8. You acknowledge and agree that we may periodically, at our sole discretion, revise the Manual to incorporate System changes. You will implement any System changes upon receiving notice from us of such changes and will complete their implementation within such time as we may reasonably specify.

5.9. Sources of Products. You must purchase or lease all equipment that we approve and require for the Franchised Business, including, but not limited to, the computer hardware and software, tools, and the Next Day Access Vehicle (meeting the specification we require including bearing the signage we provide), all as described in the Operating Manual.

~~7.5.1. — You must purchase all Next Day Access products (at then current prices and subject to the then current terms and conditions) from designated supplier(s) we specify.~~

~~7.5.2. — All equipment and products sold or offered for sale at the Next Day Access Business shall meet our then current standards and specifications, as established in the Operating Manual or otherwise in writing. Except as otherwise provided in Section 7.5.1, you shall purchase all equipment and products used or offered for sale at the Next Day Access Business for which we have established standards or specifications solely from approved suppliers (including distributors and other sources) which demonstrate, to our continuing reasonable satisfaction, the ability to meet our standards and specifications, and who have been approved by us in the Operating Manual or otherwise in writing. If you desire to purchase products from a party other than an approved supplier, you shall submit to us a written request to approve the proposed supplier, together with such evidence of conformity with our specifications as we may reasonably require. We shall have the right to require that our representatives be permitted to inspect the supplier's facilities, and samples from the supplier be delivered for evaluation and testing either to us or to an independent testing facility we designate. You shall pay a charge not to exceed the reasonable cost of the evaluation and testing. We shall use our best efforts, within ninety (90) days after our receipt of such completed request and completion of such evaluation and testing (if required by us), to notify you in writing of our approval or disapproval of the proposed supplier. You shall not sell or offer for sale any products of the proposed supplier until you receive our written approval of the proposed supplier. We may from time to time revoke our approval of particular products or suppliers when we determine, in our sole discretion, that such products or suppliers no longer meet our standards. Upon receipt of written notice of such revocation, you shall cease to sell any disapproved products and cease to purchase from any disapproved supplier. You agree that you shall use products purchased from approved suppliers solely for the purpose of operating the Next Day Access Business and not for any other purpose, including, without limitation, resale. Nothing in the foregoing shall be construed to require us to make available to prospective suppliers the standards and specifications we, in our sole discretion, deem confidential.~~

~~7.6. — Financing. You agree, at your own expense, to secure all financing required to develop and operate the Next Day Access Business (except, if applicable, for the Initial Franchise Fee Financing program).~~

~~7.7. — Licensing and Permits. You agree, at your own expense, to research the requirements for and obtain all permits and licenses required to operate the Next Day Access Business.~~

~~7.8. — Inventory. At the time the Next Day Access Business opens, you shall stock the initial inventory of equipment, materials, products, ramps, ramp accessories, and supplies as prescribed by us in the Operating Manual or otherwise in writing. Thereafter, you shall stock and maintain all types of~~

~~equipment and approved products in quantities sufficient to meet reasonably anticipated customer demand. You agree to immediately notify us if an approved supplier substitutes an unapproved product in place of an approved product. We are not liable to you for any loss or damage, or deemed to be in breach of this Agreement, if we cannot deliver, or cause to be delivered, or if our affiliates or designated sources or approved suppliers cannot deliver, all of your orders for goods, merchandise, equipment, supplies, etc. where such things are out of stock or discontinued.~~

~~7.9.— Inspections. You shall permit us and our agents to enter upon the Premises at any time during regular business hours, with or without notice, for the purpose of conducting inspections. In connection with such inspections, we shall have the right to speak with you, any of your employees or customers; take audio or video recordings and photographs; remove samples of any goods, materials or supplies for testing and analysis; and conduct such other activities as we deem appropriate in our sole discretion. You shall cooperate with our representatives in such inspections by rendering such assistance as they may reasonably request, including presenting customers with such evaluation forms as we may periodically prescribe, and, upon notice from us or our agents, and without limiting our other rights under this Agreement, shall take such steps as may be necessary to correct immediately any deficiencies detected during any such inspection. If deficiencies are detected during any inspection, and we subsequently conduct a re-inspection in our sole discretion, you shall be responsible for our costs and expenses of such re-inspection. Should you, for any reason, fail to correct any deficiencies within a reasonable time as determined by us, we shall have the right, but not the obligation, to correct any deficiencies which may be susceptible to correction by us and to charge you a reasonable fee for our expenses in so acting, payable to us upon demand. The foregoing shall be in addition to such other remedies we may have.~~

~~7.10.— Advertising and Promotional Materials. You shall ensure that all graphics, signs, advertising and promotional materials, decorations and other items specified by us bear the Proprietary Marks in the form, color, location, and manner prescribed by us.~~

5.10.7.11.— Vehicle. Due to the nature of this business, you must have a vehicle. We do not have any standards or specifications for your vehicle other than it must be well maintained (clean and damage free) and be sufficiently large enough to transport tools and materials to job sites.

5.11. Maintenance of Premises and Vehicle. You shall maintain the Premises (including any adjacent public areas and storage facility) ~~and~~ and your Vehicle in a clean, orderly condition and in excellent repair; and, in connection therewith, you shall, at your own expense, make such additions, alterations, repairs and replacements thereto (but no others without our prior written consent) as may be required for that purpose, including, without limitation, such periodic repainting or replacement of obsolete signs, furnishings, equipment and décor as we may reasonably direct.

~~7.12.— Refurbishment and Replacement. We reserve the right to require you to refurbish or replace, once every five (5) years, the Premises and/or Vehicle and other equipment, at your expense, to conform to the building design, trade dress, color schemes and presentation of the Proprietary Marks in a manner consistent with the then-current image for new Next Day Access Businesses. Such refurbishment may include, without limitation, installation of new equipment, remodeling, redecoration, and modifications to existing improvements.~~

~~7.13.— On Premises Supervision. During operating hours, the Next Day Access Business shall be under the direct, on premises supervision of one of your principals, or another individual who has satisfactorily completed the Initial Training Program, which we reserve the right to approve in our sole~~

~~discretion. At least one (1) individual who has completed our Initial Training Program shall be on the Premises operating the Next Day Access Business during all hours of operation specified by us in writing in the Operating Manual or otherwise in writing from time to time. You shall take such steps as are necessary to ensure your employees preserve good customer relations; render competent, prompt, courteous, and knowledgeable service; and meet such minimum standards, including, without limitation, such attire as we may reasonably require, as we may establish from time to time in the Operating Manual. You and your employees shall handle all customer complaints, refunds, returns and other adjustments in a manner that will not detract from our name and goodwill. You shall be solely responsible for all employment decisions and functions of the Next Day Access Business, including, without limitation, those related to hiring, firing, training, wage and hour requirements, record-keeping, supervision, and discipline of employees. We will not be an employer of your employees, with the parties explicitly adopting the employment relationship regime created by TCA § 50-1-208.~~

~~7.14.—Changes to the System. You shall not implement any change, amendment, or improvement to the System without our express prior written consent. You shall notify us in writing of any change, amendment or improvement in the System which you propose to make and shall provide to us such information as we request regarding the proposed change, amendment, or improvement. You acknowledge and agree that we shall have the right to incorporate the proposed change, amendment, or improvement into the System and shall thereupon obtain all right, title and interest therein without compensation to you.~~

~~5.12.7.15.—Compliance with Lease. You shall comply with all the terms of your lease or sublease, if any exists, and all other agreements affecting the operation of the Next Day Access Business; promptly furnish us a copy of your lease, upon request; shall undertake best efforts to maintain a good and positive working relationship with your landlord and/or lessor; and refrain from any activity which may jeopardize your right to remain in possession of, or to renew the lease or sublease for, the Premises.~~

~~7.16.—Health and Safety Standards. You shall meet and maintain the highest health and safety standards and ratings applicable to the operation of the Next Day Access Business. You shall furnish to us immediately upon the receipt thereof, a copy of all health inspection reports and any violation or citation which indicates your failure to maintain federal, state, or local health or safety standards in the operation of the Next Day Access Business. You must have taken immediate steps to cure such violations provided it is possible to cure such violations. Your failure to cure or demonstrate you have taken immediate steps to cure such violations within seventy two (72) hours shall constitute grounds for immediate termination pursuant to Section 15.3.5 herein. If you fail to correct any health or safety issue violation within the required time frame, we shall also have the right, but not the obligation, to enter the Premises, without notice, at any time during regular business hours to cure any health or safety violation at the Next Day Access Business and require you to reimburse us for all out-of-pocket costs and expenses incurred by us to affect such cure.~~

~~7.17.—Restrictions on Prices. We reserve the right to require you to comply with price maintenance restrictions (both minimum and maximum) we set on rental or sale prices for specific products, merchandise, or services offered and sold by you as required in the Operating Manual, including but not limited to National Accounts or as otherwise directed by us in writing from time to time.~~

~~7.18.—Computer System and Required Software:~~

~~7.18.1.—We shall have the right to specify or require that certain brands, types, makes, and/or models of communications, computer systems, and hardware be used by you, including~~

~~without limitation: (a) back office and point of sale systems, data, audio, and video, systems for use at the Next Day Access Business; (b) printers and other peripheral hardware or devices; (c) archival back up systems; (d) Internet access mode and speed; and (e) physical, electronic, and other security systems (collectively, the “Computer System”).~~

~~7.18.2.—We shall have the right, but not the obligation, to develop or have developed for us, or to designate: (a) computer software programs that you must use in connection with the Computer System (the “Required Software”), which you shall install at your expense; (b) updates, supplements, modifications, or enhancements to the Required Software, which you shall install at your expense; (c) the tangible media upon which you record data; and (d) the database file structure of the Computer System.~~

~~7.18.3.—At our request, you shall purchase or lease, and thereafter maintain, the Computer System and, if applicable, the Required Software. There is no limitation on the number of times that we may require you to make these purchases. We shall have the right at any time to remotely retrieve and use such data and information from your Computer System or Required Software that we deem necessary or desirable. You expressly agree to strictly comply with our standards and specifications for all items associated with your Computer System and any Required Software in accordance with our standards and specifications. You agree, at your own expense, to keep your Computer System in good maintenance and repair and install such additions, changes, modifications, substitutions, and/or replacements to your Computer System or Required Software as we direct from time to time in writing. You agree that your compliance with this Section 7.18 shall be at your sole cost and expense.~~

~~7.18.4.—You are not authorized to use an outside resource for CRM, or other software, without written approval from us. We own all data you generate in the operation of your franchised business.~~

~~7.19.—Storage Space. You shall lease sufficient storage space to store your purchased products during the term of this Agreement.~~

5.13.8.—Compliance with Laws and Regulations. You must comply with all federal and state licensing and other regulatory requirements relating to the operation of your Franchised Business. Regulations vary from state to state and locality to locality. In addition, you should independently verify whether local municipalities homeowner’s associations within your APR have implemented regulations related to the provision of the Approved Services. You alone are responsible for compliance despite any advice or information that we may give you.

~~2.—Wage and Hour Compliance. You will maintain a competent and conscientious, PROPRIETARY MARKS~~

~~8.1.—Our Representations. We represent with respect to the Proprietary Marks:~~

~~8.1.1.—We are the owner of all right, title, and interest in and to the Proprietary Marks.~~

~~8.1.2.—We have the right to use, and to license others to use, the Proprietary Marks.~~

~~8.1.3.—We have taken and will take all steps reasonably necessary to preserve and protect the ownership and validity of the Proprietary Marks.~~

~~2.1.8.2. — Your Use of the Marks. With respect to your use of the Proprietary Marks, you agree that:~~

~~8.2.1. — You shall use only the Proprietary Marks designated by us, and shall use them only in the manner that we authorize and permit;~~

~~8.2.2. — You shall use the Proprietary Marks only for the operation of the Next Day Access Business and only at the Approved Location and on the Vehicle, or in advertising or promotional materials for the Next Day Access Business used at or conducted from the Approved Location;~~

~~8.2.3. — Unless otherwise authorized or required by us, you shall operate and advertise the Next Day Access Business only under the name “Next Day Access®” and shall use all Proprietary Marks without prefix or suffix. You shall not use the Proprietary Marks as part of your corporate or other legal name or as part of an Internet domain name or Internet e-mail address;~~

~~8.2.4. — You may not use the term “Next Day Access” in your business entity’s legal name.~~

~~8.2.5. — During the term of this Agreement, and any renewal or extension hereof, you shall identify yourself as the independent franchised owner of the Next Day Access Business (in the manner required by us) in conjunction with any use of the Proprietary Marks, including, but not limited to, on invoices, order forms, receipts, business stationery, and contracts with all third parties or entities, as well as the display of such notices in such content and form and at such conspicuous locations as we may designate in writing;~~

~~8.2.6. — Your right to use the Proprietary Marks is limited to such uses as are authorized under this Agreement, and any unauthorized use thereof shall constitute an infringement of our rights and will entitle us to exercise all of our rights under this Agreement in addition to all rights available at law or in equity;~~

~~8.2.7. — You shall not use the Proprietary Marks to incur any obligation or indebtedness on behalf of us;~~

~~8.2.8. — You shall execute any documents deemed necessary by us to obtain protection for the Proprietary Marks or to maintain their continued validity and enforceability;~~

~~5.13.1. 8.2.9. — You shall promptly notify us of any suspected unauthorized use of the Proprietary Marks, any challenge to the validity of the Proprietary Marks, or any challenge to our ownership of, our right to use and to license others to use, or your right to use, the Proprietary Marks. You acknowledge that we have the sole right to direct and control any administrative, and trained staff, and will take such steps as are necessary to ensure your employees preserve good customer relations; render competent, prompt, courteous, and knowledgeable service; and meet such minimum standards as we may periodically establish in the Manual, or otherwise, in writing. We will not have the power to hire or fire your employees. You alone are responsible for all employment decisions and functions of your Franchised Business, including, without limitation, those related to hiring, firing, training, establishing remuneration, compliance with wage and hour requirements, personnel policies, benefits, record keeping, supervision, and discipline of employees, regardless of whether you have received advice from us on these subjects or not. All employees working for you will be your employees alone, and will not, for any purpose, be deemed our employees, or subject to our control, including with respect to any mandated or other insurance coverage, tax or contributions, or requirements pertaining to withholdings, levied or fixed by any city, state, or federal governmental agency. We will have no liability for any action or settlement~~

related to hiring, firing, training, establishing remuneration, compliance with wage and hour requirements, personnel policies, benefits, record keeping, supervision, and discipline of employees, and you agree to indemnify us for any such liabilities we may incur. You agree that any direction you receive from us regarding employment policies should be considered as examples, that you alone are responsible for establishing and implementing your own policies, and that you understand that you should do so in consultation with local legal counsel well-versed in employment law.

5.14.If, at any time, your Franchised Business is not being managed by you (or, if you are a limited liability or corporation, the managing member or shareholder), we may, but are not required to, immediately appoint a manager to maintain the operations of your Franchised Business for and on behalf of you. Our appointment of a manager of your Franchised Business does not relieve you of your obligations or constitute a waiver of our right to terminate this Agreement pursuant to Section 14. We will not be liable for any debts, losses, costs, or expenses incurred in the operations of your Franchised Business, or to any creditor of yours for any products, materials, supplies, or services purchased by your Franchised Business while it is managed by our appointed manager. We reserve the right to charge a reasonable fee for any such management services and to cease to provide management services at any time.

5.15.You will furnish to us, within three (3) days after receipt thereof, a copy of any notice alleging your default or failure to pay, on any loan, note, lease, or other instrument related to the operation of your Franchised Business, or a copy of any notice alleging your failure to comply with any law, ordinance, or regulation. You also will notify us, in writing, within five (5) days of the commencement of any action, suit, or proceeding, and of the issuance of any order, writ, injunction, award, or decree of any court, agency, or other governmental instrumentality, which may adversely affect the operation or financial condition of your Franchised Business.

5.16. You will collect, store, share with us, and use client data in the form and manner we prescribe. We have the right to specify, in the Manual, or otherwise in writing, the types and amounts of required promotional activities. We retain ownership of all clients and their data related to your Franchised Business.

5.17. You have the right to offer your goods and services at any prices. Any list or schedule of prices we may furnish to you will be deemed a suggestion only, and you will have the right, in your sole discretion, to accept or reject any such suggestion.

5.18. You agree that you will not own, maintain, operate, engage in, or have any financial, or beneficial interest in (including any type of interest in corporations, partnerships, limited liability companies, trusts, unincorporated associations, joint ventures, or other entities), advise, assist, divert, or attempt to divert, any business or customer, or make loans to any Competitive Business. For purposes of this Agreement, the term "Competitive Business" means any other business that: (a) is substantially similar to the business then engaged or being promoted in by Next Day Access businesses; or (b) provides any sort of mobility solution services.

5.19. You will not subordinate to any other obligation, your obligation to pay us any other fee or charge, whether under this Agreement, or otherwise.

5.20. Conferences and Meetings.

5.20.1. Annual Conference. You are required to attend the Annual Conference. In the event you are unable to attend the Annual Conference, you may send an employee who has been approved for attendance by us. The Annual Conference fee can be up to \$1,000.00 for the first attendee and \$500.00 per attendee thereafter, payable upon your registration for the Annual Conference (typically registration is done online sixty (60) days in advance of the Annual Conference). In the event you, or an approved employee, do not attend the Annual Conference, you may be charged a \$2,500.00 absentee fee ("Annual Conference Absentee Fee") via EFT, ten (10) days after the missed Annual Conference concludes. We may increase the Annual Conference fee with ninety (90) days' written notice prior to the Annual Conference. All

Annual Conference attendees are responsible for paying their own travel costs and expenses of lodging, transportation, and meals. We reserve the right to not hold an Annual Conference.

5.20.2. Regional Meetings. You are required to attend any Regional Meeting we conduct. In the event you are unable to attend the Regional, you may send an employee who has been approved for attendance by us. The Regional Meeting fee can be up to \$350 per attendee which is payable upon your registration for the Regional Meeting (typically registration is done online sixty (60) days in advance of the Regional Meeting). In the event you, or an approved employee, do not attend the Regional Meeting, you may be charged a \$750 absentee fee (“Regional Meeting Absentee Fee”) via EFT, ten (10) days after the missed Regional Meeting concludes. We may increase the Regional Meeting fee with ninety (90) days’ written notice prior to the Regional Meeting. All Regional Meeting attendees are responsible for paying their own travel costs and expenses of lodging, transportation, and meals. We reserve the right to not hold a Regional Meeting.

5.20.3. Compliance and Attendance. We reserve the right to not allow you to attend any conference or meeting we conduct throughout the year if you are not in compliance, at our sole discretion, with this Franchise Agreement. You will not be charged an absentee fee if you are so disinvited.

5.21. You acknowledge and agree that exchanging information with us by e-mail or other e-communication is efficient and desirable for day-to-day communications and that we and you may utilize e-mail or other e-communication for such communications. You authorize the transmission of e-mail or other e-communication by us and our employees, vendors, and affiliates to you and any and all of your owners, officers, directors, and employees. You will contact us by telephone, e-mail, or other e-communication as soon as possible following any request by us for such communication. You will make reasonable efforts to be available by phone, email, other e-communication, or otherwise, as communication with us as requested or required.

5.22. Because complete and detailed uniformity under many varying conditions may not be possible or practical, you acknowledge we specifically reserve the right and privilege, as we consider best, at our sole discretion, to modify the System for any particular Franchised Business based upon circumstances we consider important to promote any Franchised Business’ successful operation. We may choose not to authorize similar variations or accommodations to you or other franchisees.

5.23. Headshots; Your Images. You must obtain, prior to opening your Franchised Business, professionally taken headshots (in digital format) for placement on our website and your related marketing collateral. You acknowledge and authorize us to use your likeness in photographs and other imagery in any and all of our publications, including printed and digital publications and imagery and on websites and/or social media. You agree and understand that any photographs and other imagery using your likeness will become our property and will not be returned. You agree and irrevocably authorize us to edit, alter, copy, exhibit, publish, or distribute any photographs and other imagery of you for any lawful purpose. You agree and waive any rights to royalties or any other compensation related to our use of any photographs and other imagery of you. You agree to hold harmless, and forever discharge us, from all claims, demands, and causes of action which you may have in connection with this authorization.

5.24. Retaining clients for your Franchised Business will require you to have a high level of customer service and adhere strictly to and maintain the System. We may contact any client, or their authorized representative/s, at any time, for any purpose. Also, if we are contacted by a client, or their authorized representative/s, who wishes to lodge a complaint, we reserve the right to address the complaint in order to preserve goodwill and prevent damage to the brand.

5.25. By signing this Agreement, you appoint us, your true and lawful attorney-in-fact, with full power and authority, for the sole purpose of obtaining any and all returns and reports you file with any state and/or federal

taxing authority related to the operation of the franchised business. This power of attorney survives the expiration or termination of this Agreement. You also grant us the specific right to perform credit checks on you, as needed.

6. TAXES

6.1. We will not be liable for, and you will promptly pay to us, an amount equal to, any and all taxes levied, or assessed, including, but not limited to, unemployment taxes, sales taxes, use taxes, withholding taxes, excise taxes, personal property taxes, intangible property taxes, gross receipt taxes, taxes on royalties paid out of state, or any similar taxes or levies, imposed upon, or required to be collected, or paid by us, by reason of:

6.1.1. Us furnishing products, services, and/or intangible property (including trademarks and trade names) to you;

6.1.2. Us purchasing, licensing, or leasing property, or property rights, provided by this Franchise Agreement for you; or

6.1.3. The operation of your Franchised Business including sales taxes on tangible goods as well as use tax on any technology we may require that you use.

6.2. You, and we, will file our own tax, regulatory, and payroll reports, and be responsible for all employee benefits, and workers compensation payments, with respect to our respective employees and operations, and we will save and indemnify one another from any and all liability of any nature whatsoever by virtue thereof. In the event of any bona fide dispute as to your liability for taxes assessed, or other indebtedness, you may contest the validity, or the amount of the tax or indebtedness, under the procedures of the taxing authority or applicable law. However, you will not permit a tax sale or seizure by levy of execution, or similar writ or warrant, or attachment by a creditor, to occur against your Approved Location, or any improvements thereon.

7. PROPRIETARY MARKS

7.1. We represent, with respect to the Proprietary Marks, that:

7.1.1. We own the Proprietary Marks;

7.1.2. We will take action reasonably necessary to preserve and protect the validity of the Proprietary Marks; and

7.1.3. We will permit you to use the Proprietary Marks only in accordance with the System and the standards and specifications attendant thereto which underlie the goodwill associated with and symbolized by the Proprietary Marks.

7.2. With respect to your use of the Proprietary Marks, you agree that:

7.2.1. ~~proceeding or litigation involving the Proprietary Marks, including any settlement thereof.~~ We Subject to the terms and conditions of this Agreement, we grant you, during the term hereof, the right to use such Proprietary Marks as we designate, solely for the purpose of (a) operating the Franchised Business and performing the Approved Services; and (b) your authorized local marketing activities pursuant to Section 9 and will use them only in the manner we authorize and permit;

7.2.2. You will use the Proprietary Marks only for the operation of your, and only at your Approved Location, or in advertising for your Franchised Business, we approve;

7.2.3. Unless otherwise authorized, or required by us, you will operate, and advertise your Franchised Business as well as any commercial vehicle used in the operation, only under the Proprietary Mark “Next Day Access,” without prefix or suffix or other modifying words, designs, or symbols, or in any modified form;

7.2.4. You will identify yourself as an independent franchisee owner of your Franchised Business in conjunction with any use of the Proprietary Marks, or the operation of your Franchised Business, and will place a written notice to such effect in a form we approve and in a conspicuous location on your Franchised Business premises and any other location we deem appropriate, be they physical and/or online and/or in any other format;

7.2.5. Your right to use the Proprietary Marks is limited to such uses as authorized under this Franchise Agreement, and any unauthorized use will constitute an infringement;

7.2.6. You will not use the Proprietary Marks to incur any obligation or indebtedness on behalf of us;

7.2.7. You will execute any documents deemed necessary by us, or our affiliates, to obtain protection for the Proprietary Marks, or to maintain their continued validity and enforceability;

7.2.8. You will promptly notify us of any suspected unauthorized use of, or any challenge to the validity or use of, the Proprietary Marks. You acknowledge we (or the owner of the Proprietary Marks) will have the sole right to direct and control any administrative proceeding, or litigation, involving the Proprietary Marks, including any settlement thereof. We will have the right, but not the obligation, to take action against uses by others that may constitute infringement of the Proprietary Marks. ~~We shall~~ We (or the owner of the Proprietary Marks) will defend you against any third-party claim, suit, or demand arising out of your use of the Proprietary Marks ~~under this Franchise Agreement.~~ If we, ~~in~~ at our sole discretion, determine ~~that~~ you have used the Proprietary Marks ~~in accordance with~~ under this Franchise Agreement, ~~the cost of~~ we will pay for such defense, including the cost of any judgment or settlement, ~~shall be borne by us.~~ If we, ~~in~~ at our sole discretion, determine ~~that~~ you have not used the Proprietary Marks ~~in accordance with~~ under this Franchise Agreement, ~~the cost of~~ you will pay for such defense, including the cost of any judgment or settlement, ~~shall be borne by you. In the event of any.~~ If any litigation occurs relating to your use of the Proprietary Marks, you ~~shall~~ will execute any and all documents and do such acts as may, ~~in~~ at our opinion, be necessary to carry out such defense or prosecution, including, but not limited to, becoming a nominal party to any legal action. Except ~~to the extent if~~ such litigation ~~is the result of~~ results from your use of the Proprietary Marks in a manner inconsistent with ~~the terms of~~ this Franchise Agreement, we agree to reimburse you for your out-of-pocket ~~costs in doing such acts~~ litigation costs in cooperating with us with respect to the litigation; and

~~8.2.10. — You shall not attempt to register or otherwise obtain any interest in any Internet domain name or URL containing any of the Proprietary Marks, or any portion thereof, or any other word, name, symbol, or device which is likely to cause confusion with any of the Proprietary Marks.~~

7.2.9. ~~8.3. — Acknowledgments.~~ You will not use the Proprietary Marks (e.g., “Next Day Access”) as part of your corporate or other legal name, or as part of any Uniform Resource Locator (URL), social media, internet or website domain.

7.3. You expressly understand and acknowledge that:

~~8.3.1. We are the owner of all right, title, and interest in and to the Proprietary Marks and the goodwill associated with and symbolized by them, and we have the right to use, and license others to use, the Proprietary Marks in accordance with the terms of this Agreement;~~

~~7.3.1. 8.3.2. The Proprietary Marks are valid and serve to identify the System, and those who are authorized to operate under the System;~~

~~7.3.2. 8.3.3. During the term of this Franchise Agreement, and after its expiration, or termination, you shall will not directly, or indirectly, contest the validity of our or ownership of the Proprietary Marks, nor take any other action which may jeopardize our interest therein, or our right to use and to license others to use, the Proprietary Marks;~~

~~7.3.3. 8.3.4. Your use of the Proprietary Marks does not give you any ownership interest, or other interest in, or to the Proprietary Marks, other than the license granted by this Franchise Agreement;~~

~~7.3.4. 8.3.5. Any and all goodwill arising from your use of the Proprietary Marks shall will inure solely, and exclusively, to our the benefit, of us and our affiliates and, upon expiration or termination of this Franchise Agreement and the license granted herein, no monetary amount shall will be assigned to you or any of your principals, affiliates, subsidiaries, successors, licensees, or assigns as attributable to any goodwill associated with your use of the System or the Proprietary Marks;~~

~~7.3.5. 8.3.6. Except as specified in Section 1.3 hereof, the license of the Proprietary Marks granted hereunder to you is nonexclusive, and we We and our affiliates will have and retain the rights, among others: (a) to use the Proprietary Marks ourselves in connection with for selling products, merchandise, and services; (b) to grant other licenses for the Proprietary Marks; (c, in addition to those licenses already granted to existing franchisees; and (iii) to develop and establish other systems using the Proprietary Marks, similar proprietary marks, or any other proprietary marks; and (d) to grant licenses or franchises thereto without providing any rights therein to you;~~

~~7.3.6. 8.3.7. We reserve the right, in our sole discretion, to modify, add to, or discontinue use of the Proprietary Marks, or to substitute different proprietary marks, for use in identifying the System and any Franchised Business if the Proprietary Marks no longer can be used or if we, at our sole discretion, determine that substitution of different proprietary marks will be beneficial to the Next Day Access Businesses operating there under. You agree promptly to comply with System. In such changes, revisions and/or substitutions, and to bear all the costs of modifying your signs, advertising materials, interior graphics and any other items which bear the Proprietary Marks to conform therewith. Your use of any such modified or circumstances, the use of the substituted proprietary marks shall will be governed by the terms of this Franchise Agreement to the same extent as, and we will not compensate you for such substitution, except, that if we must discontinue use of a Proprietary Mark based upon a court ruling, the Proprietary Mark infringes on another trademark, then we will bear only the costs of modifying your signs and advertising materials to conform to our new proprietary marks. You will implement any such substitution promptly; and~~

~~7.3.7. We are not obligated to remove any prior franchisee listings from third-party websites or platforms (e.g., Google) but, where possible, and upon written request, will try to do so.~~

~~7.4. We may co-brand one or more concepts with our Proprietary Marks (“Dual Branding”). Dual Branding may involve changes to the Proprietary Marks, and to the Franchised Business. If Dual Branding occurs, the scope and type of Dual Branding may vary in different markets. If we elect to conduct Dual Branding in the market in which~~

your Franchised Business is located, we will give you notice regarding the contemplated Dual Branding. You will be required to implement Dual Branding at the Franchised Business within the time period specified in the notice, but not earlier than one hundred twenty (120) days from the date of notice, and you must, at your expense, make the modifications necessary to implement the Dual Branding. Notwithstanding anything in this Agreement to the contrary, however, we may elect not to make the Dual Branding opportunity available to you.

8. ~~9.~~ CONFIDENTIAL OPERATIONS MANUALS AND INFORMATION

9.1. ~~Standards of Operation.~~ In order to protect our reputation and goodwill and to maintain high standards of operation under the Proprietary Marks and the System, you ~~shall~~will operate the Next Day Access Franchised Business in accordance with the standards, methods, policies, and procedures specified ~~in~~under the Operating Manual. ~~Upon your completion of the Initial Training Program to our satisfaction, we will supply you, on loan, with one (1) paper copy of our operations manual (“Operating Manual”) and upon your request we~~the System. You will provide you with electronic access to the Operating Manual (via Internet, extranet, or other electronic means) for your use during the term of this Agreement only. The Operating Manual may consist of multiple volumes of printed text, computer disks, other electronically stored data, DVDs, and videotapes.

8.1.9.2. ~~Confidentiality.~~ You shall treat the Operating Manual System, any other manuals created for or approved for use in the operation of the Next Day Access Business, and the information contained therein, written or verbal relating to the System, the Manual, Improvements (defined in Section 8.8), any communications between you, and us, or you, and other franchisees, and client information, including details and lists of client and their contact details (collectively, “Confidential Information”) as confidential, and ~~shall~~will use all reasonable efforts to maintain such information as secret and confidential ~~pursuant to Section 10 below. You shall. You will~~ not copy, duplicate, record, or otherwise reproduce the foregoing materials, in whole or in part, ~~or~~nor otherwise make the same available to any unauthorized person. The Manual will, at all times, remain our sole property.

9.3. ~~Exclusive Property.~~ The Operating Manual shall remain the sole property of us and shall be kept in a secure place on the Premises. You shall not grant access to the Operating Manual by any person who does not have a duty of confidentiality to us. If any paper copy of the Operating Manual provided by us is lost, destroyed or significantly damaged, you agree to obtain a replacement copy at our then applicable charge.

8.2.9.4. ~~Revisions to Manuals.~~ We may from time to time revise the contents of the Operating Manual, and you expressly agree to make corresponding revisions to your copy of the Manual, and to comply with each new or changed standard. You shall ensure that the Operating Manual is kept current at all times. We have the right to maintain all or any portions of the Operating Manual in written or electronic form, including, without limitation, on one or more Website. If we maintain the Operating Manual in electronic form or on one or more Website, you agree (a) to install, maintain, and upgrade continually throughout the term of this Agreement and as required by us in the Operating Manual and in writing from time to time, at your sole expense, a commercially within a reasonable high speed Internet connection to provide access to such portions of the Operating Manual; (b) to make one copy of such portion of the Operating Manual and to maintain such copies and their contents as secret and confidential; and (c) neither you nor any of your principals or employees shall make any electronic copy of any portion of the Operating Manual. amount of time noticed change, unless change is related to health or safety concerns, which must be implemented immediately.

8.3. We may from time-to-time request that you participate in a new service or product concept test, and you agree to do so, in compliance with our standards and requirements.

~~8.4. You will regularly and continuously review the Manual for updates to the System, standards, policy, and procedure. In the event of any dispute as to the contents of the Operating Manual, the terms/content of the master electronic copy (or, if unavailable, the paper copy) Manual, maintained by us at our home office shall, will be controlling. All revisions that we make to the Operating Manual shall be made by us in good faith and shall reflect commercially reasonable standards.~~

~~10. CONFIDENTIAL INFORMATION~~

~~10.1. Confidential Information. You shall~~You will not, during or after the term ~~of this Agreement or thereafter~~hereof, communicate, divulge, or use for the benefit of any other ~~person, partnership, association, limited liability company or corporation~~ any confidential information, persons, partnerships, associations, or business entities, any Confidential Information, knowledge, or know-how concerning the methods of operation of ~~the business franchised hereunder, including, without limitation, the Operating Manual, knowledge of specifications for and suppliers of certain goods, services, equipment, materials and supplies, product costs, accounting methods, including both paper and electronic spreadsheets, knowledge of the operating results and financial performance of other Next Day Access Businesses, your customer lists, customer accounts, and customer information, whether developed by us, you independently, or with our assistance, management tools, or advertising your Franchised Business or the System~~ which may be communicated to you or of which you may be apprised by ~~virtue of your operation under the terms of this Agreement~~ (“Confidential Information”) ~~of your Franchised Business. You shall~~will divulge such Confidential Information only to ~~such of your~~those employees ~~as who~~ must have access to it ~~in order to operate the Franchised Business to perform their employment responsibilities. Any and all information, knowledge, know-how, and techniques, and other data which we designate as confidential~~ shall, will be deemed confidential for purposes ~~of this Agreement.~~

~~8.5. 10.2. Confidentiality Agreements. You shall require your manager, assistant manager, other such personnel having access to any of our Confidential Information, and any sales representative or installer acting as an independent contractor to execute non-competition covenants and covenants~~hereof unless, and until you demonstrate, that they will maintain the confidentiality of information they receive in connection with their employment by, affiliation or independent contractor relationship with you at the Next Day Access Business. Such covenants shall be in the form attached hereto as Addendum C ~~has become public knowledge.~~

~~8.6. 10.3. Irreparable Injury. You acknowledge that your~~any failure to comply with the requirements of this Section ~~10~~ will cause us irreparable injury for which no adequate remedy at law may be available, and you agree we may seek, and you agree to pay, all court costs and reasonable ~~attorneys'~~attorney fees incurred by us in obtaining ~~specific performance of, or, without posting a bond, an injunction against violation of ex parte order for injunctive, or other legally enforceable~~legal or equitable relief ~~obtained by us in connection,~~ with respect to the requirements of this Section ~~10~~.

~~11. ACCOUNTING AND RECORDS~~

~~11.1. Weekly Gross Sales. You shall record all sales on a point-of-sale recordkeeping and control system designated by us, or on any other equipment specified by us in the Operating Manual or otherwise in writing. You shall maintain a monthly record of all Gross Sales on a spreadsheet provided by us, or by such other means designated by us at our sole discretion. You shall provide us with such monthly record no later than the tenth day of each calendar month in the form we prescribe, via telefax or electronically.~~

~~We shall have the right to access any business information or data collected and generated on your point-of-sale system and we may require you to use an accountant approved by us in advance.~~

~~11.2.—Other Reports. You shall, at your expense, submit to us in the form we prescribe, the following reports, financial statements, and other data:~~

~~11.2.1.—Within five (5) days after their filing, copies of all signed sales tax returns and signed withholding tax returns for the Next Day Access Business and, as soon as you have received them, copies of the canceled checks for the required sales taxes and withholding taxes;~~

~~11.2.2.—Within fifteen (15) days after the end of each fiscal quarter, an unaudited profit and loss statement for the Next Day Access Business for the immediately preceding fiscal quarter and a year to date balance sheet as of the end of such fiscal quarter;~~

~~11.2.3.—Within sixty (60) days after the end of the Next Day Access Business' fiscal year, reviewed annual profit and loss and source and use of funds statements and a reviewed balance sheet for the Next Day Access Business as of the end of such fiscal year signed by you or your principal operating officer or operating partner;~~

~~11.2.4.—Within ten (10) days after our request, exact, signed original copies of federal and state income tax returns of the Next Day Access Business and other filed tax returns, including personal tax returns, and such other forms, records, books, and other information that we may periodically require;~~

~~11.2.5.—Within thirty (30) days after the end of each calendar month, a copy of the Next Day Access Business' monthly operating account bank statement; and~~

~~11.2.6.—Such other forms, reports, records, information, and data as we may reasonably designate from time to time or as may be described in the Operating Manual~~

~~11.2.6.1.—In those states requiring electronic filing and payment of sales tax, you are required to furnish us with an electronic copy of all such filings and payment history.~~

~~11.3.—Recordkeeping. You shall prepare, and shall preserve during the Term of this Agreement from the dates of their preparation complete and accurate books, records, and accounts in accordance with generally accepted accounting principles and in the form and manner reasonably prescribed by us in the Operating Manual or otherwise from time to time in writing, including but not limited to: (a) cash receipts journals; (b) cash disbursements and weekly payroll journals and schedules; (c) general ledgers; (d) monthly bank statements, daily deposit slips, and cancelled checks; (e) all personal and Business tax returns; (f) suppliers' invoices (paid and unpaid); (g) monthly fiscal period balance sheets and fiscal period profit and loss statements; and (h) such other records as we may from time to time require.~~

~~11.4.—Inspection and Audit. We, along with our designated agents, shall have the right at any time during regular business hours upon reasonable notice to examine, copy, and/or personally review at our expense, your books, records, accounts, and tax returns. We shall have the right at all reasonable times to remove such books, records, accounts, and tax returns for copying. We shall also have the right, at any time, to have an independent audit made of your books and records. If an inspection or audit should reveal that any income or sales have not been reported or have been understated and such understatement resulted~~

~~in reduced revenues equal to two percent (2%) or more of total revenues in any report to us, then you shall immediately pay to us the amount underpaid upon demand, in addition to interest from the date such amount was due until paid, at the rate of eighteen percent (18%) per annum, or the maximum rate permitted by law, whichever is less, plus all of our costs and expenses in connection with the inspection or audit, including, without limitation, travel costs, lodging and wage expenses, and reasonable accounting and legal fees and costs. The foregoing remedies shall be in addition to any other remedies we may have under this Agreement or otherwise at law or in equity.~~

8.7.12.—You will require anyone who has access to or to whom you have divulged Confidential Information, including your employees, to execute a Confidentiality Agreement and Ancillary Covenant Not to Compete (Please see the Confidentiality Agreement), that they will maintain the confidentiality of information they receive in connection with their association with you.

8.8. If you, during the term of this Agreement, or any Renewal Term, conceive or develop any improvements or additions to the System, a website, or any other documents, or information pertaining to, or relating, to the System, or your Franchised Business, or any new trade names, trade and service marks, logos, or commercial symbols related to your Franchised Business, or any advertising and promotional ideas, or inventions, related to your Franchised Business (collectively, “Improvements”), you will fully disclose the Improvements to us, without disclosure of the Improvements to others, and will obtain our written approval prior to using such Improvements. Any such Improvement may be used by us, and all other franchisees, without any obligation to you for royalties or other fees. You will assign, and do hereby assign to us, all rights, title and interest in, and to the Improvements, including the right to grant sublicenses to any such Improvement, regardless of whether you notify us of such Improvements. We, at our discretion, may apply for and own copyrights, patents, trade names, trademarks and service marks, relating to any such Improvement, and you will cooperate with us in securing such rights. We may also consider such Improvements as our property and trade secrets. In return, we will authorize you to utilize any Improvement that may be developed by other franchisees, and is authorized, generally, for use by other franchisees. All Improvements created by you, or any other person, or entity, retained, or employed, by you, are our property, and we will be entitled to use and license others to use such Improvements unencumbered by moral rights. If any of the Improvements are copyrightable materials, they will be works made for hire within the meaning of the United States Copyright Act and, to the extent the copyrighted materials are not works made for hire, or rights in the copyrighted materials do not automatically accrue to us, you irrevocably assign, and agree to assign to us, our successors and assigns, the entire right, title, and interest in perpetuity throughout the world, in and to any and all rights, including all copyrights and related rights, in such copyrighted materials, which you and the author of such copyrighted materials warrant and represent as being created by and wholly original with the author. Where applicable, you agree to obtain any other assignments of rights in the Improvements from another person or entity necessary to ensure our right in the Improvements as required in this Section.

9. ADVERTISING AND PROMOTION

9.1. Recognizing the value of advertising, marketing, and promotion, and the importance of the standardization of advertising, marketing, and promotion/promotional programs to the furtherance of the goodwill and public image of the System, the parties agree as follows:

12.1.—Opening Advertising and Promotion. You shall conduct initial local marketing for the Next Day Access Business within your first ninety (90) days of operation of the Next Day Access Business. You shall expend a minimum (which may not be sufficient) of Three Thousand Dollars (\$3,000) for such purpose. Such initial local marketing will utilize the marketing and public relations programs and media and advertising materials we have furnished to you or approved. We may, in our sole discretion, specify the form, manner, and timing of such advertising and promotion. The initial local marketing expenditures are in addition to the expenditures required by Sections 12.2 and 12.3.

- 9.1.1. ~~12.2. Local Marketing, Advertising, and Promotion.~~ We reserve the right to implement a National Ad Fund Fee (“National Ad Fund Fee”). In the event we do so, you shall pay us a National Ad Fund Fee equal to up to 2% of your annual Gross Sales which does not include any expenses related to your Local Marketing obligations.
- 9.1.2. In the event we create such a national advertising fund (the “Fund”) and require you to pay the National Advertising Fees. The Fund, all contributions thereto, and any earnings thereon, will be used to meet any and all costs of maintaining, administering, directing, conducting, and developing the preparation of advertising, marketing, public relations, and/or promotional programs and materials in various media including: the salaries and benefits for those internal persons in charge of administering and overseeing the Fund; employing advertising and/or public relations agencies to assist with research, brand positioning, recruitment efforts, creative concepting, production and media planning, photo and video shoots as well as outside resource expenses such as third-party copywriting professionals; conducting and administering promotions including the purchasing of promotional items and other marketing materials and services to the businesses operating under the System; websites, websites hosting, website optimization (ongoing onsite overall SEO, not local) and social networking or media; market research and development of new products and services; and supporting authorized marketing cooperatives formed by franchisees in the same market area; and any other activities we believe will increase brand awareness, increase lead generations, and benefit the System.
- 9.1.3. We will direct all advertising and promotional programs, with sole discretion over the creative concepts, materials, and media used in such programs, and the placement and allocation thereof. You agree and acknowledge that the Fund’s objectives are to maximize general public recognition and acceptance of the Proprietary Marks for the benefit of the System; and that we are not obligated, in administering the Fund, to make expenditures for you that are equivalent or proportionate to your contribution, or to ensure that any particular franchisee or geographic region benefits directly or pro rata from the advertising or promotion conducted under the Fund.
- 9.1.4. We will not use the Fund contributions for advertising that is principally a solicitation for the sale of franchises, but we reserve the right to include a notation in any advertisement indicating “franchises available” or similar phrasing.
- 9.1.5. The Fund is not a trust fund, and we do not have any fiduciary duty to you with respect to the Fund’s administration, activities, or expenditures. We will direct all advertising and promotional programs, with sole discretion over the creative concepts, materials, and media used in such programs, and the placement and allocation thereof. You agree and acknowledge that the Fund’s objectives are to maximize general public recognition and acceptance of the Proprietary Marks for the benefit of the System; and that we are not obligated, in administering the Fund, to make expenditures for you that are equivalent or proportionate to your contribution, or to ensure that any particular franchisee or geographic region benefits directly or pro rata from the advertising or promotion conducted under the Fund.
- 9.1.6. All sums paid to the Fund will be maintained in an account separate from the other monies, funds, assets and/or equities we maintain, and will not be used to defray our expenses, except for such costs and overhead, if any, as may be incurred in activities reasonably related to the administration or direction of the advertising programs and Fund, including, among other things, costs of personnel for planning and managing Fund activities, creating and implementing local, regional and national advertising, promotional, and marketing programs. The Fund, and any earnings thereon, will not otherwise inure to the benefit of us.
- 9.1.7. We have the right, but not the obligation, to cause the Fund to be incorporated or operated through an entity separate from us at such time as we deem appropriate, and any such successor entity shall have all our rights and duties under this Section. We may use collection agents and institute legal proceedings at

the Fund's expense to collect Fund contributions. We also may forgive, waive, settle, and compromise all claims by or against the Fund.

9.1.8. An unaudited statement of the operations of the Fund, as shown on the books of the Fund, will be prepared annually by us. Upon thirty (30) days of a written request by you, we will provide you an unaudited statement of the expenditures from the Fund.

9.2. Local Marketing Spend. Except as otherwise provided herein, for each month that your Next Day Access Business is open for business, you must spend a minimum amount of money on local marketing, advertising, and promotion in such manner as we may, in our sole discretion, direct in the Operating Manual or otherwise in writing from time to time. The minimum amount of money that you must spend each month under this Section ~~12.2~~ is calculated as follows: (a) during your first year of operation or if your annual Gross Revenue for the prior fiscal year was less than \$300,000, you must spend each month a minimum of \$800 or 4% of the Gross Revenue for the preceding month, whichever is greater; (b) if your annual Gross Revenue for the prior fiscal year was greater than or equal to \$300,000 and less than \$500,000, you must spend each month a minimum of 3% of the Gross Revenue for the preceding month; and (c) if your annual Gross Revenue for the prior fiscal year was equal to or greater than \$500,000, you must spend each month a minimum of 2% of the Gross Revenue for the preceding month. Upon our request, you shall provide satisfactory evidence of all local advertising and promotion expenditures in such manner as we shall direct in the Operating Manual or otherwise in writing from time to time. If we determine that you have not spent the requisite amounts, we may require you to pay such unexpended amounts to us as a Local Marketing Fee.

~~12.3 — National Ad Fund Fee. We reserve the right to implement a National Ad Fund Fee (“National Ad Fund Fee”). In the event we do so, you shall pay us a National Ad Fund Fee equal to up to 2% of your annual Gross Sales which does not include any sums you may pay to us as a Local Marketing Fee.~~

~~12.4 — Marketing Programs. We shall direct all advertising, marketing, and promotional programs, and have sole discretion over all aspects of such programs, including but not limited to concepts, materials, and media used in such programs, and the placement and allocation thereof for the purpose of Next Day Access Business. You agree and acknowledge that we are not obligated, to make expenditures for you which are equivalent or proportionate to your contribution, to make expenditures in your geographical area, or to ensure that you benefit directly or on a pro rata basis from expenditures or activities of our marketing programs;~~

~~12.5 — Website. As used in this Agreement, the term “Website” means an interactive electronic document, series of symbols, or otherwise, that is contained in a network of computers and/or devices linked by communications software. The term Website includes, but is not limited to, the Internet and World Wide Web. We reserve the right to require you to establish and maintain a Website, at your expenses, in connection with the Next Day Access Business. You shall comply with the following requirements and all other applicable requirements set forth in the Operating Manual or otherwise in writing from time to time:~~

~~12.5.1 — Except as approved in advance in writing by us, you shall not establish or maintain a separate Website, or otherwise maintain a presence or advertise on the Internet or any other public computer network in connection with the Franchised Business. If such approval is granted by us, you shall establish and operate such World Wide Web or Internet site in accordance with our standards and policies provided to you in the Operating Manual or otherwise in writing from time to time;~~

~~12.5.2 — You specifically acknowledge and agree that any Website will be deemed “advertising” under this Agreement, and will be subject to (among other things) our approval under this Section 12;~~

~~12.5.3 — You may only use Web materials, Web pages, and Web site content which we have approved in advance in writing. You shall promptly incorporate on, and remove from, your Web site any information we require in the manner specified in the Operating Manual or otherwise in writing;~~

~~12.5.4 — You shall provide on your Website all hyperlinks or other links that we may require. You shall not use any of the Marks on your Website, except as expressly permitted by us in writing. You may not post or include any Confidential Information or any other copyrighted material or information on your Web site without our prior written approval. If you wish to modify your approved Web site, all proposed modifications must receive our prior written approval;~~

~~12.5.5 — We may furnish you with materials for your Website, which you shall adapt and utilize, but we shall be and at all times remain the sole owner of the copyrights for all material which appears on your Web site;~~

~~12.5.6 — You shall obtain our prior written approval for each Internet domain name and/or home page address you use in connection with your Website. We shall be, and at all times remain, the sole owner of the domain name and/or home page address for the Web site you maintain in connection with the Next Day Access Business, you shall execute all documents required by us in connection therewith, and you hereby appoint us as your attorney in fact to execute such documents on your behalf if you fail to do so; and~~

~~12.5.7 — We shall have the right to modify the provisions of this Section 12.5 relating to Websites as we shall solely determine is necessary or appropriate for the best interests of the System.~~

~~12.6 — Advertising Materials. All advertising and promotion by you shall be in such media and of such type and format as we may approve, shall be conducted in a dignified manner and shall conform to such standards and requirements as we may specify. You shall not use any advertising or promotional plans or materials unless and until you have received written approval from us as described in Section 12.8.~~

~~12.7 — Telephone Directories. If you elect to list and advertise the Next Day Access Business in the principal regular (white pages) and classified (yellow pages) telephone directories covering the area in which the Next Day Access Business is located, the costs of your telephone directory advertising will not be credited toward the advertising and promotion obligation described in Sections 12.1, 12.2 and 12.3, unless such ad is a pre-approved display or column ad.~~

~~12.8 — Approval of Advertising Materials. You shall submit to us samples of all advertising and promotional plans and materials for any print, broadcast, cable, electronic, computer, or other media (including, without limitation, the Internet) you desire to use and that have not been prepared or previously approved by us within the preceding three (3) months (as provided in Section 21 hereof), for our prior approval. You shall not use such plans or materials until they have been approved in writing by us. If~~

~~written notice of disapproval is not received by you from us within thirty (30) days of the date of receipt by us of such samples or materials, we shall be deemed to have not approved them.~~

~~12.9—Advisory Council. We reserve the right, in our sole discretion, to create and to require you to become a member of and participate actively in the Advisory Council (“Advisory Council”) in your area. You shall participate actively in the Advisory Council as we designate and participate in all Advisory Council meetings approved by us. We reserve the right to amend the governing documents for the Council from time to time, in our sole discretion, at any time. We, in our sole discretion, will determine the topic areas to be considered by the Advisory Council. The purposes of the Advisory Council shall include, but are not limited to, exchanging ideas and problem-solving methods, advising us on expenditures for system-wide advertising, and coordinating franchisee efforts. Amounts and expenditures may vary from time to time due to variations in Advisory Council participation and costs, as determined by the Advisory Council, and as approved by us. We shall have the right to change or dissolve the Advisory Council at any time in our sole discretion.~~

~~12.10—National and Regional Accounts~~

~~12.10.1—Right to Create. Next Day Access may, but is not obligated to, negotiate and enter into national account or regional account arrangements with certain customers (“National Accounts” or “Regional Accounts”) for the benefit of the Next Day Access brand. We have sole discretion as to whether to designate a particular customer as a National Account or a Regional Account, as well as the terms and conditions of the National Account agreement or Regional Account agreement. We may designate any of your current or prospective customers as National Accounts or Regional Accounts without paying you any compensation except for compensation received by franchisees generally for participating in that customer’s National Account program or Regional Account program. If we establish a National Accounts program or Regional Accounts program and you qualify to participate in it, you will have a first option to service National Account customers or Regional Account customers in your APR on behalf of the System, in accordance with the pricing and other terms that we have negotiated and any rules that we have prescribed as we may in our sole discretion determine to change them from time to time. You may not enter into conflicting arrangements with National Accounts or Regional Accounts.~~

~~12.10.2—Election to Participate. You may elect not to participate in any National or Regional Account Program, or to terminate your participation in the National or Regional Account program at any time by giving us at least 30 days’ prior written notice. If you elect not to participate in a National or Regional Account Program or terminate your participation in the National or Regional Account program or if you fail to satisfy the conditions and obligations of any National or Regional Account, we have the right to service and/or authorize others to service National and Regional Account customers within your APR without any compensation to you as a result of such servicing by us or designation of another to provide such services. If you are subsequently willing and able to provide service within your APR, we will have no obligation to readmit you to the program or to transfer any National or Regional Account customer to you.~~

~~2.1.1. 12.10.3—Private Label Programs. Arrangements with National and Regional retail chains for the marketing and sale of products manufactured and / or sold by us or by our affiliate under other brands are excluded from the definition of a National Account or Regional Account. You have no rights in and to such “Private Label Programs” regardless of where and how they may be marketed and / or sold unless specifically granted by us at the time any Private Label Program is established in writing. The products~~

~~covered by the Private Label Program may be designated as an Approved Product which you have the right to sell and install as a part of your Franchised Business.~~

~~9.3.12.10.4 — Our Right to Establish and Operate. You are also required to Establish and Operate the we recommend that you wear Next Day branded clothing. Your headshot must be in a digital format and must be forwarded to us prior to opening your Franchised Business for a National Account. Unless provided for differently in . Prices vary but you can expect it to range from \$65 to \$200.~~

~~9.4. You will, at your expense, and in accordance with any standards established in the Manual, in addition to the requirement this section of the Franchise Agreement, we reserve to ourselves the unconditional right to establish obtain any advertisements and listings, whether online or not establish, to operate and to terminate operations, to acquire and to sell on any terms in print, serving the market in which your Franchised Business is located, that we designate and at any price may periodically require.~~

~~9.5. Approved Materials. You must use only such marketing materials (including any print, radio, television, electronic, on-line or other media forms that may become available in the future) as we see fit, any furnish, approve in writing or make available, and all National or Regional Accounts in any and all APR(s) that the materials must be used only in the manner we designate on any terms prescribe and in compliance with all trademark usage and conditions we see fit branding standards. Furthermore, any promotional activities you conduct for the Business are subject to this Section 12.10 our approval. You must submit all advertising and promotional materials to us for approval prior to your use. If we do not respond within 14 days of your submission, the materials will be deemed not approved. We will not unreasonably withhold approval of any materials or media and activities; provided that they are current, in good condition, in good taste and accurately depict the Marks. Notwithstanding our approval, it is solely your responsibility to conduct your promotional activities in accordance with all applicable laws.~~

~~12.10.5 — Our Right to Sell a National or Regional Account We Establish and Operate. We reserve to ourselves the unconditional right to sell on any terms and conditions that we see fit the business of a National or Regional Account in any APR in which we operate the business of that National or Regional Account as a result of our establishing that business or acquiring that business from You or any other of our franchisees or other legal entity subject to your rights set forth in Section 12.10.~~

10. 13. INSURANCE

~~13.1 — Minimum Insurance Requirements. You shall procure, prior to the commencement of any activities or operations under this Agreement, and shall maintain in full force and effect at all times during the term of this Agreement (and for such period thereafter as is necessary to provide the coverage required hereunder for events having occurred during the term of this Agreement), at your expense, an insurance policy or policies protecting you, us, and the parties' respective officers, directors, partners, agents, and employees against any demand or claim with respect to personal injury, death or property damage, business interruption, or any loss, liability or expense whatsoever arising or occurring upon or in connection with the Next Day Access Business, including, but not limited to,~~

~~10.1. 13.1.1 You must obtain the insurance coverage that we require from time to time (whether in the Franchise Agreement or in the Manual). You must purchase these policies through our designated insurance broker:~~

~~10.1.1.~~ Commercial general liability insurance, including bodily injury, property damage, personal injury, products, and completed operations liability coverage, with a limit not less than \$1,000,000 (\$2,000,000 in aggregate);

~~13.1.2.~~

~~10.1.2.~~ Products/Completed operations insurance with a limit not less than \$1,000,000 (\$2,000,000 in aggregate);

~~10.1.3.~~ Workers' Compensation and employers' liability to meet statutory requirements of your state(s) of operation; you must maintain Workers' Compensation and employers' liability insurance coverages, regardless if mandated by state law or not;

~~13.1.3.~~

~~10.1.4.~~ "Special form" property insurance in an amount appropriate for your business' personal property ~~and Business income & Extra Expense for a minimum of \$100;~~

~~10.1.5.~~ Twenty-five Thousand Dollar (\$25,000; ~~higher amounts encouraged commensurate with your business size;~~) theft/dishonesty bond;

~~13.1.4.~~

~~10.1.6.~~ Automobile liability insurance for all owned, non-owned, and hired automobiles, with a single limit coverage of not less than \$1,000,000; ~~and~~

~~13.1.5.~~

~~10.1.7.~~ Business interruption insurance of at least \$100,000; ~~and~~

~~10.1.8.~~ Other insurance as may be required by the state and/or the locality and/or region in which the Franchised Business is located and operated.

~~Such policy or policies shall be written by a responsible carrier or carriers acceptable to us. All policies of insurance shall name us and our subsidiaries, affiliates, and designees as an additional insured, specifically including additional insured rights within the completed operations coverage grant. All policies shall provide us with thirty (30) days' notice of cancellation. All policies shall provide at least the types and minimum amounts of coverage specified in the Operating Manual. We shall have the right, from time to time, to make such changes in minimum policy limits and endorsements in the Operating Manual or otherwise in writing as we may determine in our reasonable discretion.~~

~~13.2—Non waiver. Your obligation to obtain and maintain the policy or policies in the amounts specified in the Operating Manual shall not be limited in any way by reason of any insurance that may be maintained by us, nor shall your performance of that obligation relieve you of liability under the indemnity provisions set forth in Section 20.3 of this Agreement.~~

~~10.2. 13.3 Franchisor Entitled to Recover. All public liability and property damage policies shall~~ Additionally, we recommend but do not require that you obtain:

~~10.2.1.~~ Employment Practices Liability Insurance ("EPLI") with a minimum aggregate of \$500,000, including sub-limits of at least \$100,000 for FLSA/wage and hour claims. In addition, the policy should include: independent contractors in the definition of potential employees, as well as third-party coverage; and

~~10.2.2.~~ Network Security Insurance ("Cyber Insurance") with a minimum \$500,000 aggregate; In addition, we recommend such policy contain at least: \$5,000 retention/deductible ("Retro Inception") which is comprised of: 1) third-party network security and privacy with coverage up to \$500,000; 2) third-party regulatory fines and penalties with coverage up to \$500,000; 3) first party extortion with coverage up to \$100,000; 4) first party event expense with coverage up to \$500,000; 5) and first party Payment Card Industry ("PCI") fines with coverage up to \$25,000;

- 10.3. You must also purchase any other limits and coverage that we periodically require including Employment Practices Liability Insurance and Network Security Insurance. The required coverage and policies are subject to change. All insurance policies must be endorsed to: (i) name us (and our members, officers, directors, and employees) as additional insureds; (ii) contain a waiver by the insurance carrier of all subrogation rights against us; and (iii) provide that we receive 10 days' prior written notice of the termination, expiration, cancellation or modification of the policy.
- 10.4. You agree to indemnify and hold harmless us, our directors, officers and employees, from and against all loss or expense (including costs and attorney's fees) by reason of liability, imposed by law for damages, because of personal injury sustained by any person or persons or damage to property, including loss of use thereof, arising out of the performance of this contract, except, only damages, due to our sole negligence.
- 10.5. We may reasonably increase the minimum liability protection requirement annually and require, at any time, on reasonable prior notice to you, different or additional kinds of insurance to reflect inflation, changes in standards of liability, or higher damage awards in public, product, or motor vehicle liability litigation, or other relevant changes in circumstances.
- 10.6. You must submit to us, annually, a copy of the certificate or endorsement of, or other evidence request by us of, the renewal or extension of, each insurance policy. If you, at any time, fail, or refuse, to maintain in effect any insurance coverage required by us, or to furnish satisfactory evidence, we, at our option, and in addition to our other rights and remedies, may obtain insurance coverage on behalf of you, and you must promptly execute any applications or other forms or instruments required to obtain any insurance and pay to us, on demand, any costs and premiums incurred by us.
- 10.7. All insurance policies must be issued by the insurance carrier or insurance carriers acceptable to us and must: list "Next Day Access, LLC," its subsidiaries, officers, directors, employees and any other person or entity we may designate in the future as "Additional Insureds," contain a waiver of insurance company's right of subrogation against us, provide that we will receive thirty (30) days prior written notice of expiration, or cancellation of policy, or material change of the policy, and contain a provision that we, although named as an insured, ~~shall~~will nevertheless be entitled to recover under ~~such~~said policies on any loss occasioned to us, or our servants, agents, or employees, by reason of the negligence of ~~you~~Franchised Business, or ~~you~~its servants, agents, or employees.
- 10.8. You are required to submit to us prior to the opening of your Franchised Business, a copy of the Endorsement of Insurance in compliance with the requirements, and such other documentation as we may reasonably request to confirm, that you have satisfied the insurance regulations hereunder. You are required to submit copies annually thereafter. In addition, in order to monitor claims activity on a national level, and to most effectively assess program exposures, you are required, as requested, to collect Loss History Statements ("Loss Runs") from the carriers and remit to us.

11. TECHNOLOGY, RECORDS AND REPORTING

- 11.1. You are required, at your expense, to purchase or lease, and thereafter maintain and use, only such computer(s), hardware (including, without limitation, laptops, tablets, smartphones, etc.), software, firmware, web technologies or applications, required dedicated Internet access and power lines, modem(s), printer(s), and other related accessories or peripheral equipment, and methods of operation, as we specify in the Manual or otherwise in writing (collectively, "Computer System"). The Computer System will have the capacity to electronically exchange information, messages, and other data with other computers, by such means (including, but not limited to, the Internet), and using such protocols as we may reasonably prescribe in the Manual or otherwise in writing. You will keep your Computer System in good maintenance and repair and, at your expense, promptly make any and all additions, changes, modifications, substitutions, and/or replacements to your Computer System as we

direct. You will pay any and all annual, monthly or otherwise, software fees, or other fees, as required by us or our approved suppliers in order to maintain your Computer System. You acknowledge and agree that we or our suppliers have the right to increase or decrease the software fees at any time, in their sole discretion, upon written notice to you. You further acknowledge and agree that we reserve the right to change our approved suppliers, including any software suppliers, at any time and at our sole discretion. You may not alter your Computer System, or use alternative software or suppliers of technology, without our prior written approval. If you are in default of any obligations under this Franchise Agreement, we may, in addition to any other remedy we may have under this Franchise Agreement, temporarily inhibit your access to all or part of the Computer System until you have cured such default completely. Computer systems are vulnerable to varying degrees to computer viruses, bugs, power disruptions, communication line disruptions, Internet access failures, Internet content failures, data related problems and attacks by hackers and other unauthorized intruders (“E-Problems”). We have taken reasonable steps so E-Problems will not materially affect our business. We do not guarantee that information or communication systems we or others supply will not be vulnerable to E-Problems. It is your responsibility to protect yourself from E-Problems. You should also take reasonable steps to verify your suppliers, lenders, landlords, customers, and governmental agencies on which you rely, have reasonable protection from E-Problems. This may include trying to secure your Computer Systems (including firewalls, password protection, and anti-virus systems), and to provide backup systems.

11.2. All Franchised Business activities must be immediately entered into the Computer System. Any new activity must be entered as it occurs to maintain the most accurate data.

11.3. We expressly reserve the right to implement further policies or guidelines regarding information security including, but not limited to: risk management protocols, email encryption standards, document retention policies, PCI compliance, and the use of third-party security advisors and their security systems/products. You understand that either us, or our approved third-party information security system providers, may charge you both initial and ongoing fees for the creation, implementation, and maintenance of any information security system we, at our sole discretion, deem necessary.

11.4. Website and Internet.

11.4.1. We own and control the Website. We have the right, but not the obligation, to establish and maintain a website and/or official social media presence under the Proprietary Marks to promote the Franchised Business and/or the System (“Website”): (i) We will have sole control over all aspects of the Website, and can discontinue operation of the Website at any time without notice to you; (ii) unless you obtain our prior written consent, you are prohibited from establishing or maintaining a separate website or otherwise maintaining another presence on the Internet through any social networking site and/ or any other online site in connection with the operation of your Franchised Business or business offering services similar to the Approved Services; (iii) we have the right to modify or supplement our policies regarding social media and Internet use at any time in writing, whether as part of the Manuals or otherwise.

11.4.2. Local Features and Content on the Website. We may in our sole discretion, create pages or features on the Website emphasizing or dedicated to your local Franchised Business (“Local Features”). Upon written notice, we may permit you to create content to the Local Feature (“Local Content”) and maintain day-to-day control of those Local Features and the Local Content thereon. The Local Features shall be used, and all Local Content must be created, solely in accordance with this Agreement and such Web Content Guidelines or policies and procedures for brand standards and related matters as we may publish from time to time. In no event shall any Local Content: (a) contain or promote immoral, deceptive, scandalous or obscene matter; (b) disparage or falsely suggest a connection with persons (living or dead), institutions, beliefs, or national or established cultural symbols, or to bring them into contempt or disrepute; or (c) injure, damage, or otherwise negatively affect our goodwill in the Website, the System or the Proprietary Marks used in connection therewith. Regardless of any day-to-day control we may give you to the Local Features, you similarly may not you are expressly prohibited from doing any of the following to the

Website or their Local Features (if any), or using either of them for purposes of, or in connection with: (a) reverse engineering, making machine code human readable or creating derivative works or improvements; (b) copying them; (c) commercially exploiting or providing them to third parties; (d) introducing malicious code; (e) interfering with their security or operation; (f) framing or mirroring them outside of your own intranets; (g) creating, benchmarking or gathering competitive intelligence; or (h) removing, modifying or obscuring proprietary rights notices we may use; (i) defaming or harassing; (j); infringing another's intellectual property including failing to obtain permission to upload/display works of authorship in any Local Content; (k) intercepting or expropriating data; and/or (l) spamming, spoofing or otherwise misrepresenting transmission sources.

11.5. If you are in default of any obligations under this Agreement, we may, in addition to our other remedies, temporarily remove reference to your Franchised Business from the Website, and/or discontinue your access to our System intranet site, until such defaults are cured to our satisfaction. We may, at our option, discontinue, replace, and/or modify the Website and/or the intranet site at any time and at our sole discretion. Nothing in this Section will limit our right to maintain websites other than the Website, or to maintain other portals other than System's intranet.

11.6. Unless otherwise authorized by us, you will only use an e-mail address, related to or associated with the operation of your Franchised Business, which is a part of the "nextdayaccess.com" Internet domain name or other domain as authorized by the Manual.

11.7. Records and Reporting

11.7.1. We have the right to retrieve and store any and all data, including the financial information of your Franchised Business, and information from the Computer System and use it for any purpose both during and after the term of this Franchise Agreement. We also have the right, at all reasonable times, to access the Computer System by way of virtual network computing, or any similar method, to obtain data and make any necessary modifications to the Computer System including, without limitation, installing new or updated software. You also will, at your expense and upon written request from us, provide us, in the manner prescribed by us, any other information regarding the operation of your Franchised Business as we may reasonably request, including information concerning local promotional activities required by Section 9.

11.7.2. You will provide to us, for review and/or auditing, such other information as we may reasonably request, on the forms and in the manner, we designate, including but not limited to any financial information, customer information, or information required by our accountants for the preparation of our financial statements.

11.7.3. Profit and Loss Statement and Balance Sheet Statement. You must furnish to us thirty (30) days from the end of each month, a true and complete copy of the previous month's profit and loss statement as well as a true and complete copy of the previous month's balance sheet statement. In addition, we have the right to request copies and reports of other financial information and supporting records as we deem necessary. All financial statements, reports, and information must be on forms approved by us and signed and verified by you.

11.7.4. You will prepare, during the term of this Franchise Agreement, and will keep and preserve for at least five (5) years following the expiration or termination of this Franchise Agreement, complete and accurate books, records, and accounts related to your Franchised Business that are: (i) in accordance with generally accepted accounting principles; and (ii) in the form and manner prescribed by us in the Manual, or otherwise in writing, which form and manner may be electronic or online. You will also, at your expense and within sixty (60) days after the close of the fiscal calendar year, provide us with a copy of your financial statements showing the results of operations of your Franchised Business for each fiscal year

during the term of this Franchise Agreement. Your financial statements will include a statement of income, balance sheet, and a statement of cash flows, accompanied by a review report, prepared by an independent accountant using generally accepted accounting principles. Your financial statements must, if requested by us, be certified by a certified public accountant. You must, at your expense, cause your public accountant and certified public accountant, if any, to consult with us concerning such financial statements. If you fail to maintain accurate and up-to-date books and records, we have the right to require you to, at your expense, hire a certified public accountant to generate the books and records in the manner we, at our sole discretion, prescribe.

11.7.5. You must maintain, make readily available for inspection by us, and must furnish to us, upon our request, exact copies of all state sales tax returns, and portions of your federal and state income tax returns that reflect the operation of your Franchised Business, even if the tax returns include information unrelated to the operations of your Franchised Business (i.e., spouse's tax returns combined).

11.8. Inspection and Audits.

11.8.1. We have the right, at any time during business hours, and without prior notice, to inspect your Franchised Business' office, to examine or audit, or cause to be examined or audited, the business records, customer management operating system and related records accounts, cash control devices, bookkeeping, and accounting records, bank statements, sales and income tax records and returns, and other books and records of your Franchised Business, and the books and records of any corporation or limited liability which holds your Franchised Business. Such examination or audit may be done by an on-site visit, through remote electronic means, or via telephone (or any combination therein). You must cooperate with any designated representatives conducting any examination or audit. We (and our agents) have the right to make extracts from and copies of all documents, and information.

11.8.2. Any evaluation or inspection we conduct is not intended to exercise, and does not constitute, control over your day-to-day operation of the Franchised Business, or to assume any responsibility for your obligations under this Agreement.

11.8.3. If any examination or audit discloses an understatement of Gross Sales, you must pay to us, within fifteen (15) days after receipt of the examination or audit report, any fees or payments due on the amount of the understatement, interest from the date such amount was due until paid at the rate of eighteen percent (18%) per annum (or the highest rate allowed by the law of the state where Franchisee is located, whichever is lower) based on the amount of the understatement. Further, if the examination or audit is made necessary by the failure of you to furnish reports, supporting records, financial statements or other documents, or information, as required, or failure to furnish reports, records, financial statements, documents or information, on a timely basis, or if an understatement of Gross Sales for any month is determined by any examination or audit to be greater than 3%, you must reimburse us for the cost of the audit or examination, including the charges of any independent accountants and travel costs and expenses of lodging, transportation and meals, as well as compensation of our employees. Additionally, we reserve the right to charge you an under reporting penalty of up to \$5,000. If the aforementioned fees, charges or any other costs are not paid by you within 15 days of receipt of the examination or audit report, we may withdraw from your bank account any monies owed by EFT. The foregoing remedies are in addition to all other remedies and rights we may have under applicable law.

11.8.4. We may, but are not obligated to, conduct mystery shopper programs. In the event we do conduct such a program, the calls made under the program may be monitored and recorded for record keeping, training, and quality assurance purposes.

12. GRANT OF SECURITY INTEREST

As security for the payment of all amounts from time to time owing by you to us under this Agreement and all other agreements between the parties, and performance of all obligations to be performed by you, you hereby grant to us a security interest in all of your assets used in the Franchised Business, including, without limitation, all equipment, furniture, fixtures, inventory, and building and road signs, as well as all proceeds of the foregoing (the "Collateral"). You warrant and represent that the security interest granted hereby is prior to all other security interests held by financial institutions, if any. You agree not to remove the Collateral, or any portion thereof, from the Premises without our prior written consent. Upon the occurrence of any event entitling us to terminate this Agreement or any other agreement between the parties, we shall have all the rights and remedies of a secured party under the Uniform Commercial Code of the state in which the Franchised Business is located, including, without limitation, the right to take possession of the Collateral. You agree to execute and deliver to us financing statements or such other documents as we reasonably deem necessary to perfect our interest in the Collateral within ten (10) days of receipt by you of such documents from us. You will be responsible for reimbursing us upon our written request for all administrative fees, filing fees and taxes that we incur or are imposed upon us as part of our perfection of the security interest granted herein.

~~13.4—Certificates of Insurance. Prior to the commencement of any operations under this Agreement, and thereafter at least thirty (30) days prior to the expiration of any policy, you shall deliver to us Certificates of Insurance evidencing the proper types and minimum amounts of coverage. All Certificates shall expressly provide that no less than thirty (30) days' prior written notice shall be given to us in the event of material alteration to or cancellation of the coverage evidenced by such Certificates.~~

~~13.5—Our Right to Procure Insurance. Should you, for any reason, fail to procure or maintain the insurance required by this Agreement, as such requirements may be revised from time to time by us in the Operating Manual or otherwise in writing, we shall have the right and authority (but not the obligation) to procure and maintain such insurance in your name and to charge the same to you, which charges, together with our reasonable expenses in so acting, shall be payable by you immediately upon notice. The foregoing remedies shall be in addition to any other remedies we may have under this Agreement or at law or in equity.~~

13. 14. TRANSFER OF INTEREST

~~13.1. 14.1—Our Right to Transfer. We shall~~We have the right to transfer or assign ~~this Agreement and~~ all or any part of ~~its~~our rights or obligations ~~herein under this Agreement~~ to any person or legal entity, ~~and any of our designated.~~ With respect to any assignment which results in the subsequent performance by the assignee(s) shall of all of our obligations under this Agreement, the assignee will expressly assume and agree to perform such obligations, and will become solely responsible for all of our obligations under this Agreement from the date of assignment. ~~You shall execute such documents of attornment or other documents as we may request~~In addition, and without limitation to the foregoing, you expressly affirm and agree that we may sell our assets, the Proprietary Marks, or the System; may sell our securities in a public offering or in a private placement; may permit and participate in any transfer or distribution of our securities in connection with a spin-off; may merge, acquire other corporations, or be acquired by another corporation; and may undertake a financing, recapitalization, leveraged buy-out, or other economic, or financial reorganization, or restructuring.

~~13.2. 14.2—Your Conditional Right to Transfer.~~ You understand and acknowledge ~~that they~~your rights and duties ~~set forth in this Agreement~~ are personal ~~to you~~, and that we have granted this franchise in reliance on your ~~(or, if you are a corporation, partnership, or limited liability company, your principals')~~owner(s)' business ~~skills~~skills, financial capacity, and personal character. Accordingly, ~~neither you nor~~, any immediate or remote successor to any part of your interest in this Agreement, ~~nor~~or any individual, ~~partnership, limited liability company, corporation or other~~ or legal entity, which directly or indirectly owns any interest in you

~~or in the Franchised Business shall, will not, without our prior written consent, sell, assign, transfer, convey, give away, pledge, mortgage, or otherwise encumber, merge or give away (collectively, "transfer") this Agreement; (i) any direct or indirect interest in you, or in all the rights granted in this Agreement; (ii) any direct or indirect interest, which would effect a change of control now or in the future, or, (iii) all, or substantially all, of the assets of the your Franchised Business without our prior written consent. Any purported assignment or transfer, whether purported or actual, by operation of law or otherwise, not having our written consent, as required by this Section 14.2 shall, will be null and void and shall will constitute a material breach of this Agreement, for which we may immediately then terminate without an opportunity to cure pursuant to Section 15.2. of this Agreement. The foregoing remedies shall be in addition to any other remedies we may have under this Agreement or at law or in equity. Our consent shall be in our sole discretion 14.2.~~

~~14.3 Conditions of Transfer. You shall notify us in writing of any proposed~~

~~13.3. We will not unreasonably withhold our consent to a transfer of this Agreement, any direct or indirect interest in purchasing your Franchised Business, or in all or substantially all of when required under Section 13 provided, however, that we will have the assets of the Franchised Business, at least forty five (45) days before such transfer is proposed to take place. We may, in our sole discretion, right to require any or all of the following as conditions of its approval our consent:~~

~~13.3.1. 14.3.1 That all All of your accrued monetary obligations, and all other outstanding obligations to us and our affiliates have been, and to all of your suppliers and vendors, must be satisfied;~~

~~13.3.2. 14.3.2 That you are not You and we execute a release, in a form prescribed by us, of any and all claims which you may have against us, and our affiliates, and any respective shareholders, directors, employees, and agents in their corporate and individual capacities, in law and/or in equity;~~

~~13.3.3. The transferee must attend an in-person evaluation at a location we designate;~~

~~13.3.4. The transferee will execute our then-current standard form franchise agreement and related documents, including, but not limited to, our then-current form of any owner's agreement or other guaranty, then being offered to new franchisees, which agreement will supersede this Agreement in all respects and the terms of which agreement may differ materially from this Agreement and may be less favorable to the transferee;~~

~~13.3.5. The transferee (and, if the transferee is other than an individual, such owners of a beneficial interest in the transferee as we may request) will demonstrate to our satisfaction that the transferee meets our educational, managerial, and business standards; possesses (or, if applicable, its principals' possess) a good moral character, business reputation, and credit rating; has the aptitude and ability to operate the Franchised Business, as may be evidenced by prior related business experience or otherwise; and has adequate financial resources and capital to operate the Franchised Business;~~

~~13.3.6. You, or the transferee, at your, or its expense, will, within the time we specify, upgrade, modify, renovate, and/or remodel the Franchised Business premises to conform to the then-current standards and specifications of the System;~~

~~13.3.7. The transferee must attend, and successfully complete, our Initial Training Program;~~

~~13.3.8. You will pay a \$15,000 fee ("Transfer Fee") if the transfer involves 50% or more change in ownership. If the transfer involves less than a 50% change of ownership, the transfer fee will be calculated based upon the percentage of ownership changed. This Transfer Fee is to reimburse us for our reasonable legal,~~

accounting, management, training, and incidental expenses incurred in reviewing and approving the transfer, facilitating the transfer process, and providing such training to the transferee as we deem necessary.

13.3.9. You will pay any third-party sales broker fees, if applicable, incurred due to the sale or transfer of your Franchised Business;

13.3.10. You will not be in default of any provision of this Agreement, ~~any amendment hereof or successor hereto,~~ or any other agreement between you and us or our affiliates;

~~14.3.3 — That the consideration or payment of terms offered by a proposed Transferee are not excessive or unreasonable, based on the Gross Revenue or the gross revenue of other Next Day Access Businesses, in You will, at our reasonable business judgment;~~

~~14.3.4 — That the transferor shall have executed a general release, in a form prescribed by us, of any and all claims, known or unknown, that the transferor might have against us or our subsidiaries or affiliates or their respective officers, directors, agents, shareholders, and employees;~~

~~14.3.5 — That the transferor and request, prepare and furnish to the transferee have executed a mutual general release, relieving all claims against each other, excluding only and/or us such claims financial reports and other data relating to any provision or covenant of this Agreement which imposes obligations beyond the expiration of this Agreement;~~

~~14.3.6 — That the transferee (and, if the transferee is other than an individual, such owners of a beneficial interest in the transferee as we may request) enter into a written assignment, in a form satisfactory to us, assuming and agreeing to discharge all of your obligations under this Agreement; and that the transferee guarantee the performance of all such obligations in writing in a form satisfactory to us;~~

~~14.3.7 — That the transferee (and, if the transferee is other than an individual, such owners of a beneficial interest in the transferee as we may request) demonstrate to our satisfaction it meets our educational, managerial and business standards; possesses a good moral character, business reputation and credit rating; has the aptitude and ability to operate the Franchised Business; has adequate financial resources and capital to operate the, and its operations, as we deem reasonably necessary or appropriate, for the transferee and/or us, to evaluate your Franchised Business; and has not operated a business in competition the proposed transfer. You authorize us to confer with us;~~

~~14.3.8 — That the a proposed transferee execute, for a term ending on and furnish the expiration date of this Agreement and proposed transferee with such renewal term(s) as may be provided by this Agreement, our then current form of franchise agreement and other ancillary agreements as we may require for the information concerning your Franchised Business, which agreements shall supersede this Agreement in all respects, and the terms of which may differ from the terms of this Agreement including, without limitation, a higher royalty fee, General Service Fee and other fees, as determined by us consistent with franchise agreements then in effect between us and other franchisees, except the transferee shall not be required to pay any initial franchise fee and your APR shall remain the same;~~

~~14.3.9 — That you remain liable for all of the obligations to us in connection with the Franchised Business which arose prior to the effective date of the transfer and execute any and all instruments reasonably requested by us to evidence such liability;~~

~~14.3.10 — That the transferee (or, if the transferee is a corporation, partnership or limited liability company, a principal of the transferee acceptable to us), at the transferee's expense, have successfully completed any training programs then in effect upon such and the terms and conditions as we may reasonably require and pay us the then current training fee;~~

~~13.3.11.14.3.11 — That we approve the terms and conditions of the of the proposed transfer agreement between you and transferee, which approval shall not be unreasonably withheld; and we may do so without any liability; and~~

~~14.3.12 — That transferee does not finance more than seventy-five percent (75%) of the total purchase price, and the transferee expressly, in writing, subordinates all third-party interests in the Franchised Business to the interests of us; and~~

~~14.3.13 — That you pay to us a transfer fee of Fifteen Thousand Dollars (\$15,000) and reimburse us for all of our costs and expenses associated with the transfer, including but not limited to attorney fees, travel costs and accounting fees; however, in the case of a transfer to a corporation or limited liability company formed by you for the convenience of ownership (as determined by us in our sole discretion), no such transfer fee shall be required.~~

~~14.3.14 — That you reimburse us for all of the reasonable costs and expenses associated with a transfer, including but not limited to our reasonable attorney fees.~~

~~13.3.12.14.4 — No Security Interest. You shall You will not grant a security interest in the Next Day Access Business or in any of the assets of the Next Day Access Business without our express written consent. If we consent to such security interest, such consent shall be conditioned on, among other things, your Franchised Business, unless the secured party's agreement party agrees that in the event of if any default occurs by you under any documents related to the security interest, we shall will have the right and option (but not the obligation) to be substituted as obligor to the secured party or and to cure any of default by of you, and, in the event we exercise such option except, any acceleration of indebtedness due to your default shall be void. In the event we cure any such default by you, you shall reimburse us all amounts paid by us to cure the default, plus all costs and expenses incurred by us to cure such default, and you shall be deemed in default of, will be void.~~

~~13.4. Transfers made, absent the fulfillment of the above-stated conditions, will be null and void, and will constitute a material breach of this Franchise Agreement, for which we may then terminate this Agreement without affording you an opportunity to cure under Section 14.2.~~

~~14.5 — Our Right of First Refusal. If any party holding any direct or indirect interest in this Agreement, in you, or in all or substantially all of the assets of the Franchised Business desires to accept any bona fide offer from a third party to purchase such interest, you shall notify us as provided in Section 14.3 hereof, and shall provide such information and documentation relating to the offer as we may require. We shall have the right and option, exercisable within thirty (30) days after receipt of such written notification, to send written notice to the seller that we intend to purchase the seller's interest on the same terms and conditions offered by the third party. If we elect to purchase the seller's interest, closing on such purchase shall occur within thirty (30) days from the date of notice to the seller of our election to purchase.~~

~~If we elect not to purchase the seller's interest, any material change thereafter in the terms of the offer from a third party shall constitute a new offer subject to the same rights of first refusal by us as in the case of the third party's initial offer. Our failure to exercise the option afforded by this Section 14.5 shall not constitute a waiver of any other provision of this Agreement, including all of the requirements of this Section 14, with respect to a proposed transfer. In the event the consideration, terms and/or conditions offered by a third party are such that our compliance with the same consideration, terms and/or conditions are commercially unreasonable, then we may purchase the interest proposed to be sold for the reasonable equivalent in cash. If the parties cannot agree within thirty (30) days on the reasonable equivalent in cash of the consideration, terms and/or conditions offered by the third party, an independent appraiser shall be designated by us at our expense, and the appraiser's determination shall be binding.~~

~~13.5. 14.6 Death or Mental Incapacity.~~ Upon the death, ~~physical~~ or mental incapacity of ~~any person~~ one of your owners with ~~ana~~ controlling interest in ~~this Agreement, in you, or in all or substantially all of the assets of~~ your Franchised Business, ~~and this Agreement,~~ the executor, ~~or~~ administrator, ~~or of the estate of such person,~~ or the personal representative of such person ~~shall, will~~ transfer ~~such interest to a third party approved by us,~~ such interest to a third-party approved by us, within six (6) months after such death or mental incapacity. ~~Such transfers, including, without limitation, transfers by devise or inheritance, shall will~~ be subject to the same conditions as any inter vivos for transfer. In as provided in Section 13.3, as the case may be, including the payment of the Transfer Fee. However, with a transfer by devise or inheritance governed by Section 13.5, if the heirs or beneficiaries of any such person are unable to cannot meet the conditions in ~~this Section 14.13.3,~~ the executor, or administrator, or personal representative of the decedent shall transfer the decedent's interest to another party approved by us within ~~deceased will have~~ a reasonable time to dispose of the deceased's interest in your Franchised Business, which disposition ~~shall will~~ be subject to all the terms and conditions for transfers contained in this Agreement. If the interest is not disposed of within a reasonable time, we may terminate this Agreement, pursuant to under ~~Section 15.14.2 hereof.~~ 7.

~~13.6. 14.7 Non-waiver.~~ Our consent to a transfer, ~~which is the subject of any interest in this Agreement, in you, or in all or substantially all of the assets of the Franchised Business shall~~ Section 13, will not constitute a waiver of any claims we may have against ~~the transferring party, you,~~ nor shall will it be deemed a waiver of our right to demand exact compliance with any of the terms ~~of this Agreement hereof~~ by the transferor or transferee.

~~13.7. 15.~~ If, for any reason, this Agreement is not terminated under Section 14, and this Agreement is assumed, or assignment of the same to any person or entity who has made a bona fide offer to accept an assignment of this Agreement is contemplated, under the United States Bankruptcy Code, then notice of such proposed assignment or assumption, setting forth: (i) the name and address of the proposed assignee; and (ii) all of the terms and conditions of the proposed assignment and assumption, will be given to us within twenty (20) days after receipt of such proposed assignee's offer to accept assignment of this Agreement, and, in any event, within ten (10) days prior to the date the application is made to a court of competent jurisdiction for authority and approval to enter into such assignment and assumption. We will have the prior right and option, to be exercised by notice given at any time prior to the effective date of such proposed assignment and assumption, to accept an assignment of this Agreement to us, upon the same terms and conditions and for the same consideration, if any, as in the bona fide offer made by the proposed assignee, less any brokerage commissions, which may be payable by you out of the consideration to be paid by such assignee for the assignment of this Agreement.

14. DEFAULT AND TERMINATION

14.1. ~~15.1 Automatic Termination.~~ You ~~shall~~will be deemed ~~to be~~ in default ~~underof~~ this Agreement, and all rights granted ~~to you~~ herein ~~shall~~will automatically terminate without notice to you ~~or opportunity to cure~~, if: ~~You you~~ become insolvent or make a general assignment for the benefit of creditors; ~~or, if~~ a petition in bankruptcy is filed by you, or such a petition is filed against and not opposed by you; ~~or, if~~ you are adjudicated ~~as~~ bankrupt or insolvent; ~~or, if~~ a bill in equity, or other proceeding ~~for the appointment of to appoint~~ a receiver of you, or other custodian for your business or assets, is filed and consented to by you; ~~or, if~~ a receiver or other custodian (permanent or temporary) of your assets or property, or any part thereof, is appointed by any court of competent jurisdiction; ~~or, if~~ proceedings for a composition with creditors under any state or federal law should be instituted by or against you; ~~or, if~~ a final judgment remains unsatisfied or of record for thirty (30) days or longer (unless a supersedeas bond is filed); ~~or, if~~ you are dissolved; ~~or, if~~ execution is levied against your business or property; ~~suit to foreclose any lien or mortgage against the Premises or equipment is instituted against you and not dismissed within thirty (30) days; or, if~~ the real or personal property of ~~theyour~~ Franchised Business ~~shall~~will be sold after levy thereupon by any sheriff, marshal, or constable.

14.2. ~~15.2 Notice without Opportunity to Cure.~~ In addition to the foregoing, ~~upon~~Upon the occurrence of any of the following events ~~of, you will be deemed in~~ default, ~~of this Agreement and~~ we may, at our option, terminate this Agreement and all rights granted hereunder, without affording you any opportunity to cure the default, effective immediately upon the provision of notice to you (in the manner ~~provided~~set forth under Section ~~23 hereof~~20):

~~15.2.1~~ — If you fail to open and operate the Next Day Access Business within the time limits provided in Section 5.4 hereof;

~~15.2.2~~ — If you or the other individuals identified in Section 6.1 fail to complete the Initial Training Program to our satisfaction, or fail to attend additional training as described in Section 6.6 hereof;

14.2.1. ~~15.2.3~~ If you at any time ~~If your state or county of operation, at any time, revokes or suspends your any~~ business license, if applicable;

14.2.2. If you, at any time, cease to operate, or ~~otherwise~~ abandon ~~the, your~~ Franchised Business ~~for five (5) or more consecutive business days, or lose the right to possession of the Premises without receiving our prior express written consent~~, or otherwise forfeit the right to do, or transact business, in the jurisdiction where ~~theyour~~ Franchised Business is located; ~~provided, however, that if, through no fault of your own, the Premises are premises is damaged or destroyed by an event such that repairs or reconstruction cannot be completed within sixty (60) days thereafter~~, then you ~~shall~~will have thirty (30) days ~~after such event in which to apply for to request~~ our approval to relocate ~~and/or~~ reconstruct the ~~Premises premises, which approval will not be unreasonably withheld~~;

~~15.2.4~~ — If you fail to attain or exceed Seventy Five Thousand Dollars (\$75,000) in quarterly Gross Revenue at least every quarter during every twelve (12) calendar months ~~If you, or any officer, director, or partner of this Agreement;~~

14.2.3. ~~15.2.5~~ If you, or any of your principals, officers, or directors, ~~are you, is~~ convicted of a felony, a crime ~~or offense~~ involving moral turpitude, or ~~any other crime or offense we believe engage in conduct that, at our reasonable judgment, is morally offensive to community standards, and~~ is reasonably likely to have an adverse effect on the System, the Proprietary Marks, the goodwill associated therewith ~~or our~~

~~interest therein; or if you or any of your principals, officers, or directors, commit any acts or engage in any behavior that we believe is reasonably likely to have an adverse effect on the System, the Proprietary Marks, the goodwill associated therewith, or our interest therein, including but not limited to conduct that is fraudulent, unfair, unethical, or deceptive, or our interest therein;~~

~~15.2.6 — If a threat or danger to public health, you, or any partner or safety results from the construction, maintenance, shareholder in you, purports to transfer any rights or operation of the obligations under this Agreement, or any interest in you, or the assets of your Franchised Business;~~

~~14.2.4. 15.2.7 — If any purported assignment or transfer of any direct or indirect interest in this Agreement, in you, or in all or substantially all of the assets of the Franchised Business is made, to any third-party without our prior written consent, or otherwise notice, contrary to the terms of this Section 14 hereof;~~

~~14.2.5. 15.2.8 — If you fail to comply with the covenants in Section 16, or fail to deliver to us executed covenants required under Section 16.10;~~

~~14.2.6. If, contrary to the terms of Section 8, you or any principal of you, discloses or divulges any contents of the Manual or any Confidential Information;~~

~~14.2.7. If an approved transfer is not completed within the time provided affected following death or mental incapacity; as required by described in Section 14.6 hereof 13.5;~~

~~15.2.9 — If you fail to comply with the covenants in Section 17.2 hereof or fail to obtain execution of the covenants required under Section 10.2 hereof;~~

~~15.2.10 — If, contrary to the terms of Sections 9 or 10 hereof, you disclose or divulge the contents of the Operating Manual or other confidential information provided to you by us;~~

~~15.2.11 — If you intentionally under report Gross Revenue;~~

~~14.2.8. 15.2.12 — If you If you knowingly maintain false books or records, or knowingly submit any false reports or other documentation (including your application for this franchise) to us; to us;~~

~~15.2.13 — If you misuse or make any unauthorized or improper use of the Proprietary Marks or any other identifying characteristics of the System, or otherwise materially impair the goodwill associated therewith or our rights therein; or if you fail to utilize the Proprietary Marks solely in the manner and for the purposes directed by us;~~

~~15.2.14 — If you refuse to permit us to inspect the Premises, or the books, records, or accounts of you upon demand as provided for herein;~~

~~14.2.9. 15.2.15 — If you, within two (2) years after curing a default under Section 14, commit a similar or different default, whether cured after notice;~~

~~14.2.10. If you fail to achieve and maintain the minimum performance requirements as stated under Section 5;~~

~~14.2.11. If you fail to complete the Initial Training within four months of the Contract Date of this Agreement;~~

14.2.12.If you do not pay any monies owing to us, our affiliates, or your suppliers, when payment is required;

~~If you, after curing any default pursuant to Section 15.3 hereof, commit the same default again, whether or not cured after notice; or if you commit three defaults within any 12-month period, whether or not cured after notice;~~

~~15.2.16—If you intentionally sell products not previously approved by us, or purchase any product for resale from a supplier not previously approved by us;~~

~~14.2.13.15.2.17—If you (or any principal of your owners) have you, has made any material misrepresentation to us or any other party or omission in connection with your purchase of application to us for the Franchised Business; or franchise granted under this Agreement;~~

~~14.2.14.15.2.18—If If you understate any payment to us by two (2%) percent or more, or understate any payment to us in any amount twice in any two (2) year period;~~

14.2.15.If you fail to obtain or maintain required insurance coverage;

14.2.16.If you fail to obtain or maintain the required staffing;

14.2.17.If you, without receiving our prior express written consent, fail to attend and successfully complete any required training as specified in Sections 4 and 5, or fail to attend our Annual Meetings for franchisees as specified in Section 5;

14.2.18.If you, or any affiliate, commit any act of default under any agreement with us for which such agreement is terminated, except this provision will not apply to a default by you, or any affiliate, under any development agreement;

14.2.19.If your assets, property, or interests are “blocked” under any Anti-Terrorism Law or Anti-Bribery Law, or if you are otherwise in violation of any such law;

14.2.20.If you establish, or use, a website domain, as defined in Section 11., without our prior written approval.

Except as provided in Section 14.1 and Section 14.2, you will have thirty (30) days after we cure any default by you pursuant to Section 14.4 hereof.

~~15.3—Notice with Opportunity to Cure. Except as otherwise provided in Sections 15.1 and 15.2 of this Agreement, upon any other default by you, we shall give you written provide written notice of such default (in the manner set forth underspecified in Section 23 hereof) and an opportunity²⁰ to cure such remedy the default and to provide us with evidence of such remedy. If any such default is not cured within thirty (30) days such time, or such shorterlonger period specified below of your receipt of such notice. We shall have the right to as applicable law may require, we may terminate this Agreement effective immediately upon notice to you if you fail to cure any default to our reasonable satisfaction, and provide proof thereof, within the thirty (30) day period or such shorter period specified below. If applicable law requires a longer cure period, such period shall apply to our notice. Defaults which are susceptible of cure hereunder include the following illustrative events~~

~~14.3. 15.3.1~~ — If you fail to substantially our notice to you. You will be in default of this Agreement for any failure substantially to comply with any of the requirements imposed by this Agreement, as it including requirements set forth in the Manual, as they may from time to time ~~reasonably~~ be supplemented ~~by the Operating Manual~~ in writing, or fail to carry out the terms of this Agreement in good faith; If you are in default of any provisions of this Agreement, in addition to the rights listed in this Section, we may, at our option, suspend all of our obligations under this Agreement until such defaults have been cured or until the Agreement has been terminated.

~~15.3.2~~ — If you fail, refuse or neglect promptly to pay any monies owing to us or our affiliates when due, or to submit the financial or other information required by us under this Agreement. You shall have seven (7) days from your receipt of written notice to cure such default;

~~15.3.3~~ — If you fail to maintain or observe any of the standards or procedures prescribed by us in this Agreement, the Operating Manual, or otherwise in writing;

~~15.3.4~~ — Except as provided in Section 15.2.6 hereof, if you fail, refuse or neglect to obtain our prior written approval or consent as required by this Agreement;

~~15.3.5~~ — If, upon inspection by us or a government health inspector, your Next Day Access Business is in violation of the health, safety, or sanitation standards prescribed by us in this Agreement, the Operating Manual, or otherwise in writing, or is in violation of any health or safety law, codes, or regulation. You shall have twenty four (24) hours from your receipt of written notice to cure such default;

~~15.3.6~~ — If you act, or fail to act, in any manner which is inconsistent with or contrary to your right to possess or use the Premises, your lease or sublease for the Premises, or in any way jeopardize your right to renewal of such lease or sublease. You shall have seven (7) days from your receipt of written notice to cure such default;

~~15.3.7~~ — If you engage in any business or market any service or product under a name or mark which, in our opinion, is confusingly similar to the Proprietary Marks. You shall have seven (7) days from your receipt of written notice to cure such default; or

~~15.3.8~~ — If you fail to comply with all applicable laws, rules and regulations related to the operation of the Next Day Access Business (including, without limitation, the applicable provisions of the ADA regarding the construction, design and operation of the Next Day Access Business);

~~15.4~~ — Limitation of Services or Benefits. If you receive a notice of default issued pursuant to either Section 15.2 or Section 15.3 and fail to cure such default within the time period permitted in such notice, we shall have the right, in our sole discretion, to temporarily or permanently limit, curtail, or remove certain services or benefits provided or required to be provided to you hereunder in lieu of exercising our right to terminate this Agreement pursuant to its terms, including, without limitation:

~~15.4.1~~ — To restrict you or any of your staff attendance at any initial training, continuing training, meetings, workshops, or conventions;

~~14.4. 15.4.2~~ — To refuse or permit our affiliate to sell or furnish to you No endorsement or statement on any form of payment of any sum less than the full sum due to us will be construed as an acknowledgment of payment in full or an accord and satisfaction, and we may accept and cash such check or payment without

prejudice to our right to recover the balance due or pursue any other remedy in this Agreement or by law. We may apply any payments made by you against any past due indebtedness of you as we may see fit. We may set off any amounts owed by you to us against any payment due to you under this Agreement and may, at our option, pay your trade creditors out of any sum otherwise due to you.

14.5. In the event of any default of this Agreement by you, all of our costs and expenses arising from such default, including reasonable legal fees and reasonable hourly charges of our administrative employees, will be paid to us by you within five (5) days after cure or upon demand by us, if such default is not cured.

~~If any supplies, products, or advertising and promotional materials, including, but not limited to, withholding shipment of additional ramps or other products used in the Franchised Business;~~

~~15.4.3 — To refuse to provide you ongoing advice about the operation of the Next Day Access Business.~~

~~15.4.4 — To refuse any request by you to approve a new supplier; and~~

~~15.4.5 — To refuse any request by you to approve the use of any advertising or promotional materials.~~

~~14.6. 15.5 You agree to hold us harmless with respect to any action taken by us pursuant to this Section 15.4; and you further agree that we shall not be liable for any loss, expense, or damage incurred by you or the Next Day Access Business because of any action we take pursuant to this Section 15.4. Nothing in this Section 15.4 constitutes a waiver of any of our rights or remedies under this Agreement franchise agreement or any other agreement between the parties; including, without limitation, the right to terminate this Agreement under Sections 15.1, 15.2, and 15.3 hereof. You acknowledge and agree our exercise of our rights pursuant to this Section 15.4 shall not be deemed a constructive you and us is terminated, termination of this Agreement or of any will be effective on the date that the other agreement between the parties, and shall not be deemed a breach of any provision of this Agreement by us. Any services or benefits removed, curtailed, or limited pursuant to this Section 15.4 may be reinstated at any time by us in our sole discretion and you hereby agree to accept immediately any such reinstatement of services or benefits so removed, curtailed, or limited. You acknowledge and agree that, if we limit any services or benefits under this Section 15.4, you shall continue to pay timely all fees and payments required under this Agreement and any other agreement between you and us, including, without limitation, any fees associated with services or benefits limited by us. You shall have no right to a refund of any fees paid in advance for such services or benefits is terminated unless we notice you otherwise.~~

15. 16. OBLIGATIONS UPON TERMINATION OR EXPIRATION

15.1. You must follow any procedures established by us to ensure the expiration of this Agreement creates the least disruption possible to the System, including those procedures set forth in the Manual.

15.2. Upon termination or expiration of this Agreement ~~for any reason~~, all rights granted hereunder to you shall ~~forthwith~~ under this Agreement will immediately terminate; and:

15.2.1. ~~16.1 — Cease Operations.~~ You shall will immediately cease to operate ~~theyour~~ Franchised Business, and shall will not thereafter, directly or indirectly, represent to the public, or hold yourself out as a present or former Next Day Access franchisee. ~~Immediately upon the expiration or termination hereof, you shall dispose of, and not sell, any Next Day Access products, equipment, or other items sold hereunder.;~~

~~15.2.2. 16.2~~ Cease Use of Confidential Information and Proprietary Marks. You shall ~~You will~~ immediately take any action required to cancel, terminate, or turn in, all licenses or vendor contracts you may have with any federal, state, or local agency;

~~15.2.3. You will~~ immediately and permanently cease to use, in any manner whatsoever, any confidential methods, procedures, and techniques associated with the System, and all the Proprietary Marks, and all other proprietary marks and distinctive forms, slogans, signs, symbols, colors, and devices associated with the System. In particular, you shall cease to use, without limitation, all signs, advertising materials, displays, stationery, forms, products and any other articles that display the Proprietary Marks. You shall de-identify the premises of the Franchised Business and the Vehicle so that there is no use or display of the Proprietary Marks after the effective date of termination or expiration, and devices associated with the System. You also will, at your expense, immediately remove all signs, slogans, symbols, distinctive forms, devices, and trade dress associated with the System, which are located at your Franchised Business or on your vehicle/s. If you fail to remove all signs, slogans, symbols, distinctive forms, devices, and trade dress associated with the System within a reasonable amount of time following termination, and we are forced to remove these items, you will reimburse us for the cost of removal. You agree not to sell, assign, transfer, convey, or give away any signs, slogans, symbols, distinctive forms, devices, trade dress, or other fixtures associated with the System, without our prior written consent;

~~15.2.4. 16.3~~ Cancellation of Registrations. You shall ~~You will~~ take such action as may be necessary to cancel any assumed name registration or equivalent registration obtained by you which contains the mark "Next Day Access@", or any other Proprietary Marks; and you shall will furnish us with evidence satisfactory to us of compliance with this obligation within five (5) days after thirty (30) days after termination or expiration of this Agreement;

~~15.2.5. You acknowledge that all telephone numbers, facsimile numbers, social media websites, Internet addresses, e-mail addresses and other e-communications (collectively "Identifiers") used in the operation of your Franchised Business constitute our assets, and upon termination or expiration of this Agreement, you will take such action within five (5) days to cancel or assign to us or our designee, as determined by us, all of your right, title, and interest in, and to such Identifiers, and will notify the telephone company and all listing agencies, of the termination or expiration of your right to use any Identifiers, and any regular, classified, or other telephone directory listing associated with the Identifiers and to authorize a transfer of the same to, or at our direction. You agree to take all action required to cancel all assumed names or equivalent registrations related to your use of the Proprietary Marks. You acknowledge that we have the sole rights to, and interest in, all Identifiers used by you to promote your Franchised Business and/or associated with the Proprietary Marks. You hereby irrevocably appoint us with full power of substitution, as your true and lawful attorney-in-fact, which appointment is coupled with an interest to execute such directions and authorizations as may be necessary or prudent to accomplish the foregoing. You further appoint us to direct the telephone company, postal service, registrar, internet service provider, listing agency, website operator, or any other third-party to transfer such Identifiers to us or our designee. The telephone company, postal service, registrar, internet service provider, listing agency, website operator, or any other third-party may accept such direction by us pursuant to this Agreement as conclusive evidence of our rights to the Identifiers and our authority to direct their transfer;~~

~~15.2.6. You will promptly pay all sums owed to us and our affiliates. In the event of termination for any default by you, such sums will include all damages, costs, and expenses, including reasonable attorney fees, incurred by us as a result of your default, which obligation will give rise to and remain, until paid in full, a lien in favor of us against all of your personal property, furnishings, equipment, signs, and fixtures at your Approved Location at the time of default;~~

15.2.7. You will pay us any and all costs, and expenses, including reasonable attorney fees and related costs, incurred by us subsequent to the termination or expiration of this Agreement in obtaining injunctive or other relief for the enforcement of any provisions of this Section.; and

15.2.8. You will immediately return to us or, if in electronic format, permanently delete and/or destroy, all Confidential Information and proprietary information you have in your possession, including the Manual and any copies that may have been made by you, within five (5) business days of the termination or expiration of this Agreement. You will provide us proof of such deletion upon written request.

~~16.4—Assignment of Lease. You shall, at our option, assign to us any interest which you have in any lease or sublease for the Premises if permitted by the lessor of the Premises. In the event we do not elect to exercise our option to acquire the lease or sublease for the Premises or if the Franchised Business is operated by you with our prior written consent and approval in your residence, you shall make such modifications or alterations to the Premises (including, without limitation, the changing of, and the assigning to us of, the telephone number) immediately upon termination or expiration of this Agreement as may be necessary to distinguish the appearance of the Premises from that of the Next Day Access Business under the System, and shall make such specific additional changes thereto as we may reasonably request for that purpose. In the event you fail or refuse to comply with the requirements of this Section 16.4, we shall have the right to enter upon the Premises, without being guilty of trespass or any other tort, for the purpose of making or causing to be made such changes as may be required, at the expense of you, which expense you agree to pay upon demand.~~

~~16.5—Subsequent Use of Proprietary Marks Prohibited. You agree, in the event you continue to operate or subsequently begin to operate any other business, not to use any reproduction, counterfeit, copy, or colorable imitation of the Proprietary Marks, either in connection with such other business or the promotion thereof, which, in our sole discretion, is likely to cause confusion, mistake, or deception, or which, in our sole discretion, is likely to dilute our rights in and to the Proprietary Marks. You further agree not to utilize any designation of origin, description or representation (including but not limited to reference to Next Day Access®, the System or the Proprietary Marks) which, in our sole discretion, suggests or represents a present or former association or connection with us, the System or the Proprietary Marks.~~

~~16.6—Payment. You shall promptly pay in full all sums owing to us and our affiliates. In the event of termination due to your default, such sums shall include all damages, costs, and expenses, including reasonable attorneys' fees, incurred by us as a result of the default, which obligation shall give rise to and remain, until paid in full, a lien in our favor against any and all of the personal property, furnishings, equipment, signs, fixtures, and inventory owned by you and on the Premises operated hereunder at the time of default.~~

~~16.7—Liquidated Damages Upon Termination Due to Your Default. In the event this Agreement is terminated prior to the end of its term due to your default hereunder, in addition to the amounts set forth in Section 16.6 above, you shall promptly pay to us a lump sum payment (as damages and not as a penalty) for breaching this Agreement in an amount equal to: (a) the average monthly royalty fee and General Service Fee payable by you under Sections 4.2 and 12.3 above over the twelve (12) month period immediately preceding the date of termination (or such shorter time period if the Next Day Access Business has been open less than twelve (12) months); (b) multiplied by the number of months then remaining in the existing term of this Agreement. You acknowledge that a precise calculation of the full~~

~~extent of the damages we will incur in the event of termination of this Agreement as a result of your default is difficult to determine and that this lump sum payment is reasonable in light of the damages, we will incur for your material default causing the premature termination of this Agreement. You agree that this lump sum is a reasonable estimate that has been determined at the time of your execution of this Agreement on a prospective basis of the actual damages we would incur due to the premature termination of this Agreement. This lump sum payment shall be in lieu of any damages we may incur as a result of your default, but it shall be in addition to all amounts provided above in Section 16.6 and any attorneys' and accountants' fees and other costs and expenses to which we are entitled under the terms of this Agreement, including but not limited to, Section 26.8 below. Your payment of this lump sum shall not affect our right to obtain appropriate injunctive relief and remedies to enforce this Section 16 and the covenants set forth in Sections 10 and 17.~~

~~16.8—Return Manuals and Confidential Information. You shall immediately deliver to us the Operating Manual, paper and electronic spreadsheets, checklists, and all other records, correspondence and instructions containing confidential information relating to the operation of the Next Day Access Business, including, but not limited to, computer software, customer lists, and customer information, all of which are acknowledged to be our property, and shall retain no copy or record of any of the foregoing, with the exception of your copy of this Agreement, any correspondence between the parties and any other documents which you reasonably need for compliance with any provision of law.~~

~~16.9—Websites. You shall cease use of any Franchised Business domain name, URL, or home page address, and shall not establish any Website using any similar or confusing domain name, URL, and/or home page address.~~

~~16.10—Our Option to Purchase Equipment. We shall have the option, to be exercised within thirty (30) days after termination, to purchase from you any or all of the equipment, signs, inventory, materials, supplies and fixtures related to the operation of the Next Day Access Business that were purchased or leased specifically for use in the Franchised Business at the lesser of the liquidation value of or your book value of those items, whichever is less. If we cannot agree within such time on the price of any such items, an independent appraisal shall be conducted at our expense by an appraiser we select, and the appraiser's determination shall be binding. If we elect to exercise this option to purchase, we shall have the right to set off all amounts due from you and the cost of the appraisal, if any, against any payment.~~

~~16.11—Compliance with Covenants. You shall comply with the covenants contained in Sections 10.1 and 17.3 of this Agreement.~~

~~15.2.9. 16.12—Assignment of Customer Contracts. You agree to assign all of your customer accounts and contracts to us or to our designee within fifteen (15) days after the effective date of termination or expiration of this Agreement. The assignment shall permit us to collect and retain customer payments past due, in addition to customer payments owed after the date of assignment.~~

~~15.3. 17.—All your covenants, obligations, and agreements, which by their terms, or by reasonable implication, are to be performed, in whole or in part, after the termination or expiration of this Franchise Agreement, will survive such termination or expiration.~~

~~15.4. You will comply with the covenants contained in Section 16.~~

16. COVENANTS

~~16.1. 17.1 Best Efforts.~~ You covenant that, during the term of this Franchise Agreement, except as otherwise approved in writing by us, a principal of you (or, if you are a corporation, partnership, or limited liability company, one of your principals, general partners, or members) shall will devote full time, energy, and Reasonable commercial best efforts to the management and operation of the Next Day Access your Franchised Business.

~~16.2. 17.2 In Term Covenants. You specifically~~ You acknowledge ~~that, pursuant to this Agreement,~~ you will receive valuable, specialized training and confidential information, including, without limitation, information regarding the operational, sales, promotional, ~~and~~ marketing methods, and techniques used by from us ~~and the System.~~ You covenant that during the term of this Franchise Agreement, neither you nor any Owner, officer, director, or executive employee, will either directly or indirectly, except as otherwise approved in writing by us, you shall not, either directly or indirectly, for yourself, or through, on behalf of, or in conjunction with, any person, persons, or legal entity:

~~16.2.1. 17.2.1 Divert~~ Directly or indirectly (including through an act of omission), divert, or attempt to divert, any present or prospective business, or customer of any Next Day Access your Franchised Business, to any competitor, by ~~direct or indirect~~ inducement or otherwise, or do or perform, ~~directly or indirectly,~~ any other act injurious or prejudicial to the goodwill associated with the Proprietary Marks and the System; and

~~16.2.2. 17.2.2 Own, maintain, advise, operate, engage in, act as a consultant for, perform services for, or be employed by, make loans to,~~ have any interest in any retail business or relationship or association with a Competitive Business which: (a) is offers the same as, or substantially similar to, a Next Day Access Business; or (b) offers to sell or sells Ramps, Additional Approved Products, or other services, equipment, products or items which are the same as, or substantially similar to, any of the services, equipment, product, or other items services as those offered by a Next Day Access your Franchised Business. ~~The prohibitions in this Section 17.2 shall not apply to interests in or activities performed in connection with the Next Day Access Business or the System.~~

~~16.3. 17.3 Post Term Covenants.~~ You covenant that, ~~except as otherwise approved in writing by us,~~ you ~~shall will~~ not, without our prior written consent, for a continuous, uninterrupted period of two (2) years year period commencing upon the date of ~~(a: (i) a transfer permitted under Section 1413 of this Franchise Agreement, (b: (ii) expiration of this Franchise Agreement, (c: (iii) termination of this Franchise Agreement (regardless of the cause for termination);~~); or (div) a final order decision of a duly authorized an arbitrator, panel of arbitrators, or a court of competent jurisdiction (after all appeals have been taken) with respect to any of the foregoing events or with respect to enforcement of ~~this Section 1716.3;~~ either directly or indirectly, for itself yourself, or through, on behalf of, or in conjunction with any person, persons, or legal entity; (including legal entities which own, are owned by, or are under common ownership with you), own, maintain, advise, operate, engage in, lease to, be employed by, provide assistance make loans to, or have any interest in (as owner or otherwise) any retail business that: (a)(i) is the same as, relationship or substantially similar to, an Next Day Access association with a Competitive Business; or (ii) which offers to sell or sells Ramps, Additional Approved Products, or any other equipment, the same or similar products or items which are the same as, or substantially similar to, any of the equipment, products or other items services as those offered by an Next Day Access your Franchised Business; or the System, and (b) which is, or is intended to be, located at or: (i) within: the APR; (ii) within a seventy-five (75) mile radius of the APR; or (iii) within a seventy-five (75) mile radius of any other Franchised Business.

~~17.3.1~~ Your APR;

~~17.3~~ Section 16.2 — One Hundred (100) miles of the Approved Location; or

~~17.3.3~~ — One Hundred (100) miles of any business operating under the System and the Proprietary Marks. The prohibitions of Sections 17.2.3 and 17.3 shall Section 16.3 will not apply to your interests in or operation of a Next Day Access Business under a written Franchise Agreement.

16.4. ~~17.4~~ No Application to Equity Securities. Sections 17.2.3 and 17.3 shall not apply to any ownership by you of a less than five (5%) percent (5%) beneficial interest in the outstanding equity securities of any publicly-held corporation. As used in this Franchise Agreement, the term “publicly-held corporation” will be deemed to refer to a corporation which has securities that have been registered under the Securities Exchange Act of 1934.

~~17.5~~ — Reduction of Scope of Covenants. You understand and acknowledge that we shall have the right, in our sole discretion, to reduce the scope of any covenant set forth in Sections 17.2 and 17.3, or any portion thereof, without your consent, effective immediately upon receipt by you of written notice thereof; and you agree that you shall comply forthwith with any covenant as so modified, which shall be fully enforceable. If an arbitrator or a court of competent jurisdiction finds that the restrictions set forth set forth in Sections 17.2 and 17.3, or any portion thereof, then the restrictions shall be reduced to the maximum amount allowed by law (i.e. “blue pencil” not “red pencil”).

~~17.6~~ — Compliance with Anti-Terrorism Laws. You acknowledge that under applicable U.S. law, including, without limitation, Executive Order 13224, signed on September 23, 2001 (the “Executive Order”), we are prohibited from engaging in any transaction with any person engaged in, or with a person aiding any person engaged in, acts of terrorism, as defined in the Executive Order. Accordingly, you represent and warrant to us that as of the date of this Agreement, neither you nor any person holding any ownership interest in you, controlled by you, or under common control with you, are designated under the Executive Order as a person with whom business may not be transacted by us, and that you (a) do not, and hereafter shall not, engage in any terrorist activity; (b) are not affiliated with and does not support any individual or entity engaged in, contemplating, or supporting terrorist activity; and (c) are not acquiring the rights granted under this Agreement with the intent to generate funds to channel to any individual or entity engaged in, contemplating, or supporting terrorist activity, or to otherwise support or further any terrorist activity.

~~17.7~~ — No Defense. You expressly agree that the existence of any claims you may have against us, whether or not arising from this Agreement, shall not constitute a defense to the enforcement by us of the covenants in this Section 17. You agree to pay all costs and expenses (including reasonable attorneys’ fees) incurred by us in connection with the enforcement of this Section 17 and this Agreement.

16.5. ~~17.8~~ Independent Covenants. The parties agree that each of the foregoing covenants shall will be construed as independent of any other covenant or provision of this Franchise Agreement. If all, or any portion of a covenant, in this Section ~~17.16~~ is held unreasonable or unenforceable by a court, ~~arbitrator~~, or agency having valid jurisdiction in an un-appealed final decision ~~from which there is no further recourse~~ to which we are a party, you expressly agree to be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty ~~on you~~ permitted by law, as if the resulting covenant were separately stated in and made a part of this Section ~~17.8~~.

~~16.6. 17.9 Irreparable Injury. You agree and acknowledge that we have the right, at our sole discretion, to reduce the scope of any covenant or any portion thereof set forth in Section 16.2, Section 16.3, and Section 16.5 without your consent, effective immediately upon receipt by you of written notice of such reduction; and, you agree that you will comply immediately with any covenant as so modified, which will be fully enforceable notwithstanding the provisions of Section 22.~~

~~16.7. You expressly agree that the existence of any claims you may have against us, whether or not arising under this Franchise Agreement, will not constitute a defense to the enforcement by us of the covenants in this Section.~~

You acknowledge that your violation of ~~any of~~ the terms of this Section ~~17~~ would result in irreparable injury to us, for which no adequate remedy at law may be available, and ~~you accordingly consent to the issuance of an injunction prohibiting any conduct by you in violation of the terms of this Section 17 without the showing of actual harm or posting a bond. You specifically waive the defense of adequate remedies at law.~~

~~16.8. 17.10 Our Costs and Expenses. You shall agree to pay us all damages, court costs, and expenses, including reasonable attorneys' attorney fees; incurred by us in obtaining any injunctive or other equitable or legal relief for the enforcement of any provision of this Section 17 and this Agreement with respect to such conduct or action.~~

~~18. CORPORATE, PARTNERSHIP OR LIMITED LIABILITY COMPANY FRANCHISEE.~~

~~18.1 Franchisee Corporation. If you are a corporation, you shall comply with the following requirements:~~

~~16.9. 18.1.1 You shall be newly organized and your charter shall You will obtain execution of covenants similar to those set forth in this Section (including covenants applicable upon the termination of a person's relationship with you and covenants incorporating the terms of Section 15 of this Franchise Agreement, as modified to apply to an individual), from the following persons:~~

~~16.9.1. If you are one or more natural persons: (i) each and every key employee of yours ("key employee") means an employee that has operational responsibilities and/or markets on behalf of your Franchised Business and has access to client and referral information; (ii) each and every one of your spouses and each and every one of your children over the age of 18 who is involved in the operation of your Franchised Business;~~

~~16.9.2. If you are a partnership: (i) each and every partner (including each and every shareholder, member, officer, and/or director of each and every business entity that owns an interest of five percent (5%) or more in one or more of your partners); (ii) each and every key employee of yours; (iii) each any every partner's spouse and each and every partner's child over the age of 18 who has involvement in the operation of your Franchised Business;~~

~~16.9.3. If you are a limited liability company: (i) each and every member (including the shareholders, members, officers, and/or directors of each and every business entity that holds an interest of five percent (5%) or more in you or a member); (i) each and every one of your key employees; (iii) each and every member's spouse and each and every member's child over the age of 18 who has involvement in the operation of your Franchised Business; and~~

~~16.9.4. If you are a corporation: (i) each and every shareholder (including the shareholders, members, officers, and/or directors of each and every business entity that holds an interest of five percent (5%) or more in you or a member); (ii) each and every one of your key employees; (iii) each and every shareholder's~~

spouse and each and every shareholder's child over the age of 18 who has involvement in the operation of your Franchised Business.

16.10. Every covenant required by this Section and its subsections will be in a form approved by us, including, without limitation, specific identification of us as a third-party beneficiary of such covenants with the independent right to enforce them (Please see Confidentiality Agreement).

17. YOU AS A CORPORATION OR LIMITED LIABILITY COMPANY

Except as otherwise approved in writing by us, if you are a corporation, you will: (i) confine your activities, and your governing documents will at all times provide that its your activities are confined, exclusively to operating the your Franchised Business. Your legal name may not contain any of our trademarks;

18.1.2 — Copies of your Articles of Incorporation, Bylaws and other governing documents, and any amendments thereto, including the resolution of the Board of Directors authorizing entry into this Agreement, shall be promptly furnished to us;

18.1.3 — You shall; (ii) maintain stop-transfer instructions on your records against the transfer on your records of any equity securities; and shall will only issue no certificates for voting securities upon the face of which the following printed legend does not legibly and conspicuously appear:

The, in a form satisfactory to us, appears which references the transfer of this stock is subject to the terms and conditions of a Franchise Agreement with Next Day Access, LLC dated ——. Reference is made to the provisions of the said Franchise Agreement and to the Articles and Bylaws of restrictions imposed by this Corporation.

Notwithstanding the above, the requirements of this Section 18.1.3 shall not apply to a "publicly held corporation." A "publicly held corporation" for purposes of this Agreement shall mean a corporation registered pursuant to the Securities and Exchange Act of 1934; and

17.1. 18.1.4 — You shall Franchise Agreement; and (iii) maintain a current list of all owners of record and, all beneficial owners of any class of voting securities or securities convertible into voting securities stock of you, and shall all officers and directors, and furnish the a list, and current contact information of each individual on said list, to us upon request. (See Addendum B – Corporation or LLC Information).

18.2 — Franchisee Partnership. If you or any of your successors or assignees are a partnership limited liability company or corporation, you shall comply with the following requirements:

18.2.1 — You shall be newly organized and shall will: (i) confine your activities exclusively to operating your Franchised Business; (ii) furnish us with a copy of your partnership your articles of organization/articles of incorporation and operating agreement as well as bylaws/members agreement, and such other documents as we may reasonably request; and any amendments thereto. Your partnership agreement shall at all times provide that its activities are confined exclusively to operating the Franchised Business. Your legal name may not contain any of our trademarks;

17.2. 18.2.2 — The partnership agreement shall at all times note conspicuously that partnership rights are held subject to, and that further assignment or; (iii) prepare and furnish to us, upon request, a current list of all members and managers of your Franchised Business, along with each member's and manager's personal

~~contact information or list of shareholders, officers, and board of directors; (iv) maintain stop transfer thereof are subject to, all instructions on your records against the transfer of any equity securities and will only issue securities which bear a legend, in a form satisfactory to us, referencing the transfer restrictions imposed upon assignments by the this Franchise Agreement; and (v) maintain in your articles of organization, articles of incorporation, operating agreement, or bylaws, whichever creates legal enforceability, instructions preventing the addition of any new member, without our express written consent.~~

~~18.2.3 — You shall prepare and furnish to us, upon request, a list of all your general and limited partners and their percentage of ownership~~

~~17.3. 18.3 Franchisee Limited Liability Company. If you~~ Guaranty and Assumption of Obligations.

~~Each present and future shareholder or any of your successors or assignees are a limited liability company, you shall comply with the following requirements:~~

~~18.3.1 — You must be newly organized and the articles of organization and operating agreement must at all times provide that your activities are confined exclusively to operating the Franchised Business. Your legal name may not contain any of our trademarks;~~

~~18.3.2 — You shall furnish us member with a copy of the articles of organization and operating agreement as well as such other governing documents as we may reasonably request, and any amendments thereto;~~

~~18.3.3 — The articles of organization or operating agreement shall at all times note conspicuously that membership rights are held subject to direct or indirect interest, and that further assignment or transfer thereof are subject to, all restrictions imposed upon assignments by the their respective spouses, will jointly and severally guarantee your performance of each and every provision of this Franchise Agreement; and~~

~~18.3.4 — You shall prepare and furnish to us, upon request, a list of your members or parties that hold any ownership interest in you.~~

~~17.3.1. 18.4 —, by executing the Guaranty and Assumption~~ Indemnification. ~~If you are a corporation, partnership, or limited liability company, or if any of your successors or assignees are a corporation, partnership, or limited liability company, then all of the principals thereto, and upon our request, their spouses, shall execute a Guarantee, Indemnification, and Acknowledgment~~ Obligations ~~in the form attached hereto as Addendum D.~~

~~18.5 — Disclosure. If you are a corporation, partnership or limited liability corporation, you must complete the Disclosure of Franchisee Owners attached to this Franchise Agreement as Exhibit E. You shall notify us of any changes to any of your shareholders, partners or members (“Franchisee Owners”). You acknowledge that a change in the identity or ownership percentage of any Franchisee Owner shall constitute a Transfer and is governed by Paragraph 14 of this Agreement.~~

~~17.3.2. 19. —~~ The Guaranty and Assumption of Obligations completely and accurately describes all of your owners and their interests in your Franchised Business as of the Contract Date. You and your owners agree to sign and deliver to us, periodically or upon our request, revised versions of this document to reflect any permitted changes to the information previously in this document.

~~TAXES, PERMITS, AND INDEBTEDNESS~~

~~19.1—Payment of Taxes. You shall promptly pay when due all taxes levied or assessed, including, without limitation, employer's portion of employment related taxes (FICA, Medicare and unemployment taxes) and sales taxes, and all accounts and other indebtedness of every kind incurred by you in the operation of the Franchised Business. You shall pay to us an amount equal to any sales tax, gross receipts tax, or similar tax (other than income tax) imposed on us with respect to any payments to us required under this Agreement.~~

~~19.2—Contesting Taxes. In the event of any bona fide dispute as to your liability for taxes assessed or other indebtedness, you may contest the validity or the amount of the tax or indebtedness in accordance with procedures of the taxing authority or applicable law, but in no event shall you permit a tax sale or seizure by levy or execution or similar writ or warrant, or attachment by a creditor, to occur against the Premises, any improvements thereon or the business and its assets.~~

~~19.3—Permits and Licenses. You shall comply with all federal, state, and local laws, rules, and regulations, including without limitation, the applicable provisions of the ADA regarding the construction, design, and operation of the Franchised Business and shall timely obtain any and all permits, certificates, or licenses necessary for the full and proper conduct of the Franchised Business, including, without limitation, licenses to do business, fictitious name registrations, occupancy licenses, sales tax permits, construction licenses and permits, health permits, building permits, handicap permits, and fire clearances.~~

~~19.4—Notification of Adverse Action. You shall immediately notify us in writing of the commencement of any action, suit, or proceeding, and of the issuance of any order, writ, injunction, award, or decree of any court, agency, or other governmental instrumentality, which may adversely affect the operation or financial condition of the Franchised Business.~~

18. 20. INDEPENDENT CONTRACTOR AND INDEMNIFICATION

~~18.1. 20.1 Independent Contractor. The~~ It is understood and agreed by the parties agree ~~that this Franchise Agreement does not create a fiduciary relationship between them for any purpose, and acknowledge,~~ that you ~~shall~~will be an independent contractor, and, that nothing in this Franchise Agreement is intended to constitute either party, an agent, legal representative, subsidiary, joint ~~venture~~venture, partner, employee, employer, joint employer, enterprise, or servant, of the other, for any purpose whatsoever.

~~18.2. You agree to inform each of your employees and contractors that you alone are their employer, and that we adopt~~ are not. You agree to explain to your employees and contractors the respective roles of a franchisor and franchisee and our relationship set forth in TCA § 50-1-208, with you and your employees. You will use your legal name on all documents for use with employees and contractors, including but not limited to, employment applications, time cards, paychecks, and employment and independent contractor agreements, and will not use the Proprietary Marks on these documents.

~~18.3. During the term of this Franchise Agreement, you shall clearly and conspicuously identify yourself and will hold yourself out to the public as an independent contractor operating the Franchised Business~~ business pursuant to a franchise agreement with from us. You agree to take such action as may be necessary to do so, including, without limitation, as set forth in Section 7., exhibiting a notice of that fact in a conspicuous place at the Premises, the content of which we reserve the right to specify or approve your Approved Location.

You further agree to state in all your advertisements and promotional materials (including business cards, order forms, and letterhead) that your Franchised Business is independently owned and operated, using language that we may specify from time to time. You will not hold yourself out as our agent, employee, or co-venturer.

18.4. ~~20.2 No Authority to Contract. Nothing in this Agreement authorizes you~~ You acknowledge and agree that you are not authorized to make any contract, agreement, warranty, or representation on our behalf, or to incur any debt or other obligation in our name; and that we shall will in no event assume liability for, or be deemed liable hereunder as a result of, any such action; nor shall will we be liable by reason of any act or omission by of you in your operation of the franchised business hereunder conduct of your Franchise Business or for any claim or judgment arising there from therefrom against you or us.

18.5. ~~20.3 Indemnification. You shall and each of your owners listed on the Guaranty and Assumption of Obligation that you will, at all times during the term and any renewal terms, and after the termination, or expiration of this Franchise Agreement, indemnify, defend, and hold us and our harmless, to the fullest extent permitted by law, franchisor, its affiliates, and their respective shareholders, directors, officers, directors and employees harmless, agents, representatives, independent contractors, servants, successors, and assignees (the "Indemnified Parties") against any and, and to reimburse any one or more Indemnified Parties for, all claims, losses, costs, expenses, liabilities obligations, and damages arising directly or indirectly from, as a result of, or in connection with your negligent operation of the arising out of your Franchised Business operation, the business conducted you conduct under this Agreement, or your breach of this Agreement Franchise Agreement, including, without limitation: (i) those alleged to be found or to have been caused by the Indemnified Party's negligence, unless (and then only to the extent that) the claims, obligations, and/or damages are determined to be caused solely by our gross negligence or willful misconduct according to in a final, unappealable ruling that cannot be appealed issued by a court or arbitrator with competent jurisdiction, as well as the costs, including; (ii) the infringement, alleged infringement or any other violation by you, your owners or principals of any patent, mark, copyright, or other proprietary right owned or controlled by third parties due to your unauthorized use of all or any portion of the Proprietary Marks and/or System; (iii) your, or your owners', violation, breach, or asserted violation of any federal, state, or local law, regulation, ruling or industry standard; (vi) any breach or conduct resulting in you breach of your obligations under Sections 1, 7, and/or 11 of this Agreement (and the playbooks, rules, manuals and guidelines referenced therein) and/or any other act or omission where you, or your owners may have engaged in libel, slander, or any other form of defamation; and (v) your employment or other contractual relationship with your employees, workers, managers, or independent contractors, including, but not limited to, any allegation, claim, finding, or ruling that we are an employer or joint employer of your employees. Your indemnification obligations do not extend to liabilities caused by our acts or omissions amounting to strict liability or fraud.~~

18.6. For purposes of this indemnification, "claims" include all obligations, damages (actual, consequential, or otherwise), and costs that any Indemnified Party reasonably incurs in defending any claim against it, including, without limitation, reasonable attorneys' fees, of defending against any such action accountants', arbitrators', attorneys', and expert witness fees, costs of investigation and proof of facts, court costs, travel and living expenses, and other expenses of litigation, arbitration, or alternative dispute resolution, regardless of whether litigation, arbitration, or alternative dispute resolution is commenced. Each Indemnified Party may defend any claim against it and agree to settlements or take any other remedial, corrective, or other actions, and such actions will affect your obligation to indemnify pursuant to this Section.

18.7. This indemnity will continue in full force and effect subsequent to and notwithstanding this Franchise Agreement's expiration or termination. An Indemnified Party need not seek recovery from any insurer or other third-party, or otherwise mitigate its losses and expenses, in order to maintain and recover fully, a claim for indemnity under this Section. You agree that a failure to pursue a recovery or mitigate a loss will not reduce or alter the amounts that an Indemnified Party may recover under this Section.

~~18.8. You will also pay all costs and expenses (including reasonable fees of attorneys and other engaged professionals) incurred by us in successfully enforcing, issuing notices of default, or obtaining any remedy arising from such breach or negligence that is not solely the result of our negligence or willful misconduct. In the event we incur any costs or expenses, including, without limitation, legal fees, travel expenses, and other charges, in connection with any proceeding involving you in the breach of this Franchise Agreement. The existence of any claims, demands, or actions which we are not a party, you shall reimburse us for all such costs and expenses promptly upon presentation of invoices. You acknowledge and agree that your indemnification and hold harmless obligations under this Section shall survive the termination or expiration of this Agreement. Nothing you may have against us, whether arising from this Franchise Agreement or otherwise, will not constitute a defense to our enforcement of your, or any your owners, representations, warranties, covenants, agreements, or obligations herein shall preclude us from choosing our own legal counsel to represent us in any lawsuit, arbitration, or other dispute resolution; provided that if you assume the obligation to defend such claim you shall have the right to consent to such counsel, which consent shall not be unreasonably withheld.~~

19. APPROVALS AND WAIVERS

~~21.1—Approval and Consent. Whenever this Agreement requires our prior approval or consent, you shall make a timely written request to us the response to which must be in writing. We will use reasonable business efforts respond to your request within a reasonable time frame. If you do not receive an explicit, written approval from us, your request will be deemed denied.~~

~~19.1. 21.2 No Warranties or Guarantees. We make no warranties or guarantees upon which you may rely, and assume no liability or obligation to you, by providing any waiver, approval, consent, or suggestion to you in connection with this Agreement, or by reason of any neglect, delay or denial of any request therefore Franchise Agreement, or by reason of any neglect, delay, or denial of any request related to this Franchise Agreement. No delay, waiver, omission, or forbearance on the part of us, to exercise any right, option, duty, or power arising out of this Franchise Agreement against you, or any other franchisee, or any breach or default by you, or by any other franchisee, of any of the terms, provisions, or covenants of this Franchise Agreement, and no custom or practice by the parties at variance with the terms hereof, will constitute a waiver by us to enforce any such right, option, or power as, against you, or as to a subsequent breach or default by you. Subsequent acceptance by us of any payments due to us under this Franchise Agreement will not be deemed to be a waiver by us of any preceding or succeeding breach by, or obligations of, you of any terms, covenants, or conditions of this Franchise Agreement. This provision may not apply to franchised businesses located in the State of Washington.~~

~~21.3—No Waiver. No failure by us to exercise any power reserved to us by this Agreement, or to insist upon strict compliance by you with any obligation or condition hereunder, and no custom or practice of the parties at variance with the terms hereof, shall constitute a waiver of our right to demand exact compliance with any of the terms hereof. Our waiver of any particular default by you shall not affect or impair our rights with respect to any subsequent default of the same, similar, or different nature; nor shall any delay, force, or omission by us to exercise any power or right arising out of any breach or default by you of any of the terms, provisions, or covenants hereof, affect or impair our right to exercise the same, nor shall such constitute a waiver by us of any right hereunder, or the right to declare any subsequent breach or default and to terminate this Agreement prior to the expiration of its term. Our subsequent acceptance of any payments due to us hereunder shall not be deemed to be a waiver by us of any preceding breach by you of any terms, covenants, or conditions of this Agreement.~~

~~2.~~ 22. GRANT OF SECURITY INTEREST

~~As security for the payment of all amounts from time to time owing by you to us under this Agreement and all other agreements between the parties, and performance of all obligations to be performed by you, you hereby grant to us a security interest in all of your assets used in the Franchised Business, including, without limitation, all equipment, furniture, fixtures, inventory, and building and road signs, as well as all proceeds of the foregoing (the "Collateral"). You warrant and represent that the security interest granted hereby is prior to all other security interests held by financial institutions, if any. You agree not to remove the Collateral, or any portion thereof, from the Premises without our prior written consent. Upon the occurrence of any event entitling us to terminate this Agreement or any other agreement between the parties, we shall have all the rights and remedies of a secured party under the Uniform Commercial Code of the state in which the Franchised Business is located, including, without limitation, the right to take possession of the Collateral. You agree to execute and deliver to us financing statements or such other documents as we reasonably deem necessary to perfect our interest in the Collateral within ten (10) days of receipt by you of such documents from us. You will be responsible for reimbursing us upon our written request for all administrative fees, filing fees and taxes that we incur or are imposed upon us as part of our perfection of the security interest granted herein.~~

19.2. 23.—You hereby waive, to the fullest extent permitted by law, any right to, or claim for, any punitive, exemplary, incidental, indirect, special, consequential, or other damages (including, without limitation, loss of profits) against us, our affiliates, and the officers, directors, shareholders, partners, agents, representatives, independent contractors, servants and employees of each of them, in their corporate and individual capacities, arising out of any cause whatsoever (whether that cause is based on contract, negligence, strict liability, other tort or otherwise), and agrees that in the event of a dispute, you are limited to the recovery of any actual damages sustained by it. If any other term of this Franchise Agreement is found or determined to be unconscionable, or unenforceable for any reason, the foregoing provisions of waiver by agreement of punitive, exemplary, incidental, indirect, special, consequential, or other damages (including, without limitation, loss of profits) continues in full force and effect.

20. NOTICES AND PAYMENTS

~~Any and all notices required or permitted under this Agreement shall be in writing and shall be personally delivered, sent by registered mail, or sent by other means which affords the sender evidence of delivery or rejected delivery (including, without limitation, private delivery or courier service), which shall not include electronic communication, such as e-mail, to the respective parties at the following addresses, unless and until a different address has been designated by written notice to the other party:~~

Notices to Us: _____ Notices to You:

Next Day Access, LLC
3150 Stage Post Drive, Suite 101
Bartlett, TN 38133 _____
Attn: Legal Dpt.
Attn: —

~~Any notice by a means which affords the sender evidence of delivery or rejected delivery shall be deemed to have been given and received at the date and time of receipt or rejected delivery.~~

~~20.1. **24.**—All written notices, reports, and payments permitted, or required to be delivered by this Franchise Agreement, or the Manual, will be deemed delivered:~~

~~20.1.1. At the time delivered by hand;~~

~~20.1.2. At the time delivered via computer transmission provided that the recipient acknowledges receipt of such computer transmission, and, in the case of your royalty payments and contributions of the Fund, at the time we actually receive payment;~~

~~20.1.3. One (1) business day after transmission by facsimile or other electronic system if the sender has confirmation of successful transmission;~~

~~20.1.4. One (1) business day after being placed in the hands of a nationally recognized commercial courier service for next business day delivery; or~~

~~20.1.5. Three (3) business days after placement in the United States Mail by Registered or Certified Mail, Return Receipt Requested, postage prepaid.~~

~~20.2. Notwithstanding the forgoing, any notice to you or us must be sent to the address specified on the signature page of this Franchise Agreement, although notice to you may also be sent to your Approved Location. We may change our address for notice by giving you notice of our new address.~~

~~20.3. Any required payment or report which we do not actually receive during regular business hours on the date due (or postmarked by postal authorities at least two (2) days before the date due) will be deemed delinquent.~~

21. ENTIRE AGREEMENT

~~21.1. This Agreement, the Franchise Agreement, together with the Manual, any written related agreements, any state addenda attached to the Franchise Disclosure Document, and any attachments hereto, and the documents referred to herein constitute the entire Agreement and complete agreement between the parties you and us concerning the subject matter hereof, and supersede any and all prior agreements, no other. However, nothing in this Franchise Agreement or any related agreement is intended to disclaim our representations having induced you to execute this Agreement made in the Franchise Disclosure Document. Except for those permitted by this Franchise Agreement to be made unilaterally by us hereunder, including our right to modify the Manual and System, no amendment, change, or variance from this Franchise Agreement shall will be binding on either party unless mutually agreed to by the parties and executed by their authorized officers or agents in writing. Nothing in this Agreement or in any related agreement between you and us is intended to disclaim the representations in our Franchise Disclosure Document or any exhibits or attachments thereto.~~

~~21.2. 25.~~—Service Line Enhancements. In the event we develop a new service line, product line, or revenue line (together referred to as “Service Line(s)), we may, in our sole discretion, and prior to you being authorized by us to provide said Service Line(s), require that you enter into a new amendment or agreement which may contain new terms and conditions.

22. SEVERABILITY AND CONSTRUCTION

~~22.1. 25.1 Severability.~~ If, for any reason, any section, part, term, provision, and/or covenant Except as expressly provided to the contrary herein, each portion, section, part, term, and/or provision of this Franchise Agreement will be considered severable, and if, for any reason, any portion, section, part, term, and/or provision herein is determined to be invalid and contrary to, or in conflict with, any existing or future law or regulation by a court or agency having valid jurisdiction, such ~~shall~~ will not impair the operation of, or have any other effect upon, such other portions, sections, parts, terms, and/or provisions, and/or covenants of this Agreement hereof as may remain otherwise intelligible; and the latter ~~shall~~ will continue to be given full force and effect and bind the parties hereto; and ~~said~~ the invalid portions, sections, parts, terms, and/or provisions, and/or covenants ~~shall will~~ be ~~rewritten to comply with the law to the fullest extent possible (“blue pencil” deemed not “red pencil”)~~ to be a part hereof.

~~25.2—Survival.~~ Any provision or covenant in this Agreement which expressly or by its nature imposes obligations beyond the expiration, termination or assignment of this Agreement (regardless of cause for termination), shall survive such expiration, termination or assignment, including but not limited to Sections 10, 17, and 26.

~~25.3—No Rights or Remedies Conferred.~~ Except as expressly provided to the contrary herein, nothing in this Agreement is intended, nor shall be deemed, to confer upon any person or legal entity other than you, us, our officers, directors, shareholders, agents, and employees, and such of our successors and assigns as may be contemplated by Section 25 hereof, any rights or remedies under or by reason of this Agreement.

~~22.2. 25.4 Promises and Covenants.~~ You expressly agree to be bound by any promise or covenant imposing the maximum duty permitted by law, which is subsumed within the terms of any provision hereof, as though it were separately articulated in and made a part ~~of this Agreement~~ hereof, that may result from striking from any of the provisions hereof, any portion or portions which a court, ~~arbitrator, or agency having valid jurisdiction~~ may hold to be unreasonable and unenforceable in a final decision ~~to which there is no further recourse~~ to which we are a party, or from reducing the scope of any promise or covenant to the extent required to comply with such ~~account, arbitrator, or agency~~ court order.

~~22.3. 25.5 Captions and Headings.~~ All captions in this Any provision or covenant of this Franchise Agreement are intended solely for which expressly or by its nature imposes obligations beyond the convenience of the parties expiration or termination of this Franchise Agreement will survive such expiration or termination.

~~22.4.~~ You acknowledge and agree that we have the right to enter into agreements with other franchisees that may contain provisions, conditions, and ~~none shall be deemed to~~ obligations that differ from those contained in this Franchise Agreement. The existence of different forms of agreements and the fact that existing or future franchisees may have different rights and obligations will not in any manner eliminate, modify, or affect the meaning or construction of any provision hereof. ~~duties of the parties to this Franchise Agreement to comply with the terms of this Franchise Agreement.~~

26. ~~APPLICABLE LAW AND~~

23. DISPUTE RESOLUTION

- 23.1. ~~26.1~~ ~~Applicable Governing~~ Law. This Agreement shall be ~~interpreted~~ governed by and construed exclusively under in accordance with the laws of the State of Michigan, without reference to this state's conflict of laws principles.
- 23.2. Internal Dispute Resolution. You must first bring any claim or dispute between you and us to our management, after providing notice as set forth in Section 20 of this Agreement, and make every effort to resolve the dispute internally. You must exhaust this internal dispute resolution procedure before you may bring your dispute before a third party. This agreement to first attempt resolution of disputes internally shall survive termination or expiration of this Agreement.
- 23.3. Mediation. At our option, all claims or disputes between Franchisee and Franchisor (or its affiliates) arising out of, or in any way relating to, this Agreement or any other agreement by and between Franchisee and Franchisor (or its affiliates), or any of the parties' respective rights and obligations arising from such agreement, which are not first resolved through the internal dispute resolution procedure set forth in Section 23.2 above, will be submitted first to mediation to take place in Troy, Michigan at a location of Franchisor's choice, under the auspices of the American Arbitration Association ("AAA"), in accordance with AAA's Commercial Mediation Rules then in effect. Before commencing any legal action against Franchisor or its affiliates with respect to any such claim or dispute, Franchisee must submit a notice to Franchisor, which specifies, in detail, the precise nature and grounds of such claim or dispute. Franchisor will have a period of thirty (30) days following receipt of such notice within which to notify Franchisee as to whether Franchisor or its affiliates elects to exercise its option to submit such claim or dispute to mediation. Franchisee may not commence any action against Franchisor or its affiliates with respect to any such claim or dispute in any court unless Franchisor fails to exercise its option to submit such claim or dispute to mediation, or such mediation proceedings have been terminated either: (i) as the result of a written declaration of the mediator(s) that further mediation efforts are not worthwhile; or (ii) as a result of a written declaration by Franchisor. Franchisor's rights to mediation, as set forth herein, may be specifically enforced by Franchisor. Each party will bear its own cost of mediation and Franchisor and Franchisee will share mediator fees equally. This agreement to mediate will survive any termination or expiration of this Agreement. The parties will not be required to first attempt to mediate a controversy, dispute, or claim through mediation as set forth in this Section 23.3 if such controversy, dispute, or claim concerns an allegation that a party has violated (or threatens to violate, or poses an imminent risk of violating): (i) any federally protected intellectual property rights in the Proprietary Marks, the System, or in any Confidential Information or other confidential information; (ii) any of the restrictive covenants contained in this Agreement; and (iii) any of Franchisee's payment obligations under this Agreement.
- 23.4. Injunctive Relief. Franchisee acknowledges and agrees that irreparable harm could be caused to Franchisor by Franchisee's violation of certain provisions of this Agreement and, as such, in addition to any other relief available at law or equity, Franchisor shall be entitled to obtain in any court of competent jurisdiction, without bond, restraining orders or temporary or permanent injunctions in order to enforce, among other items, the provisions of this Agreement relating to: (i) Franchisee's use of the Proprietary Marks and Confidential Information (including any proprietary software used in connection with the Franchised Business); (ii) the in-term covenant not to compete, as well as any other violations of the restrictive covenants set forth in this Agreement; (iii) Franchisee's obligations on termination or expiration of this Agreement; (iv) disputes and controversies based on or arising under the Lanham Act, or otherwise involving the Proprietary Marks, as now or hereafter amended; (v) disputes and controversies involving enforcement of the Franchisor's rights with respect to confidentiality under this Agreement; and (vi) to prohibit any act or omission by Franchisee or its employees that constitutes a violation of applicable law, threatens Franchisor's franchise system or threatens other franchisees of Franchisor. Franchisee's only remedy if such an injunction is entered will be the dissolution of the injunction, if appropriate, and Franchisee waives all damage claims if the injunction is wrongfully issued. This provision may not apply to franchised businesses located in the State of Washington.

23.5. Venue. Tennessee. Subject to Section 23.3 of this Agreement, the parties agree that any actions arising out of or related to this Agreement must be initiated and litigated to conclusion exclusively in the state court of general jurisdiction closest to Troy, Michigan, or, if appropriate, the United States District Court for the Eastern District of Michigan (unless settled by the parties after such action is initiated). Franchisee acknowledges that this Agreement has been entered into in the State of Michigan, and that Franchisee is to receive valuable and continuing services emanating from Franchisor's offices in Troy, Michigan, including but not limited to training, assistance, support and the development of the System. In recognition of such services and their origin, Franchisee hereby irrevocably consents to the personal jurisdiction of the state and federal courts of Michigan as set forth in this Section.

23.6. Third Party Beneficiaries. Franchisor's officers, directors, shareholders, agents and/or employees are express third-party beneficiaries of the provisions of this Agreement, including the dispute resolution provisions set forth in this Section, each having authority to specifically enforce the right to mediate/arbitrate claims asserted against such person(s) by Franchisee.

23.7. Notice Requirement. As a condition precedent to commencing an action for damages or for violation or breach of this Agreement, Franchisee must notify Franchisor within ninety (90) days after the occurrence of the violation or breach, and failure to timely give such notice shall preclude any claim for damages.

23.8. No Withholding of Payments. Franchisee shall not withhold all or any part of any payment to Franchisor or any of its affiliates on the grounds of Franchisor's alleged nonperformance or as an offset against any amount Franchisor or any of Franchisor's affiliates allegedly may owe Franchisee under this Agreement or any related agreements.

23.9. Limitation of Actions. Franchisee further agrees that no cause of action arising out of or under this Agreement may be maintained by Franchisee against Franchisor unless brought before the expiration of one (1) year after the act, transaction or occurrence upon which such action is based or the expiration of one year after the Franchisee becomes aware of facts or circumstances reasonably indicating that Franchisee may have a claim against Franchisor hereunder, whichever occurs sooner, and that any action not brought within this period shall be barred as a claim, counterclaim, defense, or set-off. Franchisee hereby waives the right to obtain any remedy based on alleged fraud, misrepresentation, or deceit by Franchisor, including, without limitation, rescission of this Agreement, in any mediation, judicial, or other adjudicatory proceeding arising hereunder, except upon a ground expressly provided in this Agreement, or pursuant to any right expressly granted by any applicable statute expressly regulating the sale of franchises, or any regulation or rules promulgated thereunder. This provision may not apply to franchised businesses located in the State of Washington.

Waiver of Punitive Damages. Franchisee hereby waives to the fullest extent permitted by law, any right to or claim for any punitive, exemplary, incidental, indirect, special or consequential damages (including, without limitation, lost profits) against Franchisor arising out of any cause whatsoever (whether such cause be based in contract, negligence, strict liability, other tort or otherwise) and agrees that in the event of any conflict of law, the laws of Tennessee shall prevail, without regard to the application of Tennessee conflict of law rules. a dispute, that Franchisee's recovery is limited to actual damages. If, however, any provision of this Agreement would not be enforceable under the laws of Tennessee and if you are located outside of Tennessee and such provision would be enforceable under the laws of the state in which you are located, then such any other term of this Agreement is found or determined to be unconscionable or unenforceable for any reason, the foregoing provisions shall continue in full force and effect, including, without limitation, the waiver of any right to claim any consequential damages. Nothing in this Section or any other provision of this Agreement shall be interpreted and construed under to prevent Franchisor from claiming and obtaining expectation or consequential damages, including lost future royalties for the laws balance of that state.

~~23.10. 26.2 — the term Mediation. Except as otherwise provided herein, if a dispute arises out of or relates to this Agreement, the breach hereof, the rights and obligations of the parties hereto, or the making, formation, interpretation, or performance of either party if it is terminated due to Franchisee's default, which the parties agree and acknowledge Franchisor may claim under this Agreement, the parties agree first to try in good faith to settle the dispute by mediation before resorting to litigation, or some other dispute resolution procedure. Such mediation shall take place before one mediator at a location nearest to our principal business address or at such other location as determined by us in our sole discretion. The parties shall each bear all of their own costs of mediation; provided, however, the fees of the mediator shall be divided equally between the parties. The parties hereto agree that mediation shall not be required with respect to: (a) any claim or dispute involving any payment obligation of yours that is more than forty five (45) days past due; (b) any claim or dispute involving actual or threatened disclosure or misuse of our confidential information; (c) any claim or dispute involving the infringement on, ownership, validity, or use of the Proprietary Marks; (d) any claim or dispute involving the insurance or indemnification provisions of this Agreement; or (e) any action by us to enforce the covenants set forth in Section 17 of this Agreement.~~

~~26.3 — No Class Action or Multi Party Litigation. No action or proceeding related to, arising out of or under this Agreement shall add as a party, by consolidation, joinder, class, or in any other manner, any person or party other than you and us and any person in privity with, or claiming through, in the right of, or on behalf of, you or us, unless both parties consent in writing. We have the absolute right to refuse such consent.~~

~~23.11. 26.4 Jurisdiction and WAIVER OF JURY TRIAL. THE PARTIES HEREBY AGREE TO WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM, WHETHER AT LAW OR EQUITY, REGARDLESS OF WHICH PARTY BRINGS SUIT. THIS WAIVER SHALL APPLY TO ANY MATTER WHATSOEVER BETWEEN THE PARTIES HERETO WHICH ARISES OUT OF OR IS RELATED IN ANY WAY TO THIS AGREEMENT, THE PERFORMANCE OF EITHER PARTY, AND/OR FRANCHISEE'S PURCHASE FROM FRANCHISOR OF THE FRANCHISE AND/OR ANY GOODS OR SERVICES.~~

~~23.12. WAIVER OF CLASS ACTIONS. THE PARTIES AGREE THAT ALL PROCEEDINGS ARISING OUT OF OR RELATED TO THIS AGREEMENT, OR THE SALE OF THE FRANCHISED BUSINESS, WILL BE CONDUCTED ON AN INDIVIDUAL, NOT A CLASS-WIDE BASIS, AND THAT ANY PROCEEDING BETWEEN FRANCHISEE, FRANCHISEE'S GUARANTORS AND FRANCHISOR OR ITS AFFILIATES/OFFICERS/EMPLOYEES MAY NOT BE CONSOLIDATED WITH ANY OTHER PROCEEDING BETWEEN FRANCHISOR AND ANY OTHER THIRD PARTY.~~

~~Exclusive Venue. Any action between us, whether or not arising out of, or relating to, this Agreement, brought by you (or any principal thereof) against us shall be brought in the state or federal courts Shelby County, Tennessee. You hereby waive all objections to personal jurisdiction and venue for purposes of this Section 26.4 and agree that nothing in this Section 26.4 shall be deemed to prevent us from removing an action from state court to federal court.~~

~~23.13. 26.5 — No Exclusivity. No right or remedy conferred upon or reserved to us or you by this Agreement is hereby intended to be, nor shall will be deemed, exclusive of any other right or remedy herein or by law or equity provided or permitted, but each shall will be cumulative of every other right or remedy.~~

~~23.14. 26.6 — Other Agreements. If any other franchise agreement, or any other agreement between us, or any of our affiliates and you, or any of your affiliates, is terminated, termination will be effective on the date that the other agreement is terminated, unless we provide notice to you otherwise.~~

23.15. We and you agree that the provisions of this Section will apply during the term of this Franchise Agreement and following the termination, expiration, or non-renewal of this Franchise Agreement.

~~Injunctive Relief. Nothing herein contained (including, without limitation, Sections 26.2 and 26.4 above) shall bar our right to obtain injunctive relief from any court of competent jurisdiction against threatened conduct that will cause us loss or damage, under the usual equity rules, including the applicable rules for obtaining specific performance, restraining orders, and preliminary injunctions. Should we seek injunctive relief, we will not be required to show actual harm or post a bond. You specifically waive the defense of adequate remedies at law.~~

~~26.7—Limitation of Claims. You agree that any and all claims by you against us arising out of, or relating to, this Agreement may not be commenced by you unless brought before the expiration of one (1) year after the act, transaction, or occurrence upon which such claim is based. You agree that any claim or action not brought within the period required under this Section 26.7 shall forever be barred as a claim, counterclaim, defense, or set off.~~

~~26.8—Our Costs and Expenses. Except as expressly provided by Section 26.2 hereof, you shall pay all expenses, including reasonable attorneys' fees and costs, incurred by us, our affiliates, and our successors and assigns in any successful litigation (a) to remedy any of your defaults of, or enforce any of our rights under, this Agreement, regardless of commencement of litigation; (b) to effect termination of this Agreement; (c) to collect any amounts due under this Agreement; (d) incurred by us in the prosecution of claims against you; or (e) incurred by us in the defense of claims made by you against us.~~

~~26.9—WAIVER OF RIGHT TO A JURY AND PUNITIVE DAMAGES. THE PARTIES HEREBY KNOWINGLY, VOLUNTARILY, AND INTENTIONALLY AGREE AS FOLLOWS:~~

~~26.9.1—THE PARTIES BOTH EXPRESSLY WAIVE THE RIGHT EITHER MAY HAVE TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM BROUGHT BY OR AGAINST EITHER PARTY; AND~~

~~26.9.2—THE PARTIES BOTH EXPRESSLY WAIVE ANY CLAIM FOR PUNITIVE, MULTIPLE, AND/OR EXEMPLARY DAMAGES, EXCEPT THAT WE SHALL BE FREE AT ANY TIME HEREUNDER TO BRING AN ACTION FOR WILLFUL TRADEMARK INFRINGEMENT AND, IF SUCCESSFUL, TO RECEIVE AN AWARD OF MULTIPLE DAMAGES AS PROVIDED BY LAW.~~

~~27.—FORCE MAJEURE~~

~~27.1—Non-Performance or Delay. Neither party shall be responsible to the other for non-performance or delay in performance occasioned by causes beyond its control, including without limiting the generality of the foregoing: (a) acts of God; (b) acts of war, terrorism, or insurrection;~~

~~(c) strikes, lockouts, labor actions, boycotts, floods, fires, hurricanes, tornadoes, and/or other casualties; and/or (d) our inability and/or the inability of our affiliates or suppliers to manufacture, purchase, and/or cause delivery of any products used in the operation of the Next Day Access Business.~~

~~27.2—Delay in Making Payments. The inability of either party to obtain and/or remit funds shall be considered within control of such party for the purpose of this Section. Section 27.1 is not applicable~~

~~to payment and remittance of funds and monies. You shall remain obligated to promptly pay all fees due and owing to us hereunder, without any such delay or extension.~~

~~IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement on the date first above written.~~

FRANCHISOR:-
Next Day Access, LLC
A Tennessee Limited Liability Company

FRANCHISEE:

By:- Stephen D. Greenwald
Title: In-house Counsel

By: _____
Title: _____

GUARANTY AND ASSUMPTION OF OBLIGATIONS

THIS GUARANTY AND ASSUMPTION OF OBLIGATIONS is given this _____ day of _____, 20____,
by _____ ("Guarantor").

1. In consideration of, and as an inducement to, the Execution of that certain Franchise Agreement dated _____ (the "Agreement") by Next Day Access, LLC (the "Franchisor"), and with _____ a _____ corporation, each of the undersigned hereby personally and unconditionally (a) guarantees to Franchisor, and its successors and assigns, for the term of the Agreement and as provided in the Agreement, that ("Franchisee") will punctually pay and perform each and every undertaking, agreement and covenant set forth in the Agreement; and (b) agrees to be personally bound by, and personally liable for the breach of, each and every provision in the Agreement, both monetary obligations and obligations to take or refrain from taking specific actions, or to engage or refrain from engaging in specific activities. Each of the undersigned waives: (i) acceptance and notice of acceptance by Franchisor of the foregoing undertakings; (ii) notice of demand for payment of any indebtedness or nonperformance of any obligations guaranteed; (iii) protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations guaranteed; and (iv) any right he/she may have to require that an action be brought against Franchisee or any other person as a condition of liability.

2. Each of the undersigned consents and agrees that: (i) his/her direct and immediate liability under this guaranty will be joint and several; (ii) he/she will render any payment or performance required under the Agreement, upon demand, if Franchisee fails or refuses punctually to do so; (iii) liability will not be contingent or conditioned upon pursuit by Franchisor of any remedies against Franchisee or any other person; and (iv) liability will not be diminished, relieved, or otherwise affected by, any extension of time, credit, or other indulgence, which Franchisor may grant to Franchisee, or to any other person, including the acceptance of any partial payment or performance, or the compromise, or release of, any claims, none of which will in any way modify or amend this guaranty, which will be continuing and irrevocable during the Term of the Agreement.

3. Guarantor hereby consents and agrees that:
 - 3.1. Guarantor's liability under this undertaking will be direct, immediate, and independent of the liability of, and will be joint and several with, Franchisee and the other owners of the Franchise;

 - 3.2. Guarantor will render any payment or performance required under the Franchise Agreement, upon demand, if Franchisee fails or refuses punctually to do so;

 - 3.3. This undertaking will continue unchanged by the occurrence of any bankruptcy with respect to Franchisee, or any assignee or successor of Franchisee, or by any abandonment of the Franchise Agreement by a trustee of Franchisee. Neither the Guarantor's obligations to make payment or render performance in accordance with the terms of this undertaking, nor any remedy for enforcement, will be impaired, modified, changed, released, or limited in any manner whatsoever by any impairment, modification, change, release, or limitation of the liability of Franchisee, or its estate in bankruptcy, or of any remedy for enforcement, resulting from the operation of any present or future provision of the U.S. Bankruptcy Act or other statute, or from the decision of any court or agency;

 - 3.4. Franchisor may proceed against Guarantor and Franchisee jointly and severally, or Franchisor may, at its option, proceed against Guarantor, without having commenced any action, or having obtained any judgment against Franchisee. Guarantor hereby waives the defense of the statute of limitations in any action hereunder, or for the collection of, any indebtedness, or the performance of any obligation hereby guaranteed; and

3.5. Guarantor agrees to pay all reasonable attorneys' fees and all costs and other expenses incurred in any collection or attempted collection of amounts due pursuant to this undertaking or any negotiations relative to the obligations hereby guaranteed or in enforcing this undertaking against Guarantor.

IN WITNESS WHEREOF, each of the undersigned has affixed his/her signature on the same day and year as the Agreement was executed.

GUARANTOR OWNERSHIP PERCENTAGE IN FRANCHISE

FRANCHISOR: FRANCHISEE:
Next Day Access, LLC
A Tennessee Limited Liability Company

By: Stephen D. Greenwald By:
Title: In-house Counsel Title: _____

~~ADDENDUM A~~

~~APR AGREEMENT~~

~~1. APPROVED LOCATION. You, as Franchisee, shall establish and operate your Next Day Access Business at the location set forth at the following location (address of business):~~

~~2. AREA OF PRIMARY RESPONSIBILITY. The zip codes that constitute your Area of Primary Responsibility are:~~

~~3. DOING BUSINESS AS NAME. In accordance with Next Day Access, LLC's standardization requirement, you will establish the "Doing Business as" (DBA) name of Next Day Access _____~~

~~We have not made, and do not make any representation or forecast about your Approved Location or Area of Primary Responsibility or the success or profitability of your Next Day Access Business.~~

~~IN WITNESS WHEREOF we have caused our signatures to be attested to the date first written above.~~

~~FRANCHISOR: _____ FRANCHISEE: _____
Next Day Access, LLC _____
A Tennessee Limited Liability Company _____~~

~~By: Stephen D. Greenwald _____ By: _____
Title: In house Counsel _____ Title: _____~~

~~_____~~

~~ADDENDUM B~~

~~ADA-CERTIFICATION~~

~~Next Day Access LLC (hereinafter referred to as “we”, “us” or “our”) and (hereinafter referred to as “you” or “your”) are parties to a franchise agreement dated _____, _____20 (the “Franchise Agreement”) for the operation of a Next Day Access Business located at _____. In accordance with Section 5.4 of the Franchise Agreement, you certify to us that, to the best of your knowledge and to the extent required by law, the Next Day Access Business and its adjacent areas comply with all applicable federal, state and local accessibility laws, statutes, codes, rules, regulations, and standards, including but not limited to the Americans with Disabilities Act. You acknowledge we have relied on the information contained in this certification. Furthermore, you agree to indemnify us and our officers, directors, and employees in connection with any and all claims, losses, costs, expenses, liabilities, compliance costs, and damages incurred by the indemnified party(ies) as a result of any matters associated with your compliance with the Americans with Disabilities Act, as well as the costs, including attorneys’ fees, related to the same.~~

~~IN WITNESS WHEREOF, the undersigned has duly executed this ADA Certification on the date first above written.~~

~~FRANCHISOR: _____ FRANCHISEE: _____
Next Day Access, LLC _____
A Tennessee Limited Liability Company _____~~

~~By: Stephen D. Greenwald _____ By: _____
Title: In house Counsel _____ Title: _____~~

~~_____~~

~~ADDENDUM C~~

CONFIDENTIALITY AGREEMENT AND ANCILLARY COVENANTS NOT TO COMPETE (“AGREEMENT”)

*(For shareholders, officers, directors, general partners, members and managers
as well as key employee of Franchisee.)*

In consideration of my being a [insert position/role] of [insert legal name of franchisee] (“Franchisee”), and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, I hereby acknowledge and agree that:

1. ~~1.~~ Pursuant to a Franchise Agreement dated _____, 20__ (the “Franchise Agreement”), Franchisee has acquired the right and franchise from Next Day Access, LLC (the “Franchisor”) to establish and operate a Next Day Access Franchised Business (the “Franchised Business”). (All capitalized terms not defined herein will have the respective meanings set forth in the Franchise Agreement).
2. ~~2.~~ Franchisor, as the result of the expenditure of time, skill, effort and resources has developed and owns a distinctive format and system (the “System”) relating to the establishment and operation of Franchised Businesses. Franchised Business possesses certain proprietary and confidential information relating to the operation of the System, which includes certain proprietary trade secrets, methods, techniques, formats specifications, systems, procedures, methods of business practices and management, sales and promotional techniques and knowledge of, and experience in, the operation of the Franchised Business (the “Confidential Information”).
3. ~~3.~~ Any and all information, knowledge, know-how, and techniques which Franchisor specifically designates as confidential shall be deemed to be Confidential Information for purposes of this Agreement.
4. ~~4.~~ As [insert position/role] of the Franchisee, Franchisor and Franchisee will disclose the Confidential Information to me in furnishing to me training programs, Franchisor’s Manuals, and other general assistance during the term of the Franchise Agreement.
5. ~~5.~~ I will not acquire any interest in the Confidential Information, other than the right to utilize it in the operation of the Franchised Business during the term of the Franchise Agreement, and the use or duplication of the Confidential Information for any use outside the System would constitute an unfair method of competition.
6. ~~6.~~ The Confidential Information is proprietary, involves trade secrets of Franchisor, and is disclosed to me solely on the condition that I agree, and I do hereby agree, that I shall hold in strict confidence all Confidential Information and all other information designated by Franchisor as confidential. Unless Franchisor otherwise agrees in writing, I will disclose and/or use the Confidential Information only in connection with my position with the Franchisee, and will continue not to disclose any such information even after I cease to be in that position and will not use any such information even after I cease to be in that position unless I can demonstrate that such information has become generally known or easily accessible other than by the breach of an obligation of Franchisee under the Franchise Agreement.
7. ~~7.~~ Except as otherwise approved in writing by Franchisor, I shall not, while in my position with the Franchisee, either directly or indirectly for myself, or through, on behalf of, or in conjunction with any person, persons, partnership, or corporation, own, maintain, operate, engage in, act as a consultant for, perform services for, or have any interest in any other business that: (A) is substantially similar to the business then engaged or being promoted in by Next Day Access businesses; or (B) provides any sort of services as defined as Approved Services in the Franchise Agreement (collectively, a “Competing Business”); or (C) offers or grants licenses or franchises, or establishes joint ventures, for the ownership or operation of a Competing Business.

8. ~~8.~~ For a continuous uninterrupted period commencing upon the cessation or termination of my position with Franchisee, regardless of the cause for termination, or upon the expiration, termination, transfer, or assignment of the Franchise Agreement, whichever occurs first, and continuing for two (2) years thereafter, either directly or indirectly, for myself, or through, on behalf of, or in conjunction with any person, persons, partnership, or corporation:

8.1. ~~8.1.~~ Own, maintain, operate, engage in, act as a consultant for, be employed by, perform services for, or have any interest in any Competitive Business within ~~your~~the APR (as that term is defined in the Franchise Agreement); or within a ~~100-seventy-five (75)~~ mile radius of ~~your Approved Location; or is within 100 miles of any business operating under the System~~ mother Next Day Access Business that is open or otherwise under development as of the date this Agreement expires or is terminated;

8.2. ~~8.2.~~ Directly or indirectly, solicit or attempt to solicit any business from any of Franchisor's or Franchisee's customers, customer prospects, referral sources, National Accounts or Approved Suppliers/Vendors with whom I had contact for two (2) years after the termination of my relationship with Franchisor or Franchisee.

8.3. ~~8.3.~~ Directly or indirectly, solicit or attempt to solicit any of Franchisor's or Franchisee's other employees, or the employees of other System franchisee to discontinue employment.

The prohibitions in this Section 8 do not apply to my interests in or activities performed in connection with a Franchised Business. This restriction does not apply to my ownership of less than five percent (5%) beneficial interest in the outstanding securities of any publicly held corporation.

9. ~~9.~~ I agree that I will not make any public statement that is materially disparaging of the business of the Franchisor, or to the business reputation of any of the employees, officers, representatives or agents of the Franchisor or any of the franchisees who are known to you to be franchisees of the Franchisor at the time of any such public statement. Your obligations under this section shall not apply to disclosures required by applicable law, regulation, or order of a court or governmental agency.

10. ~~10.~~ I agree that each of the foregoing covenants shall be construed as independent of any other covenant or provision of this Agreement. If all or any portion of a covenant in this Agreement is held unreasonable or unenforceable by a court or agency having valid jurisdiction in an unappealed final decision to which Franchisor is a party, I expressly agree to be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separately stated in and made a part of this Agreement.

11. ~~11.~~ I understand and acknowledge that the failure to insist upon strict compliance with any of the terms, covenants or conditions of this Agreement will not be deemed a waiver of such term, covenant or condition, nor will any waiver or relinquishment of any right or remedy hereunder at any one or more times be deemed a waiver or relinquishment of such right or remedy at any other time or times.

12. ~~12.~~ I understand and acknowledge that Franchisor shall have the right, in its sole discretion, to reduce the scope of any covenant set forth in this Agreement, or any portion thereof, without my consent, effective immediately upon receipt by me of written notice thereof; and I agree to comply forthwith with any covenant as so modified.

13. ~~13.~~ Franchisor is a third-party beneficiary of this Agreement and may enforce it, solely and/or jointly with the Franchisee. I am aware that my violation of this Agreement will cause Franchisor and the Franchisee irreparable harm; therefore, I acknowledge and agree that the Franchisee and/or Franchisor may apply for the issuance of an injunction preventing me from violating this Agreement, and I agree to pay the Franchisee and Franchisor all the costs it/they incur(s), including, without limitation, legal fees and expenses, if this Agreement is enforced against me. Due to the importance of this Agreement to the Franchisee and Franchisor, any claim I have against the Franchisee or Franchisor is a separate matter and does not entitle me to violate, or justify any violation of this Agreement.

~~14. 14.~~ I understand and acknowledge that the rights and remedies of Franchisor under this Agreement are fully assignable and transferable and will inure to the benefit of its respective affiliates, successor and assigns. However, the respective obligations of me or the Franchisee may not be assigned by me or Franchisee without the proper written consent of Franchisor.

~~15. 15.~~ This Agreement shall be construed under the laws of the State of Michigan. The only way this Agreement can be changed is in writing signed by both the Franchisee and me.

~~1. Tennessee.~~ ~~The only way this Agreement can be changed is in writing signed by both the Franchisee and me.~~

FRANCHISOR:- _____ FRANCHISEE:
Next Day Access, LLC
A Tennessee Limited Liability Company

~~Next Day Access, LLC
A Tennessee Limited Liability Company~~

By:- Stephen D. Greenwald By: _____
Title: In-house Counsel Title: _____

~~Title: In-house Counsel Title: _____~~

INDIVIDUAL:

ADDENDUM ~~C.1A~~

INDEPENDENT CONTRACTOR CONFIDENTIALITY TO THE FRANCHISE AGREEMENT

Directions. Each Independent Contractor with access to Franchisor's Confidential Information that is a sales representative or installer shall complete and sign one copy of this Confidentiality Agreements and the Franchisee shall return it to the Franchisor.

Company Name: _____

Printed Name: _____

Street: _____

Town: _____

State: _____ Zip: _____

Personal Phone #: _____

Position: _____

Name of Franchisee: _____

State: _____ Zip: _____

In consideration of your independent contractor relationship with the above Franchisee, you, the undersigned, hereby acknowledge and **AREA OF PRIMARY RESPONSIBILITY**

TO THAT CERTAIN
NEXT DAY ACCESS FRANCHISE AGREEMENT
BY AND BETWEEN NEXT DAY ACCESS, LLC

AND
DATED _____, 20____
(the "Franchise Agreement")

APR. You agree that:

1. **Confidentiality Agreement.** ~~The Franchisee operates a franchised Next Day Access Business (the "the Franchised Business") under a franchise agreement with Next Day Access, LLC (the "Franchisor"). During the term of your independent contractor relationship arrangement with the Franchisee and for all time thereafter, you agree not to communicate, divulge, or use for the benefit of any person or entity (such as a partnership, association, limited liability company, corporation, or other entity) any confidential information,~~

~~knowledge, or know-how concerning the training you receive and the methods of operation of the Franchised Business that may be communicated to you by virtue of your employment, affiliation, or independent contract relationship with the Franchisee. Any and all information, knowledge, know-how, techniques, and other data that the Franchisor designates as confidential shall be deemed confidential for purposes of this Confidentiality Agreement (the "Agreement.") and its Approved Location must be centrally located in the following United States Postal Service ("USPS") Zip Codes:~~

~~2. **Third-party beneficiary.** The Franchisor is a third-party beneficiary of this Agreement and may enforce it, solely or jointly with the Franchisee at the Franchisor's sole discretion. Any violation of this Agreement will cause the Franchisor and the Franchisee irreparable harm, and, therefore, the Franchisor or the Franchisee, or both, may apply for the issuance of an injunction preventing you from violating this Agreement in addition to any other remedies it or they may have hereunder, at law or inequity.~~

~~I have read and understand this Confidentiality Agreement. I agree to be bound by this Confidentiality Agreement. I have a copy of this Confidentiality Agreement.~~

~~This Agreement shall be construed under the laws of the State of Tennessee. Except as provided in Paragraph 2 above, the only way this Agreement can be changed is in a writing signed by the Franchisor, the Franchisee and you.~~

~~AGREED AND ACKNOWLEDGED BY YOU~~

~~_____ Date: _____~~

~~_____~~

- ~~2. Demographic Changes within the APR. You understand that over the term of the Franchise Agreement, the number of USPS Zip Codes and population within your APR may change which may result in your APR either gaining or losing some or all of these underlying demographics. However, we will attempt to work with you to minimize the impact of such a change.~~
- ~~3. Franchised Business Opening. You agree to complete the development of the Franchised Business and open the Franchised Business to the public per the terms and conditions of Section 5 of the Franchise Agreement.~~

~~Defined Terms. All capitalized or initial capitalized terms~~

~~ADDENDUM D~~

~~GUARANTEE, INDEMNIFICATION, AND ACKNOWLEDGMENT~~

~~As an inducement to Next Day Access, LLC (“Franchisor”) to execute the Franchise Agreement between Franchisor and _____ (“Franchisee”) Dated _____, 20____ (the “Agreement”), the undersigned (the “Guarantors”), jointly and severally, hereby unconditionally guarantee to Franchisor and its successors and assigns that all of Franchisee’s obligations under the Agreement will be punctually paid and performed.~~

~~Upon demand by Franchisor, the Guarantors will immediately make each payment to Franchisor required of Franchisee under the Agreement. The Guarantors hereby waive any right to require Franchisor to: (a) proceed against Franchisee for any payment required under the Agreement; (b) proceed against or exhaust any security from Franchisee; or (c) pursue or exhaust any remedy, including any legal or equitable relief, against Franchisee. Without affecting the obligations of the Guarantors under this Guarantee, Franchisor may, without notice to the Guarantors, extend, modify, or release any indebtedness or obligation of Franchisee, or settle, adjust, or compromise any claims against Franchisee. The Guarantors waive notice of amendment of the Agreement and notice of demand for payment by Franchisee, and agree to be bound by any and all such amendments and changes to the Agreement. The Guarantors agree that this Guaranty may be assigned by the Franchisor without prior notice to or approval from the Guarantors~~

~~7~~

~~The Guarantors hereby agree to defend, indemnify, and hold Franchisor harmless against any and all losses, damages, liabilities, costs, and expenses (including, but not limited to, reasonable attorneys’ fees, reasonable costs of investigation, court costs, and mediation fees and expenses) resulting from, consisting of, or arising out of or in connection with any failure by Franchisee to perform any obligation of Franchisee under the Agreement, any amendment thereto, or any other agreement executed by Franchisee referred to therein.~~

~~The Guarantors hereby acknowledge and agree to be individually bound by all of the confidentiality provisions and non-competition covenants contained in Sections 10 this Addendum A and 17 of the Agreement.~~

~~This Guarantee shall terminate upon the termination or expiration of the Agreement or upon the transfer or assignment of the Agreement by Franchisee, except that all obligations and liabilities of the Guarantors which arose from events which occurred on or before the effective date of such termination, expiration, transfer, or assignment of the Agreement shall remain not defined in full force and effect until satisfied or discharged by the Guarantors, and all covenants which by their terms continue in force after the termination, expiration, transfer, or assignment of the Agreement shall remain in force according to their terms. This Guarantee shall not terminate upon the transfer or assignment of the Agreement or this Guarantee by Franchisor. Upon the death of an individual guarantor, the estate of such guarantor shall be bound by this Guarantee, but only for defaults and obligations hereunder existing at the time of death; and the obligations of the other guarantors will continue in full force and effect.~~

~~4. Unless specifically stated otherwise, the terms used in this Guarantee shall Addendum have the same meaning as in the Agreement, and shall be interpreted and construed in accordance with Section 26 of the Agreement. This Guarantee shall be interpreted and construed under the laws of the State of Tennessee. In the event of~~

~~any conflict of law, the laws of State of Tennessee shall prevail, without regard to, and without giving effect to, the application of the State of Tennessee conflict of law rules ascribed to them in the Franchise Agreement.~~

5. ~~The Guarantors agree that~~ In accordance with Next Day Access, LLC standardization requirement, you will establish the ~~dispute resolution and attorney fee provisions in Section 26~~ "Doing Business As" (DBA) name of Next Day Access - _____.

~~We reserve the right to change your "Doing Business As" (DBA) designation in order to align it to any new processes or operating standards.~~

FRANCHISOR: _____ FRANCHISEE: _____
Next Day Access, LLC
A Tennessee Limited Liability Company

By: Stephen D. Greenwald By: _____
Title: In-house Counsel Title: _____

ADDENDUM B
TO THE FRANCHISE AGREEMENT

CORPORATION OR L.L.C. INFORMATION Agreement are hereby

If the Franchisee is a corporation or limited liability company (“L.L.C.”) the following information is required:

NAME OF CORPORATION OR L.L.C.: _____

ADDRESS OR LOCATION OF PRINCIPAL OFFICE OR PLACE OF BUSINESS:
_____ Telephone () _____

STATE OF INCORPORATION OR ORGANIZATION: _____

If incorporated into this Guarantee by reference, and references to “You” and the “or organized under the laws of a state other than where it will carry on the franchised business, the corporation or L.L.C. will provide to Franchisor a certification of qualification or authority to do business in the state of operation, dated no more than 30 days prior to the execution of the Franchise Agreement.

The receipt of the above and the following information is a condition precedent to any obligation of the Franchisor in regard to the Franchise Agreement.

ATTACHMENTS:

- a) Certified copy of your Articles of Incorporation or Articles of Organization and a copy of the entity’s by-laws or operating agreement, as the case may be, certified by an officer or member and all amendments thereto and restatements thereof, duly certified by the Secretary of State (of the state in which it is incorporated or organized) dated no more than 30 days prior to the execution of the Franchise Agreement.
- b) Certificate of good standing or due organization of the corporation or L.L.C. from the Secretary of State under the same conditions as a) above.
- c) A listing of names and addresses of all stockholders or members, officers and directors of the corporation or L.L.C. with the amount of stock or membership interest owned by each stockholder.
- d) A certified resolution by the board of directors or members authorizing the corporation or L.L.C. to enter into the Franchise Agreement with Next Day Access, LLC and designating the name of the officer authorized to execute the Franchise Agreement on behalf of the corporation or L.L.C.
- e) A written personal guaranty in the form attached hereto from one or more of the members, officers, directors or managers of the corporation, as determined by Franchisor, providing for the personal guaranty of all of the obligations of the Franchisee under the Franchise Agreement.
- f) A written document stating the name of the member, officer, director, or other principal responsible for the day-to-day operation of the Franchised Business.

Submitted this _____ day of _____, 20_____.

ADDENDUM C
TO THE FRANCHISE AGREEMENT
ELECTRONIC FUNDS TRANSFER

Authorization Agreement for Electronic Funds Transfer Via The Automated Clearing House (ACH)

Company Name _____

I (we) hereby authorize Next Day Access, LLC, hereinafter called COMPANY, to initiate debit entries to my (our):

Checking Account Savings Account

This is indicated below and the depository named below, hereinafter called DEPOSITORY, to debit same to such account.

Depository Name: _____

Branch: _____

City: _____ State: _____ Zip Code: _____

Transit/ABA Number: _____

Account Number: _____

This authority is to remain in full force and effect until COMPANY and DEPOSITORY has received written notification from me (or either of us) of its termination in such time and in such manner as to afford COMPANY and DEPOSITORY a reasonable opportunity to act on it.

Name: _____ Date: _____

Signature: _____

Name: _____ Date: _____

Signature: _____

ADDENDUM D
TO THE FRANCHISE AGREEMENT
SAMPLE CONVERSION ADDENDUM

This Conversion Addendum to the Franchise Agreement (“Conversion Addendum”), dated as of the Contract Date of the Franchise Agreement is attached to and made part of the Franchise Agreement, by and between **Next Day Access, LLC**, (the “Franchisor”) and _____ formed and operating under the laws of the State of _____, and _____, an individual (the “Franchisee”) for the purpose of modifying and amending the terms of the Franchise Agreement.

RECITALS

- A. Prior to the Contract Date, Franchisee operated a standalone business (the “Standalone Business”) that provides services dedicated to selling the personal property including, but not limited to, furniture, tools, jewelry, décor; move management services; and the provision of consignment sales for those who are downsizing, relocating or are deceased. (“Approved Services”).
- B. Franchisor has developed a program wherein certain Standalone Businesses may convert their Standalone Business to a Franchised Business in order to operate under Franchisor’s Proprietary Marks and reap the benefits of participating in the System (the “Conversion Program.”)

The Parties agree:

- 1. ~~Any~~ therein shall be deemed to apply to “Guarantors” and term defined in the Franchise Agreement which is not defined in this “Guarantee,” respectively, herein Conversion Addendum will be ascribed the meaning given to it in the Franchise Agreement.

~~Any and all notices required or permitted under this Guarantee shall be in writing and shall be personally delivered, sent by registered mail, or sent by other means which affords the sender evidence of delivery or rejected delivery (including, without limitation, private delivery or courier service), which shall not include electronic communication, such as e-mail, to the respective parties at the following addresses, unless and until a different address has been designated by written notice to the other party:~~

~~Notices to Franchisor:~~ _____

~~Notices to Guarantors:~~ _____

~~Next Day Access, LLC
3150 Stage Post Drive, Suite 101
Bartlett, TN 38133
Attn: Legal Dpt.~~

~~Attn:~~

~~Any notice by a method which affords the sender evidence of delivery or rejected delivery shall be deemed to have been given at the date and time of receipt or rejected delivery.~~

- 2. In the event of a conflict between the terms of the Franchise Agreement and the terms of this Conversion Addendum, the terms of this Conversion Addendum will control.

3. Except as specifically modified by this Conversion Addendum, all terms of the Franchise Agreement are in full force and effect.
4. Franchisee represents and warrants to Franchisor that all balance sheets, income statements and other financial information that Franchisee furnished to Franchisor to determine the total gross revenue of Franchisee's Standalone Business are accurate and correct in all material respects. Franchisee acknowledges that Franchisor has relied upon such information as provided by Franchisee in determining Franchisee's qualification for the Conversion Program evidenced by this Conversion Addendum.
5. Royalty Calculation. During the term of the Franchise Agreement, you will pay us the following non-refundable, monthly Royalty Fee via EFT.

<u>ROYALTY FEE CALCULATION</u>	
<u>TIME PERIOD</u>	<u>MONTHLY ROYALTY FEE</u>

*Minimum performance will be determined by Franchisor prior to execution of the Franchise Agreement and based on Franchisee's then-current annualized gross sales.

- 6. During the term of our Franchise Agreement, the National Advertising Fee for a Conversion Franchise will be the same as those of a new franchisee.
- 7. This Conversion Addendum, together with the Franchise Agreement to which it is attached, constitutes the entire agreement of the parties with respect to the subject matter hereof and may not be further modified or amended except in a written agreement signed by both parties.

IN WITNESS WHEREOF, the parties hereto have duly executed this Conversion Addendum to be effective as of the Contract Date.

FRANCHISOR: _____ FRANCHISEE: _____
Next Day Access, LLC
A Tennessee Limited Liability Company

By: Stephen D. Greenwald _____ By: _____
Title: In-house Counsel _____ Title: _____

ADDENDUM E

SAMPLE DEPOSIT AGREEMENT

This Deposit Agreement (“Agreement”) is effective as of _____ (the “Effective Date”), by and between _____, a _____ and _____, as Individuals, with an address at _____ (together the "Franchisee") and Next Day Access, LLC, a limited liability company with an address at 900 Wilshire Drive, Suite 102, Troy, MI 48084 ("Franchisor").

BACKGROUND

A. _____ Franchisor grants franchises for the operation of Next Day Access (each, a “Franchised Business”) to persons who meet Franchisor’s qualifications and are willing to undertake the investment and effort to own and operate a Franchised Business as described in Franchisor’s current form of Franchise Disclosure Document (the “FDD”).

B. _____ Franchisee and Franchisor are entering into a Franchise Agreement with an effective date of _____ (the “Franchise Agreement”) under which Franchisee will be granted the right to open and operate a Franchised Business in [Insert Territory Description], and pursuant to which Franchisee must pay Franchisor the Initial Franchise Fee equal to \$ _____ (the “Initial Franchise Fee”).

C. _____ Franchisee has requested, and Franchisor has agreed, that Franchisee may execute the Franchise Agreement and pay a non-refundable deposit of \$ _____ (the “Deposit”) toward the Initial Franchise Fee, with the opportunity to pay Franchisor the remaining balance of the Initial Franchise Fee of \$ _____ (the “Remaining Balance”) the earlier of Franchisee’s receipt of its [Method of Loan] loan or [Insert Length of Time] days from the Effective Date (the “Payment Period”), subject to the terms and conditions set forth in this Agreement.

TERMS

~~of the Guarantors has signed this Guarantee as of the date of the~~ **NOW, THEREFORE**, in consideration of the mutual promises and undertaking set forth herein, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the parties hereby mutually agree as follows:

1. **Payment of Deposit.** Upon executing the Franchise Agreement, Franchisee must pay Franchisor the Deposit of \$ _____ and Franchisee agrees and consents that if Franchisee does not pay Franchisor the Remaining Balance of \$ _____ within the Payment Period, Franchisor will terminate the Franchise Agreement and retain the Deposit in addition to its rights identified in Section 2 below.

2. **Payment of Remaining Balance; Guaranty and Assumption of Obligations.** The acceptance by Franchisor of payment terms and this Deposit in no way alters Franchisee’s obligation to pay the Remaining Balance to Franchisor. In addition, Franchisee agrees and acknowledges that this obligation is subject to and made part of the terms and conditions of the underlying Franchise Agreement and its Guaranty and Assumption of Obligations.

3. **Governing Law and Jurisdiction.** Michigan law governs this Agreement. Jurisdiction and venue for any claims involving this Agreement is exclusively in the courts of Michigan. The parties irrevocably submit to the venue and jurisdiction of such courts.

4. **Assignment.** This Agreement, and all rights and obligations of the parties, may not be assigned, subcontracted, or transferred by any party without the prior written consent of the other party.

5. **Background Information.** Both parties agree that the background information at the beginning of this Agreement is accurate.

6. **Entire Agreement.** The Franchise Agreement, this Deposit Agreement, and all other written agreements entered into in writing between the parties represent the entire understanding and agreement between the parties on the subject matter of this Deposit Agreement and supersede all other negotiations, understandings and representations, if any, made between the parties. No representations, inducements, promises or agreements, oral or otherwise, if any, not embodied in this Deposit Agreement are of any effect.

IN WITNESS WHEREOF, the Franchisee and Franchisor have executed this Deposit Agreement effective as of the date set forth in the preamble of this Agreement.

FRANCHISOR: _____ FRANCHISEE: _____
Next Day Access, LLC
A Tennessee Limited Liability Company

By: Stephen D. Greenwald By: _____
Title: In-house Counsel Title: _____

As Individuals:

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GUARANTORS

By: individually and personally Date _____

By: individually and personally Date _____

By: individually and personally Date _____

ADDENDUM E

DISCLOSURE OF FRANCHISEE OWNERS

(To be completed only if Franchisee is a Corporation, Partnership, or Limited Liability Company)

Under Paragraph 18.5 of the Franchise Agreement:

1. Franchisee Owners. You acknowledge and agree that the following is a complete list of all of the shareholders, partners, or members of Franchisee and the percentage interest of each individual as of the Agreement Date set forth in the Franchise Agreement:

Name	Position	Percent Interest

2. Changes in Franchisee Owners. You agree to notify in writing the Franchisor of any changes to the Franchisee Owners.

IN WITNESS WHEREOF, the Franchisee has executed this Addendum E on the Agreement Date set forth in the Franchise Agreement.

Name of Franchisee <i>(Enter the same name that appears in Paragraph 1)</i>	
--	--

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Print Name	Signature	Title
------------	-----------	-------

Print Name	Signature	Title
------------	-----------	-------

Print Name	Signature	Title
------------	-----------	-------

By:

ADDENDUM F
TO THE FRANCHISE AGREEMENT

SAMPLE PROMISSORY NOTE

[\$[AMOUNT]] _____ Date: _____ [INSERT]

_____ FOR VALUE RECEIVED, the undersigned, [INSERT OBLIGOR LEGAL ENTITY NAME] and [INSERT OBLIGOR INDIVIDUAL NAME/S] (together the “Obligor”) unconditionally promises to pay to the order of Next Day Access, LLC (the “Holder”), a ~~Delaware~~Tennessee limited liability company, in lawful money of the United States of America and in immediately available funds, the principal sum of [AMOUNT] Dollars (\$[AMOUNT]), together with all accrued interest thereon and other amounts due hereunder, as provided in this Promissory Note, (“Note”).

1. **Interest.** Interest shall accrue on the unpaid principal balance of this Note at the rate of 10% from the Open Date ~~as defined in~~of the Franchise Agreement (whether by acceleration or otherwise). Interest shall be computed for the actual number of days elapsed on the basis of a year consisting of 365 days.

2. **Payments of Principal and Interest.** Obligor will pay principal and interest due under this Note in full in 60 consecutive monthly installments of [INSTALLMENT AMOUNT] (\$[#]). The first monthly installment shall be due on the first day of the month immediately following the Open Date. Each subsequent installment shall be due on the first day of each succeeding month; provided, however, the entire principal balance of this Note, together with all unpaid interest, costs, and expenses owing by the Obligor to the Holder, shall be paid in full not later than [FINAL DUE DATE]. Payment of principal, interest, fees, and expenses shall be made in lawful money of the United States of America, in immediately available funds via ACH made payable to Holder and delivered to the address as set forth above.

3. **Prepayment:** Obligor may at any time prepay this Note in whole or in part without premium, penalty or consent of the Holder. Each payment or prepayment will be applied first to fees, expenses, or charges outstanding under this Note or the other Loan Documents (as defined below), second to accrued but unpaid interest on the principal amount of this Note to the date of such prepayment, and third to the outstanding principal payments due under this Note in inverse order of maturity.

4. **Security Agreement.** Obligor hereby agrees to enter into a Security Agreement (as amended, restated, supplemented, or modified from time to time, the “Security Agreement”) granting Holder a security interest in certain Collateral (as defined in the Security Agreement) owned by Obligor as security for, among other things, Obligor’s obligations under this Note.

5. **Events of Default:** Upon the occurrence of any of the following events of default (each, a “Default”), the Holder may declare, by written notice to the Obligor, the entire unpaid balance of the principal amount hereof and any accrued interest thereon and fees and expenses in connection with the Loan Documents to be immediately due and payable, together with reasonable attorneys’ fees and disbursements incurred in connection with collection; provided, however, if a Default described in clause (e) of this Section occurs, the outstanding principal amount, accrued and unpaid interest, and all other amounts payable under the Loan Documents shall become immediately due and payable without notice, declaration, or other act on the part of the Holder. The Defaults are:

- a. Obligor’s failure to pay any installment of principal due hereunder after the same is due; or
- b. Obligor’s failure to pay any interest or other amounts owing to Holder after the same is due and such failure continues for seven (7) calendar days after such failure; or

- c. Any representation or warranty made by Obligor to Holder in any Loan Document contains an untrue or misleading statement of fact as of the date made; or
- d. Obligor fails or neglects to perform, keep, or observe any term, provision, condition, or covenant contained in any Loan Document; or
- e. If any of the following events or circumstances occur:
 - i. the Obligor institutes a voluntary case seeking relief under any law relating to bankruptcy, insolvency, reorganization, or other relief for debtors; or
 - ii. an involuntary case is commenced seeking the liquidation or reorganization of the Obligor under any law relating to bankruptcy or insolvency, and such case is not dismissed or vacated within sixty days of its filing; or
 - iii. the Obligor is unable, or admits in writing its inability, to pay its debts as they become due; or
 - iv. a general assignment for the benefit of creditors by the Obligor; or
 - v. the appointment of a receiver for the Obligor; or
 - vi. a case is commenced against the Obligor or its assets seeking attachment, execution, or similar process against all or a substantial part of its assets, and such case is not dismissed or vacated within sixty (60) days of its filing; or

~~f.~~ A default or event of default occurs under the Franchise Agreement entered into between Obligor and Holder dated [FA DATE] (the “Franchise Agreement”).

In the event of default and/or acceleration, the Holder shall have all other rights and remedies provided by any law or by agreement. No failure on the part of the Holder in exercising any of its rights, powers or privileges hereunder shall operate as a waiver thereof or of any other exercise of such rights, powers or privileges or preclude any other or further exercise of any other right, power or privilege.

~~1.~~ ~~6.~~ **Notice of Default.**

~~a.~~ ~~a.~~ Holder shall provide Obligor with written notice of Default and shall indicate therein whether Holder is declaring all outstanding amounts due and owing from Obligor to Holder immediately due in full. Written notice of Default is sufficient if it is served on the Obligor at the address provided for in the Franchise Agreement by electronic mail by personal service or delivery via overnight courier (i.e. FedEx or UPS).

~~b.~~ ~~b.~~ As soon as possible after it becomes aware that a Default has occurred, and in any event within one business day, the Obligor shall notify the Holder in writing of the nature and extent of such Default and the action, if any, it has taken or proposes to take with respect to such Default. Nothing contained in any correspondence from Obligor shall impact Holder’s rights hereunder, including but not limited to the right of Holder to accelerate all amounts due and owing.

~~2.~~ ~~7.~~ **Attorneys' Fees.** If this Note is not paid at maturity, regardless of how such maturity may be brought about, or is collected or attempted to be collected through the initiation or prosecution of any arbitration or suit or through any probate, bankruptcy or any other judicial proceedings, or is placed in the hands of an attorney for collection, Obligor shall pay, in addition to all other amounts owing hereunder, all actual expenses of collection, all court costs and reasonable attorney's fees incurred by the Holder.

~~2.~~ ~~8.~~ **Governing Law and Venue.** This Note and the rights and obligations of the parties hereunder shall be governed by the laws of the United States of America and by the laws of the State of ~~Tennessee~~Michigan without regard to conflict of law provisions and is performable in ~~Shelby~~Oakland County, ~~Tennessee~~Michigan. Obligor consents to the exclusive jurisdiction of ~~an Tennesseea~~ Michigan state court located in ~~Shelby~~Oakland County, ~~Tennessee~~Michigan or the ~~Western District of Tennessee~~ United States District Court: for the Eastern District of Michigan for actions arising out of or related to this Note.

~~3.~~ ~~9.~~ **WAIVER OF JURY TRIAL.** THE OBLIGOR HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY RELATING TO THIS NOTE OR THE TRANSACTIONS CONTEMPLATED HEREBY, WHETHER BASED ON CONTRACT, TORT, OR ANY OTHER THEORY.

~~4.~~ ~~10.~~ **Business Day.** If any action is required or permitted to be taken hereunder on a Sunday, legal holiday or other day on which banking institutions in the State of ~~Tennessee~~Michigan are authorized or required to close, such action shall be taken on the next succeeding day which is a business day, and, to the extent applicable, interest on the unpaid principal balance shall continue to accrue at the applicable rate.

~~5.~~ ~~11.~~ **Successors and Assigns.** This Note shall be binding on Obligor and its successors and assigns, and shall inure to the benefit of the Holder, its successors and assigns. Any reference to the Holder shall include any holder of this Note. The Obligor may not assign any of its rights, duties, or obligations under this Note to any person without the Holder's prior written consent. The Holder may assign any of its rights under this Note without notice to or consent of the Obligor.

~~6.~~ ~~12.~~ **Amendments and Waivers.** No term of this Note may be waived, modified, or amended, except by an instrument in writing signed by the Obligor and the Holder. Any waiver of the terms hereof shall be effective only in the specific instance and for the specific purpose given.

~~7.~~ ~~13.~~ **No Waiver; Remedies Cumulative.** No failure by the Holder to exercise and no delay in exercising any right, remedy, or power hereunder or under any other Loan Document shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, or power hereunder or under any other Loan Document preclude any other or further exercise thereof or the exercise of any other right, remedy, or power. The rights, remedies, and powers herein provided are cumulative and not exclusive of any other rights, remedies, or powers provided by law.

~~8.~~ ~~14.~~ **Counterparts.** This Note and any amendments, waivers, consents, or supplements hereto may be executed in counterparts, each of which shall constitute an original, but all of which taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page to this Note by facsimile or in electronic ("pdf" or "tiff") format shall be as effective as delivery of a manually executed counterpart of this Note.

HOLDER:

Next Day Access, LLC

A Tennessee Limited Liability Company

By: Stephen D. Greenwald

Title: In-house Counsel

OLBIGOR:

By:

Title:

FRANCHISOR:

FRANCHISEE:

Next Day Access, LLC

A Tennessee Limited Liability Company

By: Stephen D. Greenwald

Title: In-house Counsel

By:

Title:

As ~~an individual~~ Individuals;

ADDENDUM G
TO THE FRANCHISE AGREEMENT

SAMPLE SECURITY AGREEMENT

THIS SECURITY AGREEMENT (“Agreement”), dated as of [DATE] (“Effective Date”), is between Next Day Access, LLC a Tennessee limited liability company (the “Secured Party”) and [INSERT LEGAL NAME OF FRANCHISEE] (the “Debtor”).

RECITALS

A. This Agreement is in security of the obligations of the Debtor under a Promissory Note in the amount of [AMOUNT] executed by Debtor in favor of the Secured Party on [DATE] (as amended, restated, supplemented, or modified from time to time, the “Note,” capitalized terms used in this Agreement and not otherwise defined herein shall have the meanings ascribed thereto in the Note).

B. In order to secure all obligations of Debtor to Secured Party under the Note and the other Loan Documents, the Debtor agrees to grant Secured Party a first priority security interest in the Collateral (as defined herein).

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Grant of Security Interest. To secure the prompt and complete payment of all obligations of Debtor to Secured Party under the Note and the other Loan Documents, plus all interest, costs, expenses, and reasonable attorneys’ fees, which may be made or incurred by Secured Party in the protection, maintenance, and liquidation of the Collateral (collectively, the “Obligations”), the Debtor grants to Secured Party a continuing first priority security interest in and to the following described assets, whether now owned or existing or hereafter arising or acquired or received by the Debtor, and wherever located (all of which is herein collectively called the “Collateral”):

1.1. all Accounts; all Inventory; all Equipment and Fixtures; all General Intangibles, Payment Intangibles, and Intellectual Property; all titled property; all Investment Property; all capital stock and related property; all subsidiary interests; all Deposit Accounts and any and all monies credited by or due from any financial institution or any other depository; all Goods and other personal property, including all merchandise returned or rejected by Account Debtors, relating to or securing any of the Accounts; all rights as a consignor, a consignee, an unpaid vendor, mechanic, artisan, or other lienor, including stoppage in transit, setoff, detinue, replevin, reclamation and repurchase; all additional amounts due to the Debtor from any Account Debtors relating to the Accounts; all other property, including warranty claims, relating to any Goods; all contract rights, rights of payment earned under a contract right, Instruments (including promissory notes), Chattel Paper (including electronic chattel paper), Documents, warehouse receipts, letters of credit, and money; all Commercial Tort Claims (whether now existing or hereafter arising); all Letter-of-Credit Rights (whether or not such Letter of Credit is evidenced by a writing); all Supporting Obligations; all real and personal property of third parties in which the Debtor has been granted a lien or security interest as security for the payment or enforcement of Accounts; and any and all other goods or personal property, if any, in which the Debtor may hereafter in writing grant a security interest to Secured Party hereunder, or in any amendment or supplement hereto or thereto, or under any other agreement between Secured Party and the Debtor; and

1.2. the Debtor’s ledger sheets, ledger cards, files, correspondence, records, books of account, business papers, computers, computer software (whether owned by the Debtor or in which the Debtor has an interest), computer programs, electronic media, tapes, disks and documents relating to clause 1.1 of this definition of Collateral;

~~1.3.~~ any real property now or hereafter owned by the Debtor; and

~~1.3.~~

1.4. all proceeds and products of clauses 1.1 - 1.4 of this definition of Collateral in whatever form, including: cash, deposit accounts (whether or not comprised solely of proceeds), certificates of deposit, insurance proceeds (including hazard, flood and credit insurance), negotiable instruments and other instruments for the payment of money, chattel paper, security agreements, documents, eminent domain proceeds, condemnation proceeds and tort claim proceeds.

2. Continuing Agreement; Prohibitions. This Agreement shall continue in effect as long as the Obligations are outstanding or unpaid, and except as specifically permitted in this Agreement, Debtor shall not sell, assign, transfer, pledge or otherwise dispose of or encumber any Collateral to any third party while this Agreement is in effect without the prior written consent of Secured Party. Except as otherwise defined in this Agreement or the Note, all terms in this Agreement shall have the meanings provided by the ~~Tennessee~~Michigan Uniform Commercial Code ("UCC") or any successor laws hereafter enacted.

3. Perfection of Security Interest. By execution of this Agreement, Debtor irrevocably authorizes Secured Party to file financing statements (and amendments thereto) with respect to the Collateral in all jurisdictions that Secured Party deems appropriate or necessary. In addition, Debtor shall execute and deliver to Secured Party, concurrently with Debtors' execution of this Agreement and at any time or times thereafter at the request of Secured Party (and pay the cost of filing or recording same in all public offices deemed necessary by Secured Party), all financing statements, assignments, affidavits, reports, notices, letters of authority and all other documents that Secured Party may reasonably request, in form satisfactory to Secured Party, to grant, perfect and maintain perfected Secured Party's security interest in the Collateral. Upon satisfaction in full in cash of the Obligations, at Debtor's request, Secured Party will promptly file a termination statement terminating each financing statement filed with respect to the Collateral that lists Secured Party as the secured party.

4. Warranties. Debtor warrants and agrees that while any of the Obligations remain outstanding: (a) Debtor is the sole owner of the Collateral free and clear of any lien, security interest, encumbrance, claim, option or right of others except for (i) the security interest in favor of Secured Party created pursuant to this Agreement and (ii) such other liens and encumbrances that the Secured Party approves in writing, and no financing statement other than that of Secured Party is on file covering the Collateral or any of it; (b) Debtor's name, jurisdiction of incorporation or organization, or address shall not be changed without 30 days' prior written notice to Secured Party; (c) Debtor's exact legal name and jurisdiction of incorporation or organization are as set forth on Schedule 1; (d) Debtor further warrants that the Collateral or the execution and delivery of this Agreement, the Note, and all other related documents delivered in connection thereto, shall not violate nor constitute a breach of any agreement or restriction of any type whatsoever to which Debtor is a party or is subject; and (e) Debtor warrants that the Collateral will be maintained and preserved and that any loss or damage to the Collateral will be immediately reported to Secured Party in writing.

5. Insurance; Taxes.

5.1. The Debtor shall maintain usual and customary casualty and liability insurance on the Collateral and the policy or policies that evidence such insurance shall contain a lender loss payable clause in favor of the Secured Party and shall name the Secured Party as an additional insured, as its interest may appear. If any Event of Default (as defined below) has occurred and is continuing, all proceeds paid under any insurance policy of the Debtor shall be paid to the Secured Party for application to the Obligations.

5.2. The Debtor will pay promptly, and within the time that they can be paid without interest or penalty, any taxes, assessments and similar imposts and charges that are now or hereafter may become a lien upon any of the Collateral. If the Debtor fails to pay any such taxes, assessments or other imposts or charges in accordance with this Section, the Secured Party shall have the option to do so and the Debtor agrees to repay forthwith all amounts so expended by the Secured Party together with interest at the highest rate set forth in the Note.

6. Deposit Accounts. Schedule 2 lists all deposit accounts of the Debtor in which proceeds of any government Accounts are deposited (“Government Accounts”) and Schedule 3 lists all other deposit accounts of the Debtor (“Non-Government Accounts”). The Debtor will (a) cause each bank or other financial institution in which it maintains (i) a Non-Government Account to enter into a control agreement with the Secured Party, in form and substance satisfactory to the Secured Party, in order to give the Secured Party control of the deposit account and (ii) a Government Account to enter into a deposit account instruction services agreement, in form and substance satisfactory to the Secured Party, under which such bank or other financial institution agrees to sweep all funds in the Government Account on a daily basis to an account at which the Secured Party has control and (b) upon the Secured Party’s request after the occurrence and during the continuance of an Event of Default, deliver to each such bank or other financial institution a letter, in form and substance reasonably acceptable to the Secured Party, transferring full rights of dominion and control in any Non-Government Account to the Secured Party until such time as no Event of Default exists. Debtor hereby represents and warrants that it will direct any and all customer receivables and proceeds of government Accounts to be paid into and/or deposited into the accounts listed on Schedules 2 and 3 attached to this Agreement. Any request that accounts into which customer receivables or proceeds of any customer payments are deposited be changed from those listed on Schedules 2 and 3 attached to this Agreement must be consented to by Secured Party in writing. The Debtor represents, warrants, and agrees that the Government Accounts will be used solely and exclusively for the collection of proceeds of government Accounts of the Debtor.

7. Special Rights Regarding Accounts. The Secured Party or any of its agents may, at any time and from time to time during the existence and continuance of any Event of Default, verify, directly with each person which owes any Accounts to the Debtor (collectively, the “Obligors”), the Accounts in any reasonable manner. The Secured Party or any of its agents may, at any time from time to time after and during the continuance of an Event of Default, notify the Obligors of the security interest of the Secured Party in the Collateral and/or direct such Obligors that all payments in connection with such obligations and the Collateral be made directly to the Secured Party in the Secured Party’s name. If the Secured Party or any of its agents shall collect such obligations directly from the Obligors, the Secured Party or any of its agents shall have the right to resolve any disputes relating to goods or services directly with the Obligors in such manner and on such terms as the Secured Party or any of its agents shall deem appropriate. The Debtor directs and authorizes any and all of its present and future Obligors to comply with requests for information from the Secured Party, the Secured Party’s designees and agents and/or auditors, relating to any and all business transactions between the Debtor and the Obligors. The Debtor further directs and authorizes all of its Obligors upon receiving a notice or request sent by the Secured Party or the Secured Party’s agents or designees to pay directly to the Secured Party any and all sums of money or proceeds now or hereafter owing by the Obligors to the Debtor, and any such payment shall act as a discharge of any debt of such Obligor to the Debtor in the same manner as if such payment had been made directly to the Debtor. The Debtor agrees to take any and all action as the Secured Party may reasonably request to assist the Secured Party in exercising the rights described in this Section.

8. Sale, Collections, Remedies, Etc.

8.1. Unless a Default occurs or Debtor defaults on any of the Obligations (an “Event of Default”), Secured Party authorizes and permits Debtor to exercise all of its lawful rights relating to the Collateral. If an Event of Default exists and is continuing hereunder, all of Debtor’s lawful rights relating to the Collateral shall immediately revert to Secured Party during the existence of any Event of Default.

8.2. Until the occurrence of an Event of Default and until such time as Secured Party shall notify Debtor, of the revocation of such power and authority, Debtor may, at its own expense, endeavor to collect, as and when due all amounts due with respect to any of the Collateral.

8.3. Upon the occurrence of an Event of Default, Secured Party may exercise any and all of its rights as set forth in this Agreement, the other Loan Documents, and under applicable laws.

~~8.3.~~

8.4. Upon the occurrence and during the continuance of any Event of Default, the Secured Party shall have and may exercise any one or more of the rights and remedies provided to it under this Agreement or any of the other Loan Documents or provided by law, including but not limited to all of the rights and remedies of a secured party under the UCC or other applicable law, and the Debtor hereby agrees to assemble the Collateral and make it available to the Secured Party at a place to be designated by the Secured Party which is reasonably convenient to both parties, authorize the Secured Party to take possession of the Collateral with or without demand and in accordance with applicable law and to sell and dispose of the same at a public or private sale and to apply the proceeds of such sale to the costs and expenses thereof (including reasonable and documented attorneys' fees and disbursements, incurred by the Secured Party) and then to the payment and satisfaction of the Obligations. Any requirement of reasonable notice shall be met if the Secured Party sends such notice to the Debtor, by registered or certified mail, at least 10 days prior to the date of sale, disposition or other event giving rise to a required notice. The Secured Party may be the purchaser at any such sale. The Debtor expressly authorizes such sale or sales of the Collateral in advance of and to the exclusion of any sale or sales of or other realization upon any other collateral securing the Obligations. The Secured Party shall have no obligation to preserve rights against prior parties, and the Secured Party shall have no obligation to clean-up or otherwise prepare the Collateral for sale. The Debtor hereby waives as to the Secured Party any right of subrogation or marshaling of such Collateral and any other collateral for the Obligations. To this end, the Debtor hereby expressly agrees that any such collateral or other security of the Debtor or any other party which the Secured Party may hold, or which may come to its possession, may be dealt with in all respects and particulars as though this Agreement were not in existence. The parties hereto further agree that public sale of the Collateral by auction conducted in any county in which any Collateral is located or in which the Secured Party or the Debtor does business after advertisement of the time and place thereof shall, among other manners of public and private sale, be deemed to be a commercially reasonable disposition of the Collateral. The Debtor shall be liable for any deficiency remaining after disposition of the Collateral. The Secured Party may comply with any applicable law requirements in connection with a disposition of the Collateral and compliance will not be considered to adversely affect the commercial reasonableness of any sale of the Collateral. The Secured Party may specifically disclaim any warranties of title or the like. If the Secured Party sells any of the Collateral upon credit, the Debtor will be credited only with payments actually made by the purchaser, received by the Secured Party and applied to the indebtedness of such purchaser. In the event any such purchaser fails to pay for the Collateral, the Secured Party may resell the collateral and the Debtor shall be credited with the proceeds of sale. The Debtor shall reimburse the Secured Party, on demand, for any costs, expenses, and reasonable attorneys' fees that are incurred by the Secured Party in the protection, maintenance, and liquidation of the Collateral or the enforcement of the Secured Party's rights and remedies under this Agreement or the other Loan Documents.

9. Information. Debtor agrees to supply to Secured Party such information concerning the status of any Collateral as Secured Party, from time to time, may reasonably request. The Debtor shall also take such further action, and deliver such additional information, as the Secured Party may reasonably request from time to time in order to give the Secured Party the full benefit of this Agreement and to give full force and effect to the security interest granted hereunder (including, without limitation, reasonably detailed descriptions of any assets owned by the Debtor).

10. Notices. All notices, requests, consents, claims, demands, waivers and other communications hereunder shall be given according the Franchise Agreement.

11. Headings. The headings in this Agreement are for reference only and shall not affect the interpretation of this Agreement.

12. Severability. If any term or provision of this Agreement or any other Loan Document is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Agreement or such other Loan Document or invalidate or render unenforceable such term or provision in any other jurisdiction. Upon such determination that any term or other provision is invalid, illegal or unenforceable, the parties hereto shall negotiate in good faith to modify the Agreement or the other Loan Document so as to affect the original

intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible.

13. Entire Agreement. This Agreement and the documents to be delivered hereunder constitute the sole and entire agreement of the parties to this Agreement with respect to the subject matter contained herein, and supersede all prior and contemporaneous understandings and agreements, both written and oral, with respect to such subject matter. The Note, the Franchise Agreement, and any schedules or exhibits to this Agreement are integral parts of this Agreement and are incorporated by reference herein.

14. Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns. The Debtor may not assign any of its rights, duties, or obligations under this Agreement to any person without the Secured Party's prior written consent. The Secured Party may assign any of its rights or duties under this Agreement without notice to or consent of the Debtor. No assignment shall relieve the assigning party of any of its obligations hereunder.

15. No Third-Party Beneficiaries. This Agreement is for the sole benefit of the parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

16. Amendment and Modification. This Agreement may only be amended, modified or supplemented by an agreement in writing signed by each party hereto.

17. Waiver. No waiver by any party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the party so waiving. No waiver by any party shall operate or be construed as a waiver in respect of any failure, breach or default not expressly identified by such written waiver, whether of a similar or different character, and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

18. Governing Law. This Agreement shall be governed by and construed in accordance with the internal laws of the State of ~~Tennessee~~Michigan without giving effect to any choice or conflict of law provision or rule. Debtor hereby consents to the exclusive jurisdiction of a ~~Tennessee~~Michigan state court located in ~~Shelby~~Oakland County, ~~Tennessee~~Michigan or the ~~Western District of Tennessee~~ + United States District Court of the Eastern District of Michigan for actions arising out of or related to this Agreement.

19. Waiver of Jury Trial. Each party acknowledges and agrees that any controversy which may arise under this Agreement is likely to involve complicated and difficult issues and, therefore, each such party irrevocably and unconditionally waives any right it may have to a trial by jury in respect of any legal action arising out of or relating to this Agreement or the transactions contemplated hereby.

20. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by e-mail shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Security Agreement dated as of the first date above written.

DEBTOR:

SECURED PARTY:

Next Day Access, LLC
A Tennessee Limited Liability Company

By: _____

Stephen D. Greenwald

Title: _____

By: _____

Title: In-house Counsel

SCHEDULE 1

DEBTOR INFORMATION

Debtor's Name: _____

Debtor's Jurisdiction of Organization or Incorporation: _____

SCHEDULE 2

GOVERNMENT ACCOUNTS

BANK NAME	BANK ADDRESS	ACCOUNT #	ROUTING #	ACCOUNT TYPE

SCHEDULE 3

NON-GOVERNMENT ACCOUNTS

BANK NAME	BANK ADDRESS	ACCOUNT #	ROUTING #	ACCOUNT TYPE

ADDENDUM H

CONVERSION AMENDMENT

~~This Conversion Amendment to the Franchise Agreement between the same parties listed below (“Agreement”) is made and entered into this ___ day of ___, 20__ by and between Next Day Access, LLC, a limited liability company formed under Tennessee law, with its principal business address at 3150 Stage Post Drive, Suite 101, Bartlett, TN 38133 (referred to in this Agreement as “we”, “us” or “our”), and _____, a _____ with its principal place of business at _____ (referred to in this Agreement as “you”, “your” or “owner”).~~

RECITALS:

~~WHEREAS, we entered into a franchise agreement for the purpose of converting an existing business to that of a Next Day Access Business (the “Agreement”) and~~

~~WHEREAS, we have a Conversion Program that allows You, the converting business owner to do so at reduced fees provided the conversion is completed to our reasonable satisfaction within a specified period of time; and~~

~~WHEREAS, we are willing to proceed with the conversion, but only upon the terms and conditions of the Agreement and this “Conversion Amendment”;~~

~~NOW, THEREFORE, the parties, in consideration of the undertakings and commitments of each party to the other party set forth herein, agree as follows:~~

1. GRANT

~~1.1 Grant of the Conversion Franchise. We grant to you the right, and you undertake the responsibility of completing the conversion of your current business to our reasonable satisfaction within the period of ninety (90) days from the date of the Agreement.~~

~~1.2 In the event that you are unable after a good faith effort or unwilling for any reason to complete the conversion of the business to that of a Next Day Access Business within the ninety (90) day period then this Conversion shall terminate immediately and all fees paid by you less our reasonable associated costs will be returned to you as quickly as is commercially feasible. In that event, the Non Disclosure and Non-Compete Agreements that you signed pursuant to this transaction will not terminate.~~

2. FEES

~~2.1 The Initial Franchise Fee defined in Section 4.1 of the Agreement is reduced from \$23,000 to \$20,700, plus the Territory Population Fee of \$0.05 per person total population in your APR.~~

3. OTHER

~~In all other respects the terms and conditions of the Agreement are incorporated herein by reference as if they were first written above.~~

~~IN WITNESS WHEREOF, the parties hereto have duly executed this Conversion Amendment on the date first above written.~~

FRANCHISOR:

FRANCHISEE:

Next Day Access, LLC

A Tennessee Limited Liability Company

By: Stephen D. Greenwald

By:

Title: In-house Counsel

Title:

ADDENDUM I

HONORED VETERAN PROGRAM AMENDMENT

~~This Honored Veteran Program Amendment to the Franchise Agreement between the same parties listed below (“Agreement”) is made and entered into this _____ day of _____, 20____ by and between Next Day Access, LLC, a limited liability company formed under Tennessee law, with its principal business address at 3150 Stage Post Dr., Suite 101, Bartlett, TN 38133 (referred to in this Agreement as “we”, “us” or “our”), and _____, a _____ with its principal place of business located at _____ (referred to in this Agreement as “you”, “your” or “owner”).~~

RECITALS:

~~WHEREAS, we entered into a franchise agreement for the purpose of assisting the Franchisee start a Next Day Access Business (the “Agreement”); and~~

~~WHEREAS, we have a Program that provides discounts in the Initial Franchise Fee and the purchase of exclusivity in additional ZIP Codes in the Franchisee’s Area of Primary Responsibility (the “APR”) to prospective franchisees who meet our minimum criteria to become a Next Day Access Franchisee and who have received an honorable discharge from a branch of the Armed Forces of the United States of America or the spouse of that service man or service woman; and~~

~~WHEREAS, the parties wish to record Franchisee’s acceptance into NDA’s Veteran’s Program”;~~

~~NOW, THEREFORE, the parties, in consideration of the undertakings and commitments of each party to the other party set forth herein, agree as follows:~~

1. GRANT

~~1.1 Grant of the Veteran’s Program Franchise. We grant to you the right, and you undertake the responsibility of becoming a Next Day Access Franchisee under the NDA Veteran’s Program.~~

2. FEES

~~2.1 The Initial Franchise Fee defined in Section 4.1 of the Agreement is reduced from \$23,000 to \$20,700 plus the Territory Population Fee of \$0.05 per person total population in your APR.~~

3. OTHER

~~3.1 These rights are exclusive to you and cannot be transferred unless transfer is to a prospective franchisee who also meets the qualification of this Program.~~

~~3.2 In all other respects the terms and conditions of the Agreement are incorporated herein by reference as if they were first written above.~~

~~IN WITNESS WHEREOF, the parties hereto have duly executed this Honored Veteran Program Amendment on the date first above written.~~

FRANCHISOR:

FRANCHISEE:

Next Day Access, LLC

A Tennessee Limited Liability Company

By: Stephen D. Greenwald

By:

Title: In-house Counsel

Title:

EXHIBIT C

~~STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS~~

STATE	STATE ADMINISTRATOR/AGENT	ADDRESS
California	Commissioner of Financial Protection and Innovation California Department of Financial Protection and Innovation	320 West 4 th Street Suite 750 Los Angeles, CA 90013 866-275-2677
Hawaii (State Administrator)	Commissioner of Securities Dept. of Commerce and Consumer Affairs Business Registration Division Securities Compliance Branch	335 Merchant Street Room 203 Honolulu, HI 96813
Illinois	Illinois Attorney General	500 S. Second Street Springfield, IL 62706
Indiana (State Administrator)	Indiana Securities Commissioner Securities Division	302 W. Washington St. Room E111 Indianapolis, IN 46204
Indiana (Agent)	Indiana Secretary of State	302 W. Washington St. Room E018 Indianapolis, IN 46204
Maryland (State Administrator)	Office of the Attorney General Division of Securities	200 St. Paul Place Baltimore, MD 21202
Maryland (Agent)	Maryland Securities Commissioner	200 St. Paul Place Baltimore, MD 21202
Michigan	Michigan Department of Attorney General Consumer Protection Division	G. Mennen Williams Building 4 th Floor 525 W. Ottawa St. Lansing, MI 48933
New York (State Administrator)	NYS Department of Law Investor Protection Bureau	28 Liberty Street, 21 st Floor New York, NY 10005 (212) 416-8222
New York (Agent)	Secretary of State	99 Washington Avenue Albany, NY 12231
North Dakota	Securities Commissioner North Dakota Securities Department	600 E. Boulevard Ave. State Capitol 5th Floor, Dept. 414 Bismarck, ND 58505

STATE	STATE ADMINISTRATOR/AGENT	ADDRESS
Rhode Island	Director, Department of Business Regulation, Securities Division	1511 Pontiac Ave. John O. Pastore Complex Building 69-4 Cranston, RI 02920
South Dakota	Department of Labor and Regulation Division of Securities	124 S. Euclid Suite 104 Pierre, SD 57501
Virginia (State Administrator)	State Corporation Commission Division of Securities and Retail Franchising	1300 E. Main St. 9 th Floor Richmond, VA 23219 804 371 9051
Virginia (Agent)	Clerk of the State Corporation Commission	1300 E. Main St. 1 st Floor Richmond, VA 23219
Washington (Agent)	Department of Financial Institutions Securities Division	150 Israel Rd. SW Tumwater, WA 98501 360 902 8760
Washington (State Administrator)	Department of Financial Institutions Securities Division	P.O. Box 41200 Olympia, WA 98504 1200 360 902 8760
Wisconsin	Commissioner of Securities	Department of Financial Institutions Division of Securities 201 W. Washington Ave. Suite 300 Madison, WI 53703

EXHIBIT D
SAMPLE DEPOSIT AGREEMENT

This Deposit Agreement (“Agreement”) is effective as of _____ (the “Effective Date”), by and between _____, a _____ and _____, as Individuals, with an address at _____ (together the “Franchisee”) and Next Day Access, LLC, a Tennessee limited liability company with an address at 3150 Stage Post Dr., Suite 101, Bartlett, TN 38133 (“Franchisor”).

BACKGROUND

- A. ~~Franchisor grants franchises for the operation of a Next Day Access franchise (each, a “Franchised Business”) to persons who meet Franchisor’s qualifications and are willing to undertake the investment and effort to own and operate a Franchised Business as described in Franchisor’s current form of Franchise Disclosure Document (the “FDD”).~~
- B. ~~Franchisee and Franchisor are entering into a Franchise Agreement with an effective date of _____ (the “Franchise Agreement”) under which Franchisee will be granted the right to open and operate a Franchised Business in _____, and pursuant to which Franchisee must pay Franchisor the Initial Franchise Fee equal to \$ _____ (the “Initial Franchise Fee”).~~

~~C.A. Franchisee has requested, and Franchisor has agreed, that Franchisee may execute the Franchise Agreement and pay a non-refundable deposit of \$ _____ (the “Deposit”) toward the Initial Franchise Fee, with the opportunity to pay Franchisor the remaining balance of the Initial Franchise Fee of \$ _____ (the “Remaining Balance”) the earlier of Franchisee’s receipt of its _____ loan or _____ days from the Effective Date (the “Payment Period”), subject to the terms and conditions set forth in this Agreement.~~

TERMS

~~NOW, THEREFORE, in consideration of the mutual promises and undertaking set forth herein, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the parties hereby mutually agree as follows:~~

~~1. **Payment of Deposit.** Upon executing the Franchise Agreement, Franchisee must pay Franchisor the Deposit of \$ _____ and Franchisee agrees and consents that if Franchisee does not pay Franchisor the Remaining Balance of \$ _____ within the Payment Period, Franchisor will terminate the Franchise Agreement and retain the Deposit in addition to its rights identified in Section 2 below.~~

~~2.1. **Payment of Remaining Balance; Guaranty and Assumption of Obligations.** The acceptance by Franchisor of payment terms and this Deposit in no way alters Franchisee’s obligation to pay the Remaining Balance to Franchisor. In addition, Franchisee agrees and acknowledges that this obligation is subject to and made part of the terms and conditions of the underlying Franchise Agreement and its Guaranty and Assumption of Obligations.~~

~~3.1. **Governing Law and Jurisdiction.** Tennessee law governs this Agreement. Jurisdiction and venue for any claims involving this Agreement is exclusively in the courts of Tennessee. The parties irrevocably submit to the venue and jurisdiction of such courts.~~

~~4.1. **Assignment.** This Agreement, and all rights and obligations of the parties, may not be assigned, subcontracted, or transferred by any party without the prior written consent of the other party.~~

~~5.1. **Background Information.** Both parties agree that the background information at the beginning of this Agreement is accurate.~~

~~6.1. **Entire Agreement.** The Franchise Agreement, this Deposit Agreement, and all other written agreements entered into in writing between the parties represent the entire understanding and agreement between the parties on the subject matter of this Deposit Agreement and supersede all other negotiations, understandings and representations, if any, made between the parties. No representations, inducements, promises or agreements, oral or otherwise, if any, not embodied in this Deposit Agreement are of any effect.~~

~~**IN WITNESS WHEREOF**, the Franchisee and Franchisor have executed this Deposit Agreement effective as of the date set forth in the preamble of this Agreement.~~

~~FRANCHISOR: _____ FRANCHISEE: _____
Next Day Access, LLC _____
A Tennessee Limited Liability Company _____~~

~~By: Stephen D. Greenwald _____ By: _____
Title: In-house Counsel _____ Title: _____~~

~~As Individuals:~~

~~By: _____~~

~~_____~~

~~EXHIBIT E~~

~~RELEASE AGREEMENT~~

~~GENERAL~~

~~SAMPLE~~ RELEASE AGREEMENT, WAIVER AND RELEASE OF CLAIMS

This Waiver and Release of Claims (“Release”) is made as of _____, 20_____
by _____, a(n) _____
 (“Franchisee”), and each individual holding an ownership interest in Franchisee (collectively with Franchisee, “Releasor”) in favor of Next Day Access, LLC, a Tennessee limited liability company (“Franchisor,” and together with Releasor, the “Parties”).

WHEREAS, Franchisor and Franchisee have entered into a Franchise Agreement (“Agreement”) pursuant to which Franchisee was granted the right to own and operate a Next Day Access Franchised Business;

WHEREAS, Franchisee has notified Franchisor of its desire to transfer the Agreement and all rights related thereto, or an ownership interest in Franchisee, to a transferee (enter into a successor franchise agreement), and Franchisor has consented to such transfer (agreed to enter into a successor franchise agreement); and

WHEREAS, as a condition to Franchisor’s consent to the transfer (**Franchisee’s ability to enter into a successor franchise agreement**), Releasor has agreed to execute this Release upon the terms and conditions stated below.

NOW, THEREFORE, in consideration of Franchisor’s consent to the transfer (**Franchisor entering into a successor franchise agreement**), and for other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, and intending to be legally bound, Releasor hereby agrees as follows:

1.9. Representations and Warranties. Releasor represents and warrants that it is duly authorized to enter into this Release and to perform the terms and obligations herein contained, and has not assigned, transferred, or conveyed, either voluntarily or by operation of law, any of its rights or claims against Franchisor or any of the rights, claims, or obligations being terminated and released hereunder. The undersigned represents and warrants that he/she is duly authorized to enter into and execute this Release on behalf of Franchisee. Releasor further represents and warrants that all individuals that currently hold a direct or indirect ownership interest in Franchisee are signatories to this Release.

2.10. Release. Releasor and its subsidiaries, affiliates, parents, divisions, successors and assigns, and all persons or firms claiming by, through, under, or on behalf of any or all of them, hereby release, acquit, and forever discharge Franchisor, any and all of its affiliates, parents, subsidiaries, or related companies, divisions, and partnerships, and its and their past and present officers, directors, agents, partners, shareholders, employees, representatives, successors and assigns, and attorneys, and the spouses of such individuals (collectively “Released Parties”), from any and all claims, liabilities, damages, expenses, actions, or causes of action which Releasor may now have or has ever had, whether known or unknown, past or present, absolute or contingent, suspected or unsuspected, of any nature whatsoever, including without limiting the generality of the foregoing, all claims, liabilities, damages, expenses, actions, or causes of action directly or indirectly arising out of or relating to the execution and performance of the Agreement and the offer and sale of the franchise related thereto, except to the extent such liabilities are payable by the applicable indemnified party in connection with a third-party claim.

~~3.11.~~ **Non-disparagement.** Releasor expressly covenants and agrees not to make any false representation of facts, or to defame, disparage, discredit, or deprecate any of the Released Parties or otherwise communicate with any person or entity in a manner intending to damage any of the Released Parties, their business, or their reputation.

~~4.12.~~ **Confidentiality.** Releasor agrees to hold in strictest confidence and not disclose, publish, or use the existence of, or any details relating to, this Agreement to any third-party without Franchisor's express written consent, except as required by law.

~~5.13.~~ **Miscellaneous.**

- a. Releasor agrees that it has read and fully understands this Release and that the opportunity has been afforded to Releasor to discuss the terms and contents of said Release with legal counsel and/or that such a discussion with legal counsel has occurred.
- b. This Release will be construed and governed by the laws of the State of ~~Tennessee~~Michigan.
- c. Each individual and entity that comprises Releasor will be jointly and severally liable for the obligations of Releasor.
- d. In the event that it will be necessary for any Party to institute legal action to enforce or for the breach of any of the terms and conditions or provisions of this Release, the prevailing Party in such action will be entitled to recover all of its reasonable costs and attorneys' fees.
- e. All of the provisions of this Release will be binding upon and inure to the benefit of the Parties and their current and future respective directors, officers, partners, attorneys, agents, employees, shareholders, and the spouses of such individuals, successors, affiliates, and assigns. No other party will be a third-party beneficiary to this Release.
- f. This Release constitutes the entire agreement and, as such, supersedes all prior oral and written agreements or understandings between and among the Parties regarding the subject matter hereof. This Release may not be modified except in a writing signed by all of the Parties. This Release may be executed in multiple counterparts, each of which will be deemed an original and all of which together will constitute but one and the same document.
- g. If one or more of the provisions of this Release will for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability will not affect or impair any other provision of this Release, but this Release will be construed as if such invalid, illegal, or unenforceable provision had not been contained herein.
- h. Releasor agrees to do such further acts and things and to execute and deliver such additional agreements and instruments as any Released Party may reasonably require to consummate, evidence, or confirm the Release contained herein in the matter contemplated hereby.
- i. This release is inapplicable with respect to claims arising under the Washington Franchise Investment Protection Act, RCW 19.100 and the rules adopted thereunder.

IN WITNESS WHEREOF, Releasor has executed this Release as of the date first written above.

~~e.a. Each individual and entity that comprises Releasor will be jointly and severally liable for the obligations of Releasor.~~

~~d.a. In the event that it will be necessary for any Party to institute legal action to enforce or for the breach of any of the terms and conditions or provisions of this Release, the prevailing Party in such action will be entitled to recover all of its reasonable costs and attorneys' fees.~~

~~e.a. All of the provisions of this Release will be binding upon and inure to the benefit of the Parties and their current and future respective directors, officers, partners, attorneys, agents, employees, shareholders, and the spouses of such individuals, successors, affiliates, and assigns. No other party will be a third party beneficiary to this Release.~~

~~f.a. This Release constitutes the entire agreement and, as such, supersedes all prior oral and written agreements or understandings between and among the Parties regarding the subject matter hereof. This Release may not be modified except in a writing signed by all of the Parties. This Release may be executed in multiple counterparts, each of which will be deemed an original and all of which together will constitute but one and the same document.~~

~~g.a. If one or more of the provisions of this Release will for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability will not affect or impair any other provision of this Release, but this Release will be construed as if such invalid, illegal, or unenforceable provision had not been contained herein.~~

~~h. Releasor agrees to do such further acts and things and to execute and deliver such additional agreements and instruments as any Released Party may reasonably require to consummate, evidence, or confirm the Release contained herein in the matter contemplated hereby.~~

~~i.a. This release is inapplicable with respect to claims arising under the Washington Franchise Investment Protection Act, RCW 19.100 and the rules adopted thereunder.~~

~~**IN WITNESS WHEREOF**, Releasor has executed this Release as of the date first written above.~~

FRANCHISOR:

_____FRANCHISEE:

Next Day Access, LLC

A Tennessee Limited Liability Company

By: Stephen D. Greenwald

By:

Title: In-house Counsel

Title:

EXHIBIT C

STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS

<u>STATE</u>	<u>STATE ADMINISTRATOR/AGENT</u>	<u>ADDRESS</u>
<u>California</u>	<u>Commissioner of Financial Protection and Innovation</u> <u>Department of Financial Protection and Innovation</u>	<u>320 West 4th Street</u> <u>Suite 750</u> <u>Los Angeles, CA 90013</u> <u>866-275-2677</u>
<u>Hawaii</u> <u>(State Administrator)</u>	<u>Commissioner of Securities</u> <u>Dept. of Commerce and Consumer Affairs</u> <u>Business Registration Division</u> <u>Securities Compliance Branch</u>	<u>335 Merchant Street</u> <u>Room 203</u> <u>Honolulu, HI 96813</u>
<u>Illinois</u>	<u>Illinois Attorney General</u>	<u>500 S. Second Street</u> <u>Springfield, IL 62706</u>
<u>Indiana</u> <u>(State Administrator)</u>	<u>Indiana Securities Commissioner</u> <u>Securities Division</u>	<u>302 W. Washington St.</u> <u>Room E111</u> <u>Indianapolis, IN 46204</u>
<u>Indiana</u> <u>(Agent)</u>	<u>Indiana Secretary of State</u>	<u>302 W. Washington St.</u> <u>Room E018</u> <u>Indianapolis, IN 46204</u>
<u>Maryland</u> <u>(State Administrator)</u>	<u>Office of the Attorney General</u> <u>Division of Securities</u>	<u>200 St. Paul Place</u> <u>Baltimore, MD 21202</u>
<u>Maryland</u> <u>(Agent)</u>	<u>Maryland Securities Commissioner</u>	<u>200 St. Paul Place</u> <u>Baltimore, MD 21202</u>
<u>Michigan</u>	<u>Michigan Department of Attorney General</u> <u>Consumer Protection Division</u>	<u>G. Mennen Williams Building</u> <u>1st Floor</u> <u>525 W. Ottawa St.</u> <u>Lansing, MI 48933</u>
<u>New York</u> <u>(State Administrator)</u>	<u>State of New York</u> <u>Office of the Attorney General</u> <u>Division of Economic Justice</u> <u>Investor Protection Bureau</u>	<u>28 Liberty St.</u> <u>New York, NY 10005</u>
<u>New York</u> <u>(Agent)</u>	<u>Secretary of State for New York</u>	<u>99 Washington Ave.</u> <u>Albany, NY 12231</u>
<u>North Dakota</u>	<u>Securities Commissioner</u> <u>North Dakota Securities Department</u>	<u>600 E. Boulevard Ave.</u> <u>State Capitol</u> <u>5th Floor, Dept. 414</u> <u>Bismarck, ND 58505</u>
<u>Rhode Island</u>	<u>Director, Department of Business Regulation, Securities Division</u>	<u>1511 Pontiac Ave.</u> <u>John O. Pastore Complex</u> <u>Building 69-1</u> <u>Cranston, RI 02920</u>
<u>South Dakota</u>	<u>Department of Labor and Regulation</u> <u>Division of Securities</u>	<u>124 S. Euclid</u> <u>Suite 104</u> <u>Pierre, SD 57501</u>

<u>STATE</u>	<u>STATE ADMINISTRATOR/AGENT</u>	<u>ADDRESS</u>
<u>Virginia</u> (<u>State Administrator</u>)	<u>State Corporation Commission</u> <u>Division of Securities and Retail</u> <u>Franchising</u>	<u>1300 E. Main St.</u> <u>9th Floor</u> <u>Richmond, VA 23219</u> <u>804-371-9051</u>
<u>Virginia</u> (<u>Agent</u>)	<u>Clerk of the State Corporation</u> <u>Commission</u>	<u>1300 E. Main St.</u> <u>1st Floor</u> <u>Richmond, VA 23219</u>
<u>Washington</u> (<u>Agent</u>)	<u>Department of Financial</u> <u>Institutions</u> <u>Securities Division</u>	<u>150 Israel Rd. SW</u> <u>Tumwater, WA 98501</u> <u>360-902-8760</u>
<u>Washington</u> (<u>State Administrator</u>)	<u>Department of Financial</u> <u>Institutions</u> <u>Securities Division</u>	<u>P.O. Box 41200</u> <u>Olympia, WA 98504-1200</u> <u>360-902-8760</u>
<u>Wisconsin</u>	<u>Commissioner of Securities</u>	<u>Department of Financial</u> <u>Institutions</u> <u>Division of Securities</u> <u>201 W. Washington Ave.</u> <u>Suite 300</u> <u>Madison, WI 53703</u>

EXHIBIT D

POWER OF ATTORNEY – TELEPHONE AND INTERNET

STATE OF MICHIGAN

COUNTY OF OAKLAND

KNOW ALL MEN BY THESE PRESENTS

That _____ (“Franchisee”) irrevocably constitutes and appoints Next Day Access, LLC a Tennessee limited liability company (“Franchisor”), true and lawful attorney-in-fact and agent for Franchisee and in Franchisee’s name, place and stead, to do or cause to be done all things and to sign, execute, acknowledge, certify, deliver, accept, record and file all agreements, certificates, instruments and documents as, in the sole discretion of Franchisor, is necessary or advisable for the sole purpose of assigning to Franchisor all of Franchisee’s right, title and interest in and to any and all telephone numbers of Franchisee’s franchise and all related Yellow Pages, White Pages, internet listings, networking media sites and other business listings including, but not limited to, the execution and delivery of any Transfer of Service Agreement and any other transfer documentation required by the applicable telephone or internet service company providing services to Franchisee, and grants to Franchisor full power and authority to do and perform all acts and things which, in the sole discretion of Franchisor, are necessary or advisable to be done as fully to all intents and purposes as Franchisee might or could itself do, ratifying and confirming all that Franchisor may lawfully do or cause to be done by virtue of this Power of Attorney and powers granted.

During the term of this Power of Attorney and regardless of whether Franchisee has designated any other person to act as its attorney-in-fact and agent, no person, firm or corporation dealing with Franchisor is required to ascertain the authority of Franchisor, nor to see to the performance of the agency, nor be responsible in any way for the proper application of funds or property paid or delivered to Franchisor. Any person, firm or corporation dealing with Franchisor is fully protected in acting and relying on a certificate of Franchisor that this Power of Attorney on the date of the certificate has not been revoked and is in full force and effect, and Franchisee must not take any action against any person, firm or corporation acting in reliance on a certificate or a copy of this Power of Attorney. Any document executed on behalf of Franchisee by Franchisor is deemed to include a certificate on the part of Franchisor, whether or not expressed. This paragraph shall survive any termination of this Power of Attorney.

This Power of Attorney terminates two (2) years following the expiration or termination of the Franchise Agreement dated _____ by and between Franchisor and Franchisee. The termination, however, does not affect the validity of any act or deed that Franchisor may have affected before that date pursuant to the power granted.

This instrument is to be construed and interpreted as an irrevocable power of attorney coupled with an interest. It is executed and delivered in the State of Michigan and the laws of the State of Michigan govern all questions as to the validity of this Power of Attorney and construction of its provisions.

IN WITNESS WHEREOF, the undersigned has executed this Power of Attorney as of _____, 20____.

FRANCHISOR:

Next Day Access, LLC
A Tennessee Limited Liability Company

By: Stephen D. Greenwald
Title: In-house Counsel

FRANCHISEE:

By: _____
Title: _____

|

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EXHIBIT E

EXHIBIT G

NEXT DAY ACCESS FRANCHISE LOCATIONS

As of December 31, ~~2023~~2024

OPEN

FranchiseeNAME	Address-of-BusinessADDRESS	Contact NamePH ONE	Telephone NumberEMAIL	TERRITORY
ALABAMA				
ASKA Access & Mobility, Inc. Amy and Scott Riley	12585 Old Highway 280, Suite 107, Chelsea, AL 35043	205- 671-2701 578-7676	ariley@nextdayaccess.com sriley@nextdayaccess.com	Birmingham
ARIZONA				
April Kirk, Dominic D'Arpino, Carl Loge, and Chris Bakalars (2 territories)	2520 N. Rising Star Trail, Tucson, AZ 85745	833-707-7267	dddarpino@nextdayaccess.com	Mesa, Gilbert, Phoenix, Tucson
CALIFORNIA				
Roslyn and Bruce Patterson (3 territories)	9692 Via Excelencia, Suite 101, San Diego, CA 92126	982-582-7366	rpatterson@nextdayaccess.com bpatterson@nextdayaccess.com	Oceanside, San Diego
Colt Accessibility Prod. Inc. Eric and Kathy Smith (5 territories)	700 N. Valley St. B, Anaheim, CA 92801	714-240-0562	esmith@nextdayaccess.com	Orange County, Long Beach, Los Angeles, Riverside and San Bernardino
COLORADO				
Access Colorado, Inc. David Beiner	4756 N. Chestnut St., Colorado Springs, CO 80907	719-259-1135	dbeiner@nextdayaccess.com	Colorado Springs
James Carrick	10949 E. Peakview Ave., Englewood, CO 80111	303-747-4787	jcarrick@nextdayaccess.com	Denver - South
FLORIDA				
Geri Castaldo	16601 Lyons Rd., Suite C-10, Coconut Creek, FL 33073	561-816-3028 546-3396	gcastaldo@nextdayaccess.com	Boca Raton
Drew Jolly	4935 State Road 207, Elkton, FL 32033	850-519-1986	djolly@nextdayaccess.com	Jacksonville, Gainesville
Josh Kearns Stellar Accessibility, Inc	5187 Shadowlawn Ave, #118, Tampa FL 33610	863-777-9867 Josh Kearns	813-213-3830 jkearns@nextdayaccess.com	Tampa

<u>Franchisee</u> <u>NAME</u>	<u>Address of Business</u> <u>ADDRESS</u>	<u>Contact</u> <u>Name</u> <u>PH</u> <u>ONE</u>	<u>Telephone</u> <u>Number</u> <u>EMAIL</u>	<u>TERRITORY</u>
GEORGIA				
<u>John and Johanna</u> <u>Sullivan</u>	<u>5085 Hampton Farms Dr.,</u>	<u>770-884-</u> <u>8485</u>	<u>jsullivan@nextdayaccess.</u> <u>com</u>	<u>Atlanta Metro</u> <u>North</u>
IDAHO				
<u>Julie and Zachary</u> <u>Springer and Ralph</u> <u>Fullmer</u>	<u>9050 W. Overland Rd., Suite 210,</u> <u>Boise, ID 83709</u>	<u>208-540-</u> <u>9873</u>	<u>jspringer@nextdayaccess.</u> <u>com</u> <u>zspringer@nextdayaccess.</u> <u>com</u>	<u>Boise</u>
ILLINOIS				
<u>Oakbrook IL SPI</u> <u>Mobility LLCs</u> <u>Almakhamreh</u> <u>(2 territories)</u>	<u>15930 South 75th Ct., Suite 300,</u> <u>Tinley Park, IL 30477</u>	<u>708-722-</u> <u>7250620-</u> <u>8192</u>	<u>salmakhamreh@nextdaya</u> <u>ccess.com</u>	<u>Naperville,</u> <u>Wheaton,</u> <u>Chicago – Oak</u> <u>Brook</u>
INDIANA				
<u>Garrett Brown</u> <u>Indy</u> <u>Accessibility LLC</u>	<u>7168 Zionsville Rd, Indianapolis, IN</u> <u>46268</u>	<u>317-669-</u> <u>7135</u> <u>Garrett</u> <u>Brown</u>	<u>463-243-</u> <u>6129</u> <u>gbrown@nextdayacc</u> <u>ess.com</u>	<u>Indianapolis –</u> <u>North</u>
IOWA				
<u>Mobility Resource of</u> <u>Iowa, Inc.</u> <u>Marianne</u> <u>Kramer</u>	<u>8003 Douglas Ave., Urbandale, IA</u> <u>50322</u>	<u>515-303-</u> <u>4392318-</u> <u>2059</u>	<u>mkramer@nextdayaccess.</u> <u>com</u>	<u>Des Moines</u>
MASSACHUSETTS				
<u>David Gunzburger</u>	<u>5PO Box 222 Wilmington, MA 01887</u>	<u>617-616-</u> <u>8553281-</u> <u>7988</u>	<u>dgunzburger@nextdayacc</u> <u>ess.com</u>	<u>Boston</u>
MICHIGAN				
<u>Michigan Access</u> <u>and Mobility</u> <u>LLC</u> <u>Heather Head</u>	<u>PO Box 22, Newport, MI 48166</u>	<u>313-751-</u> <u>8234444-</u> <u>3583</u>	<u>hhead@nextdayaccess.co</u> <u>m</u>	<u>Detroit</u>
MINNESOTA				
<u>Castle Rock Access</u> <u>LLC</u> <u>Chris Baklars and</u> <u>Carl Loge, and Mike</u> <u>Loge</u>	<u>8718 Monticello Ln. N. Maple Grove,</u> <u>MN 55369</u>	<u>Chris</u> <u>Baklars</u> <u>and Mike</u> <u>Loge</u> <u>888-</u> <u>742-7267</u>	<u>866-858-9048</u> <u>cbaklars@nextdayaccess.</u> <u>com</u> <u>cloge@nextdayaccess.co</u> <u>m</u>	<u>Minneapolis</u>
MISSOURI				

<u>Franchisee</u> <u>NAME</u>	<u>Address of Business</u> <u>ADDRESS</u>	<u>Contact</u> <u>Name</u> <u>PH</u> <u>ONE</u>	<u>Telephone</u> <u>Number</u> <u>EMAIL</u>	<u>TERRITORY</u>
<u>Brian Liberman</u>	<u>1503 S. Kingshighway Blvd., St. Louis, MO 63110</u>	<u>314-710-2158</u>	<u>bliberman@nextdayaccess.com</u>	<u>St. Louis</u>
<u>April Springer, Chris Bakalars, and Carl Loge- KA Boulder Point Access LLC</u>	<u>15406 North N. Industrial Drive, Dr., Independence MO 64058</u>	<u>763-308-8652</u>	<u>aspringer@nextdayaccess.com</u> <u>cbakalars@nextdayaccess.com</u> <u>cloge@nextdayaccess.com</u>	<u>Kansas City</u>
<u>NEW YORK</u>				
<u>Todd Rudley</u>	<u>15 Bank St., White Plains, NY 10606</u>	<u>914-319-2623</u>	<u>trudley@nextdayaccess.com</u>	<u>Westchester, Fairfield</u>
<u>NORTH CAROLINA</u>				
<u>South East Access, LLC Jason Williamson and Robert Williams (2 territories)</u>	<u>5555 Trade St., Hope Mills 5640 Clyde Farrell Rd., Apex, NC 28348 27523</u>	<u>Dennis Long Bret Sharp 9919 -427-5973</u>	<u>910-400-8669 jwilliamson@nextdayaccess.com</u> <u>rwilliams@nextdayaccess.com</u>	<u>Wilmington, Fayetteville, Raleigh, Durham</u>
<u>OHIO</u>				
<u>JT Vesco Enterprise, LLC Scott and Debbie Lipps</u>	<u>3828 Heron Watch Drive, Akron, Franklin, OH 44319 45005</u>	<u>Todd Vesco 937-746-4788</u>	<u>330-422-6936 slipps@nextdayaccess.com</u>	<u>Central Ohio</u>
<u>Homecare Mobility Jeffrey and Jeremy Rowe</u>	<u>7944 Central Ave., Unit 303 Conover Drive, Franklin, OH 45005 & 4, Toledo, OH 43617</u>	<u>Scott Lipps Debbie Lipps 567-202-9001</u>	<u>937-684-4243 jrowe@nextdayaccess.com</u>	<u>NW Ohio</u>
<u>Northwest Ohio Mobility & Access, Inc. Todd Vesco</u>	<u>3828 Heron Watch Dr., Akron, OH 44319 7944 Central Ave., Unit 3 & 4, Toledo, OH 43617</u>	<u>Jeffrey Rowe Jeremy Rowe 330-701-5877</u>	<u>567-323-6016 tvesco@nextdayaccess.com</u>	<u>NE Ohio</u>
<u>OKLAHOMA</u>				
<u>David Goss and Angelia Goss</u>	<u>213012 Hwy 9A, Maud, OK 74854</u>	<u>405-561-1578 928-6238</u>	<u>dgoss@nextdayaccess.com</u> <u>agoss@nextdayaccess.com</u>	<u>Oklahoma City</u>
<u>PENNSYLVANIA</u>				
<u>Shawn Caulfield</u>	<u>7441 Allentown Rd., Harrisburg, PA 17112</u>	<u>717-884-0893</u>	<u>scaulfield@nextdayaccess.com</u>	<u>Harrisburg</u>
<u>Tamarac Access LLC Carl Loge and Chris Bakalars</u>	<u>1980 Spruce Hollow Rd., Homer City, PA 15748</u>	<u>877-959-9130 882-7267</u>	<u>cloge@nextdayaccess.com</u> <u>cbakalars@nextdayaccess.com</u>	<u>Pittsburgh</u>

<u>Franchisee</u> <u>NAME</u>	<u>Address of Business</u> <u>ADDRESS</u>	<u>Contact</u> <u>Name</u> <u>PH</u> <u>ONE</u>	<u>Telephone</u> <u>Number</u> <u>EMAIL</u>	<u>TERRITORY</u>
SOUTH CAROLINA				
Palmetto Access, LLC	1150 Hungry Neck Rd., Suite C-360, Mt. Pleasant, SC 29464	Bret Tharp Dennis Long	910-469-0969	
TENNESSEE				
Home Access Solutions, LLC <u>Dave Clark and Josiah Tillett (2 territories)</u>	8701 Unicorn Drive, Dr., Suite 308, Knoxville, TN 37923	865-234-0736 <u>297-6034</u>	dclark@nextdayaccess.com	Memphis, Knoxville
<u>John King</u>	<u>1740 Carney Winters Rd., Ashland City, TN 37015</u>	<u>615-933-3553</u>	<u>jking@nextdayaccess.com</u>	<u>Nashville</u>
TEXAS				
Stay in Your Home Houston, LLC (2 territories) <u>Lesli and Brien Caldwell</u>	21621 Rhodes Rd., 1922 Choate Pkwy Suite <u>H, Spring 101, Celina, TX 77388</u> <u>75009</u>	Brian Week <u>469-361-3300</u>	731-766-6164 <u>bcaldwell@nextdayaccess.com</u>	Dallas - North
BlueBonnet Accessibility LLC <u>Staci Gonzalez and Eric Smith</u>	12051 Starcrest Drive, Dr., San Antonio TX 78247	210-672-1197 <u>281-5743</u>	sgonzalez@nextdayaccess.com <u>esmith@nextdayaccess.com</u>	San Antonio
MMHG Enterprises, Inc. <u>Dave Rice (3 territories)</u>	1922 Choate Pkwy Ste 101 Celina, Tx 75009 <u>4653 Nall Rd, Suite 33, Farmers Branch, TX 75244</u>	214-972-3720 <u>257-8291</u>	drice@nextdayaccess.com	Dallas – North, Fort Worth, Dallas – Central
Texas Agile Consulting, LLC <u>Brian Week (2 territories)</u>	4653 Nall <u>21621 Rhodes Rd., Suite 33, Farmers Branch, H, Spring, TX 75244</u> <u>77388</u>	Dave Riee <u>731-344-0031</u>	469-702-8866 <u>bweek@nextdayaccess.com</u>	Katy, N. Houston
UTAH				
Jerry Gearheart, LLC	2777 S. 300 W., Salt Lake City, UT 84115	801-559-7116 <u>263-3180</u>	jgearheart@nextdayaccess.com	Salt Lake City
VIRGINIA				
James River Mobility, LLC <u>Jesse Henby</u>	3903 Castlewood Rd., Richmond, VA <u>23234</u> <u>23112</u>	804-409-4963 <u>486-7267</u>	jhenby@nextdayaccess.com	Richmond
Ray Patel, Joseph Yu, and Justin Nunes - VA AIY Solutions LLC	45681 Oakbrook Ct., Unit 110 Sterling VA 20166	Ray Patel Joseph Yu Justin Nunes <u>703-854-0001</u>	571-520-5234 <u>rpatel@nextdayaccess.com</u> <u>jyu@nextdayaccess.com</u> <u>jnunes@nextdayaccess.com</u>	Fairfax

|

OPEN

SIGNED AGREEMENTS, BUT NOT YET OPEN

As of December 31, 2023~~2024~~

~~None~~

EXHIBIT H

<u>NAME</u>	<u>ADDRESS</u>	<u>PHONE</u>	<u>EMAIL</u>	<u>TERRITORY</u>
<u>FLORIDA</u>				
<u>Jamie and Amy Powell (2 territories)</u>	<u>310 N. Wickham Rd., #120, Melbourne, FL 32935</u>	<u>321-507-5333</u>	<u>jpowell@nextdayaccess.com</u>	<u>Melbourne, Port St. Lucie</u>
<u>GEORGIA</u>				
<u>Steven Bush and Salvatore Massaro (3 territories)</u>	<u>844 Morningcreek Dr., NW, Kennesaw, GA 30152</u>	<u>668-614-4555</u>	<u>sbush@nextdayaccess.com</u> <u>smassaro@nextdayaccess.com</u>	<u>Alpharetta, SW Atlanta, SE Atlanta</u>
<u>ILLINOIS</u>				
<u>Stephan and Jennifer Nolan</u>	<u>28835 N. Herky Dr., Suite 101, Lake Bluff, IL 60011</u>	<u>224-328-2482</u>	<u>snolan@nextdayaccess.com</u> <u>jnolan@nextdayaccess.com</u>	<u>North and NW Suburbs</u>
<u>INDIANA</u>				
<u>Joe and Macy Coletti</u>	<u>50891 Sturbridge Dr., Granger, IN 46530</u>	<u>574-315-8562</u>	<u>jcoletti@nextdayaccess.com</u>	<u>Michiana</u>
<u>NEW HAMPSHIRE</u>				
<u>Devin Gunzburger</u>	<u>PO box 222, Wilmington, MA 01887</u>	<u>617-616-8553</u>	<u>dgunzburger@nextdayaccess.com</u>	<u>New Hampshire</u>

EXHIBIT F

CONTACT INFORMATION FOR FORMER FRANCHISEES
As of December 31, 2023

Contact information for franchisees who:

- have had an outlet terminated, canceled, not renewed or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during the most recently completed fiscal year; or
- have not communicated with the franchisor within 10 weeks of the disclosure document issuance date.

CLOSED
As of December 31, ~~2023~~2024

NAME	ADDRESS	PHONE	EMAIL
<u>MARYLAND</u><u>NORTH CAROLINA</u>			
Bill <u>Bret Tharp and Jenn</u> Sehuh <u>Dennis Long</u>	<u>1150 Hungry Neck Rd.,</u> <u>Suite C 360, Mt. Pleasant,</u> <u>SC 29464</u> 9019 <u>Cowenton Ave., Perry</u> <u>Hall MD 21128</u> <u>2800 Raeford Rd., PO</u> <u>Box 87677, Fayetteville,</u> <u>NC 28304</u>	443-797- 7353 <u>910-386-</u> <u>8046</u>	 btharp@nextdayaccess.com dlong@nextdayaccess.com
<u>NORTH</u><u>SOUTH CAROLINA</u>			
Robert Norment (dec'd), Red Sherpa LLC <u>Bret</u> Tharp and Dennis Long	20 Florida Ave., Black Mountain, NC 28711 <u>1150 Hungry Neck</u> <u>Rd., Suite C 360, Mt.</u> <u>Pleasant, SC 29464</u> <u>2800 Raeford Rd., PO</u> <u>Box 87677, Fayetteville,</u> <u>NC 28304</u>	828-505- 5355 <u>910-386-</u> <u>8046</u>	 btharp@nextdayaccess.com dlong@nextdayaccess.com

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

TRANSFERS
As of December 31, 2024

None

EXHIBIT G

EXHIBIT I
STATE ADDENDA

HAWAII ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

THESE FRANCHISES WILL BE/HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF REGULATORY AGENCIES OR A FINDING BY THE DIRECTOR OF REGULATORY AGENCIES THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, OR SUBFRANCHISOR, AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE, OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE OFFERING CIRCULAR, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

THIS OFFERING CIRCULAR CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

The Hawaii Department of Commerce and Consumer Affairs has required us to defer payment of the initial franchise fee until the franchisor has completed its pre-opening obligations under the franchise agreement.

No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

~~No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.~~

ILLINOIS ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

Illinois law governs the Franchise Agreement.

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement ~~which~~that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.

Your rights upon Termination and Non-Renewal of an agreement are set forth in sections 19 and 20 of the ~~the~~-Illinois Franchise Disclosure Act.

In conformance with ~~Section~~section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any ~~claims~~claim under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

“National Accounts” exist in this franchise system. The Franchisor reserves ~~the~~to right to establish, identify, negotiate the terms ~~form~~for, and service National Accounts within your Territory. The Franchisor or a third party designated by the Franchisor may provide products and services to a National Account within your territory with no compensation paid to you.

~~YOUR FAILURE TO COMPLETE INITIAL TRAINING TO FRANCHISOR'S SATISFACTION OR BEGIN OPERATING THIS FRANCHISED BUSINESS WITHIN 90 DAYS OF SIGNING THE FRANCHISE AGREEMENT WILL RESULT IN TERMINATION AND LOSS OF YOUR INVESTMENT.~~

~~AS A GUARANTEE TO PAY THE FRANCHISOR ALL AMOUNTS YOU OWE UNDER THE FRANCHISE AGREEMENT. YOU MUST GRANT THE FRANCHISOR A SECURITY INTEREST IN ALL OF YOUR ASSETS, EQUIPMENT, FURNITURE, FIXTURES, PHYSICAL BUILDINGS AND ALL PROCEEDS FROM THE OPERATION OF YOUR BUSINESS.~~

The Illinois Office of the Attorney General requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement except for certain ongoing fees such as the Field Service Software Fee and Google Workspace Fee, until the date that we begin providing such related services to you.

ILLINOIS ADDENDUM TO FRANCHISE AGREEMENT

To the extent the Illinois Franchise Disclosure Act, Ill. Comp. Stat. §§705/1 – 705/44 applies, the terms of this Addendum apply.

1. Notwithstanding anything to the contrary contained in the Franchise Agreement, to the extent that the Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

Illinois law governs the ~~Franchise Agreement~~agreements between the parties to this franchise.

~~In conformance with~~ Section 4 of the Illinois Franchise Disclosure Act, ~~provides that~~ any provision in ~~a franchise agreement that~~ the Franchise Agreement which designates jurisdiction ~~and/or~~ venue in a forum outside ~~the State~~ of Illinois is void. ~~However, a franchise agreement with respect to any cause of action which otherwise is enforceable in Illinois, provided that the Franchise Agreement~~ may provide for arbitration ~~to take place in a forum~~ outside of Illinois.

~~Your rights upon Termination and Non-Renewal of an agreement set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.~~

~~In conformance with section~~Section 41 of the Illinois Franchise Disclosure Act, ~~states that~~ any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act **or any other law of Illinois** is void.

~~No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.~~

~~“National Accounts” exist in this franchise system. The Franchisor reserves the right to establish, identify, negotiate the terms form, and service National Accounts within your Territory. The Franchisor or a third party designated by the Franchisor may provide products and services to a National Account within your territory with no compensation paid to you.~~

~~YOUR FAILURE TO COMPLETE INITIAL TRAINING TO FRANCHISOR’S SATISFACTION OR BEGIN OPERATING THIS FRANCHISED BUSINESS WITHIN 90 DAYS OF SIGNING THE FRANCHISE AGREEMENT WILL RESULT IN TERMINATION AND LOSS OF YOUR INVESTMENT.~~

~~AS A GUARANTEE TO PAY THE FRANCHISOR ALL AMOUNTS YOU OWE UNDER THE FRANCHISE AGREEMENT. YOU MUST GRANT THE FRANCHISOR A SECURITY INTEREST IN ALL OF YOUR ASSETS, EQUIPMENT, FURNITURE, FIXTURES, PHYSICAL BUILDINGS AND ALL PROCEEDS FROM THE OPERATION OF YOUR BUSINESS.~~

~~Your rights upon Termination and Non-Renewal of an agreement are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.~~

~~Financial Assurances. The Illinois Attorney General’s Office has required, and we have obtained a surety bond due to our financial condition as reported in our Financial Statements.~~

2. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.

~~3. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.~~

~~This Addendum is being entered into in connection with the Franchise Agreement. In the event of any conflict between this Addendum and the Franchise Agreement, the terms and conditions of this Addendum shall apply.~~

~~IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.~~

~~FRANCHISOR: _____ FRANCHISEE: _____
Next Day Access, LLC _____
A Tennessee Limited Liability Company _____~~

~~By: Stephen D. Greenwald _____ By: _____
Title: In house Counsel _____ Title: _____~~

~~_____~~

~~INDIANA ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT~~

~~1. To be added to Item 3 of the Disclosure Document, is the following statement:
There are presently no arbitration proceedings to which the Franchisor is a party.~~

~~2. Item 17 of the Disclosure Document is amended to reflect the requirement under
Indiana Code 23-2-2.7-1(9), which states that any post term non-compete covenant
must not extend beyond the franchisee's exclusive APR.~~

~~3. Item 17 is amended to state that this is subject to Indiana Code 23-2-2.7-1(10).~~

~~4. Under Indiana Code 23-2-2.7-1(10), jurisdiction and venue must be in Indiana if
the franchisee so requests. The appropriate sections of the Franchise Agreement are
hereby amended.~~

~~5. Under Indiana Code 23-2-2.7-1(10), franchisee may not agree to waive any claims or rights.~~

~~3. _____~~

~~6. No statement, questionnaire, or ~~acknowledgment~~acknowledgement signed or agreed to
by a franchisee in connection with the commencement of the franchise relationship shall have the effect of:
(i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii)
disclaiming reliance on ~~any statement made by any franchisor, franchise seller, or other person acting~~
~~on~~ behalf of the ~~franchisor~~Franchisor. This provision supersedes any other term of any document executed
in connection with the franchise.~~

~~The Illinois Office of the Attorney General requires us to defer payment of the initial franchise fee
and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-
opening obligations under the franchise agreement except for certain ongoing fees such as the Field Service
Software Fee and Google Workspace Fee, until the date that we begin providing such related services to
you.~~

~~This Addendum is being entered into in connection with the Franchise Agreement. In the event of
any conflict between this Addendum and the Franchise Agreement, the terms and conditions of this
Addendum shall apply.~~

~~IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date
Franchisor signs below.~~

~~FRANCHISOR: _____ FRANCHISEE:
Next Day Access, LLC
A Tennessee Limited Liability Company~~

~~By: Stephen D. Greenwald By:
Title: In-house Counsel Title:~~

MARYLAND ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

To the extent the Maryland Franchise Registration and Disclosure Law, Md. Code Bus. Reg. §§14-201 – 14-233 applies, the terms of this Addendum apply.

Item 5, Additional Disclosures:

The Maryland Securities Commissioner requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement, or, for certain ongoing fees including the Technology Fee and Google Workspace Fee, until the date that we begin providing such related services to you.

Item 17, Additional Disclosures:

Our termination of the Franchise Agreement because of your bankruptcy may not be enforceable under applicable federal law (11 U.S.C.A. 101 et seq.).

You may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

The general release required as a condition of renewal, sale and/or assignment/transfer will not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

~~This franchise agreement provides that disputes are resolved through arbitration. A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.~~

Acknowledgment Addendum:

The representations under this Acknowledgment Addendum are not intended, nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under ~~any~~ applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

MARYLAND ADDENDUM TO FRANCHISE AGREEMENT

To the extent the Maryland Franchise Registration and Disclosure Law, Md. Code Bus. Reg. §§14-201 – 14-233 applies, the terms of this Addendum apply.

~~1.3.~~ Notwithstanding anything to the contrary contained in the Franchise Agreement, to the extent that the Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

The general release required as a condition of renewal, sale and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

Nothing in the Franchise Agreement prevents the franchisee from bringing a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

Nothing in the Franchise Agreement operates to reduce the 3-year statute of limitations afforded to a franchisee for bringing a claim arising under the Maryland Franchise Registration and Disclosure Law. Further, any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

The Federal Bankruptcy laws may not allow the enforcement of the provisions for termination upon bankruptcy of the franchisee.

4. The Maryland Securities Commissioner requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement except for certain ongoing fees such as the Field Service Software Fee and Google Workspace Fee, until the date that we begin providing such related services to you.

5. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.

6. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

~~This franchise agreement provides that disputes are resolved through arbitration. A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.~~

~~2.~~ No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed ~~with the franchisee.~~

~~3. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.~~

~~4. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.~~

~~7. This Addendum is being entered into in connection with the Franchise Agreement. In the event of any conflict between this Addendum and the Franchise Agreement, the terms and conditions of this Addendum shall apply franchise.~~

This Addendum is being entered into in connection with the Franchise Agreement. In the event of any conflict between this Addendum and the Franchise Agreement, the terms and conditions of this Addendum shall apply.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

FRANCHISOR:

FRANCHISEE:

Next Day Access, LLC

A Tennessee Limited Liability Company

By: Stephen D. Greenwald

Title: In-house Counsel

By:

Title:

Next Day Access, LLC

A Tennessee Limited Liability Company

By: Stephen D. Greenwald

Title: In-house Counsel

By:

Title:

MINNESOTA ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

To the extent the Minnesota Franchise Act, Minn. Stat. §§80C.01 – 80C.22 applies, the terms of this Addendum apply.

State Cover Page and Item 17, Additional Disclosures:

Minn. Stat. Sec. 80C.21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside of Minnesota, requiring waiver of a jury trial or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Disclosure Document shall abrogate or reduce any of your rights as provided for in Minn. Stat. Sec. 80C, or your rights to any procedure, forum or remedies provided for by the laws of the jurisdiction.

Franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. A court will determine if a bond is required.

Items 5 and 7:

The Minnesota Department of Commerce has required us to defer payment of the initial franchise fee until the franchisor has completed its pre-opening obligations under the franchise agreement.

Item 13, Additional Disclosures:

The Minnesota Department of Commerce requires that a franchisor indemnify Minnesota Franchisees against liability to third parties resulting from claims by third parties that the franchisee's use of the franchisor's trademark infringes upon the trademark rights of the third party. The franchisor does not indemnify against the consequences of a franchisee's use of a franchisor's trademark except in accordance with the requirements of the franchise agreement, and as the condition to an indemnification, the franchisee must provide notice to the franchisor of any such claim immediately and tender the defense of the claim to the franchisor. If the franchisor accepts tender of defense, the franchisor has the right to manage the defense of the claim, including the right to compromise, settle or otherwise resolve the claim, or to determine whether to appeal a final determination of the claim.

Item 17, Additional Disclosures:

Any condition, stipulation or provision, including any choice of law provision, purporting to bind any person who, at the time of acquiring a franchise is a resident of the State of Minnesota or in the case of a partnership or corporation, organized or incorporated under the laws of the State of Minnesota, or purporting to bind a person acquiring any franchise to be operated in the State of Minnesota to waive compliance or which has the effect of waiving compliance with any provision of the Minnesota Franchise Law is void.

We will comply with Minn. Stat. Sec. 80C.14, subs. 3, 4 and 5, which requires, except in certain specified cases, that a franchisee be given 90 days notice of termination (with 60 days to cure), 180 days notice for nonrenewal of the Franchise Agreement, and that consent to the transfer of the franchise will not be unreasonably withheld.

Minnesota Rule 2860.4400D prohibits a franchisor from requiring a franchisee to assent to a general release, assignment, novation, or waiver that would relieve any person from liability imposed by Minnesota Statute §§80C.01 – 80C.22.

The limitations of claims section must comply with Minn. Stat. Sec. 80C.17, subd. 5.

No statement, questionnaire, or ~~acknowledgment~~acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including, fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed with the franchise.

MINNESOTA ADDENDUM TO FRANCHISE AGREEMENT

To the extent the Minnesota Franchise Act, Minn. Stat. §§80C.01 – 80C.22 applies, the terms of this Addendum apply.

1. Notwithstanding anything to the contrary contained in the Franchise Agreement, to the extent that the Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

With respect to franchises governed by Minnesota Franchise Law, franchisor shall comply with Minn. Stat. Sec. 80C.14, subd. 4 which requires that except for certain specified cases, that franchisee be given 180 days' notice for non-renewal of this Franchise Agreement.

The Minnesota Department of Commerce requires that franchisor indemnify franchisees whose franchise is located in Minnesota against liability to third parties resulting from claims by third parties that the franchisee's use of franchisor's trademarks ("Marks") infringe upon the trademark rights of the third party. Franchisor does not indemnify against the consequences of a franchisee's use of franchisor's trademark but franchisor shall indemnify franchisee for claims against franchisee solely as it relates to franchisee's use of the Marks in accordance with the requirements of the Franchise Agreement and franchisor's standards. As a further condition to indemnification, the franchisee must provide notice to franchisor of any such claim immediately and tender the defense of the claim to franchisor. If franchisor accepts tender of defense, franchisor has the right to manage the defense of the claim, including the right to compromise, settle or otherwise resolve the claim, or to determine whether to appeal a final determination of the claim.

Franchisee will not be required to assent to a release, assignment, novation, or waiver that would relieve any person from liability imposed by Minnesota Statute §§ 80C.01 – 80C.22.

With respect to franchises governed by Minnesota Franchise Law, franchisor shall comply with Minn. Stat. Sec. 80C.14, subd. 3 which requires that except for certain specified cases, a franchisee be given 90 days' notice of termination (with 60 days to cure). Termination of the franchise by the franchisor shall be effective immediately upon receipt by franchisee of the notice of termination where its grounds for termination or cancellation are: (1) voluntary abandonment of the franchise relationship by the franchisee; (2) the conviction of the franchisee of an offense directly related to the business conducted according to the Franchise Agreement; or (3) failure of the franchisee to cure a default under the Franchise Agreement which materially impairs the goodwill associated with the franchisor's trade name, trademark, service mark, logo type or other commercial symbol after the franchisee has received written notice to cure of at least twenty-four (24) hours in advance thereof.

According to Minn. Stat. Sec. 80C.21 in Minnesota Rules or 2860.4400J, the terms of the Franchise Agreement shall not in any way abrogate or reduce your rights as provided for in Minn. Stat. 1984, Chapter 80C, including the right to submit certain matters to the jurisdiction of the courts of Minnesota. In addition, nothing in this Franchise Agreement shall abrogate or reduce any of franchisee's rights as provided for in Minn. Stat. Sec. 80C, or your rights to any procedure, forum or remedy provided for by the laws of the State of Minnesota.

Any claims franchisee may have against the franchisor that have arisen under the Minnesota Franchise Laws shall be governed by the Minnesota Franchise Law.

The Franchise Agreement contains a waiver of jury trial provision. This provision may not be enforceable under Minnesota law.

Franchisee consents to the franchisor seeking injunctive relief without the necessity of showing actual or threatened harm. A court shall determine if a bond or other security is required.

The Franchise Agreement contains a liquidated damages provision. This provision may not be enforceable under Minnesota law.

Any action pursuant to Minnesota Statutes, Section 80C.17, Subd. 5 must be commenced no more than 3 years after the cause of action accrues.

2. The Minnesota Department of Commerce has required us to defer payment of the initial franchise fee until the franchisor has completed its pre-opening obligations under the franchise agreement.

3. ~~No statement, questionnaire, or acknowledgment~~acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including, fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed with the franchise.

~~2.~~

3-4. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.

4-5. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

This Addendum is being entered into in connection with the Franchise Agreement. In the event of any conflict between this Addendum and the Franchise Agreement, the terms and conditions of this Addendum shall apply.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

FRANCHISOR: _____ FRANCHISEE:
Next Day Access, LLC
A Tennessee Limited Liability Company

By: Stephen D. Greenwald By: _____
Title: In-house Counsel Title: _____

Next Day Access, LLC
A Tennessee Limited Liability Company

By: Stephen D. Greenwald By: _____
Title: In-house Counsel Title: _____

|

NEW YORK ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

1. The following information is added to the cover page of the Franchise Disclosure Document:

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NYS DEPARTMENT OF LAW, INVESTOR PROTECTION BUREAU, 28 LIBERTY STREET, 21st FLOOR, NEW YORK, NEW YORK 10005. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

~~INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR RESOURCES OR INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN ANYTHING IN THIS FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND THE APPROPRIATE STATE OR PROVINCIAL AUTHORITY. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS THAT ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.~~

2. The following is ~~to be~~ added at the end of Item 3:

Except as provided above, ~~the following applies with regard~~ to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

- ~~A. A.~~—No such party has an administrative, criminal, or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable civil or misdemeanor allegations.
- ~~B. B.~~—No such party has pending actions, other than routine litigation incidental to the business ~~that is, which are~~ significant in the context of the number of franchisees and the size, nature, or financial condition of the franchise system or its business operations.
- C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the ~~ten years~~ 10 year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud, or securities law; fraud; embezzlement;

fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.

- D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise₂ or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation₇ or trade practice law₂ resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. The following is added to the end of Item 4:

Neither the franchisor, its affiliate, its predecessor, officers, or general partner during the 10 year period immediately before the date of the offering circular: (a) filed as debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its debts under the bankruptcy code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the U.S. Bankruptcy Code during or within 1 year after that officer or general partner of the franchisor held this position in the company or partnership.

4. The following is added to the end of Item 5:

The initial franchise fee constitutes part of our general operating funds and will be used as such at our discretion.

~~3.5.~~ The following is added to the end of the “Summary” sections of Item 17(c), titled “**Requirements for a franchisee to renew or extend,**” and Item 17(m), entitled “**Conditions for franchisor approval of transfer**”:

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso ~~intends~~ that the nonwaiver provisions of General Business Law Sections 687~~(.4)~~ and 687~~(.5)~~ be satisfied.

~~4.6.~~ The following language replaces the “Summary” section of Item 17(d), titled “**Termination by a franchisee**”:~~“You may terminate the agreement on any grounds available by law.”~~

You may terminate the agreement on any grounds available by law.

7. The following is added to the end of the “Summary” section of Item 17(j), titled “Assignment of contract by franchisor”:

However, no assignment will be made except to an assignee who in good faith and judgment of the franchisor, is willing and financially able to assume the franchisor’s obligations under the Franchise Agreement.

~~5.8.~~ The following is added to the end of the “Summary” sections of Item 17(v), titled “**Choice of forum**”~~”~~, and Item 17(w), titled “**Choice of law**”:

The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or upon the franchisee by Article 33 of the General Business Law of the State of New York.

~~6. Franchise Questionnaires and Acknowledgements—No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.~~

~~7. Receipts—Any sale made must be in compliance with § 683(8) of the Franchise Sale Act (N.Y. Gen. Bus. L. § 680 et seq.), which describes the time period a Franchise Disclosure Document (offering prospectus) must be provided to a prospective franchisee before a sale may be made. New York law requires a franchisor to provide the Franchise Disclosure Document at the earliest of the first personal meeting, ten (10) business days before the execution of the franchise or other agreement, or the payment of any consideration that relates to the franchise relationship.~~



~~DISCLOSURES REQUIRED BY NORTH CAROLINA LAW~~

~~The State of North Carolina has not reviewed and does not approve, recommend, endorse or sponsor any business opportunity. The information contained in this disclosure has not been verified by the State. If you have any questions about this investment, see an attorney before you sign a contract or agreement.~~

~~If the seller fails to deliver the product(s), equipment or supplies necessary to begin substantial operation of the business within 45 days of the delivery date stated in your contract, you may notify the seller in writing and demand that the contract be cancelled. (N.C.G.S. §66-95)~~

~~Effective Date: April 1, 2024~~

NORTH DAKOTA ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT AND FRANCHISE AGREEMENT

For franchises and franchisees subject to the North Dakota Franchise Investment Law, the following information replaces or supplements the corresponding disclosures in the main body of the text of the Next Day Access, LLC Franchise Disclosure Document and corresponding provisions of the Franchise Agreement:

Item 17.

The North Dakota Securities Commissioner has determined that it is unfair and inequitable under the North Dakota Franchise Investment Law to the franchisor to require the franchisee to sign a general release upon renewal of the Franchise Agreement. Therefore, the requirement that the franchisee signs a release upon renewal of the Franchise Agreement is deleted from Item 17(c), and any other place it appears in the Franchise Disclosure Document and the Franchise Agreement.

The Commissioner has determined that any requirement for franchisees to consent to termination or liquidated damages is unfair, unjust, and inequitable within the intent of the North Dakota Franchise Investment Law. Any references in the Disclosure Document requiring franchisees to consent to termination penalties or liquidated damages are deleted in Disclosure Document and Franchise Agreement.

Covenants not to compete such as those mentioned in Item 17 of the Franchise Disclosure Document and the Franchise Agreement are generally considered unenforceable in the State of North Dakota.

Under the North Dakota Franchise Investment Law, any provision requiring franchisees to consent to the jurisdiction of courts outside North Dakota or to consent to the application of laws of a state other than North Dakota is void. Any mediation or arbitration will be held at a site agreeable to all parties. The laws of North Dakota will govern any dispute.

The Franchise Agreement includes a waiver of exemplary and punitive damages. That requirement will not apply to North Dakota franchisees and is deemed deleted in each place it appears in the Franchise Disclosure Document and Franchise Agreement.

The Franchise Agreement requires franchisees to consent to a waiver of trial by jury. That requirement will not apply to North Dakota franchisees and is deemed deleted in each place it appears in the Franchise Disclosure Document and Franchise Agreement.

The Franchise Disclosure Document and Franchise Agreement state that franchisees must consent to the jurisdiction of courts in the State of ~~Tennessee~~Michigan. That requirement will not apply to North Dakota franchisees and is deemed deleted in each place it appears in the Franchise Disclosure Document and Franchise Agreement.

The Franchise Agreement requires franchisees to consent to a limitation of claims within one year. That requirement will not apply to North Dakota franchisees and, instead, the statute of limitations under North Dakota law will apply.

For North Dakota franchisees, the prevailing party in any enforcement action is entitled to recover all costs and expenses, including attorneys' fees.

Based upon the franchisor's financial condition, the North Dakota Securities Department has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. ~~This provision supersedes any other term of any document executed in connection with the franchise.~~ This provision supersedes any other term of any document executed in connection with the franchise.

Each provision of this Addendum to the Franchise Disclosure Document shall be effective only to the extent, with respect to such provision, the jurisdictional requirements of the North Dakota Franchise Investment Law are met independently, without reference to this Addendum to the Franchise Disclosure Document, and only to the extent such provision is a then valid requirement of the statute.

This Addendum is being entered into in connection with the Franchise Agreement. In the event of any conflict between this Addendum and the Franchise Agreement, the terms and conditions of this Addendum shall apply.

____ IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

FRANCHISOR: _____ FRANCHISEE:
Next Day Access, LLC
A Tennessee Limited Liability Company

By: Stephen D. Greenwald By: _____
Title: In-house Counsel Title: _____

Next Day Access, LLC
A Tennessee Limited Liability Company

By: Stephen D. Greenwald By: _____
Title: In-house Counsel Title: _____

~~ADDENDUM REQUIRED BY THE STATE OF RHODE ISLAND~~

~~The following amends Item 17 and is required to be included within the Disclosure Document and shall be deemed to supersede the language in the Disclosure Document itself:~~

~~Section 19 28.1 14 of the Rhode Island Franchise Investment Act provides that: "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside of this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act."~~

~~No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed with the franchise.~~

VIRGINIA ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

To the extent the Virginia Retail Franchising Act, Va. Code §§13.1-557 – 13.1-574 applies, the terms of this Addendum apply.

Item 5, Additional Disclosures:

The Virginia State Corporation Commission's Division of Securities and Retail Franchising requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement, or, for certain ongoing fees including the Technology Fee and Google Workspace Fee, until the date that we begin providing such related services to you.

Item 17, Additional Disclosures:

Any provision in any of the contracts that you sign with us which provides for termination of the franchise upon the bankruptcy of the franchisee may not be enforceable under federal bankruptcy law (11 U.S.C. 101 et. seq.).

“According to Section 13.1 – 564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the franchise agreement does not constitute “reasonable cause,” as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.”

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

VIRGINIA ADDENDUM TO FRANCHISE AGREEMENT

To the extent the Virginia Retail Franchising Act, Va. Code §§13.1-557 – 13.1-574 applies, the terms of this Addendum apply.

1. Notwithstanding anything to the contrary contained in the Franchise Agreement, to the extent that the Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

“According to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any ground for default or termination stated in the franchise agreement does not constitute “reasonable cause,” as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.”

“The Virginia State Corporation Commission's Division of Securities and Retail Franchising requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement, or, for certain ongoing fees including the Technology Fee and Google Workspace Fee, until the date that we begin providing such related services to you.”

2. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.

~~“According to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any ground for default or termination stated in the franchise agreement does not constitute “reasonable cause,” as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.”~~

~~2.1. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.~~

3. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

4. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

This Addendum is being entered into in connection with the Franchise Agreement. In the event of any conflict between this Addendum and the Franchise Agreement, the terms and conditions of this Addendum shall apply.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

FRANCHISOR:

Next Day Access, LLC

A Tennessee Limited Liability Company

____FRANCHISEE:

By: Stephen D. Greenwald By:
Title: In-house Counsel Title:

~~A Tennessee Limited Liability Company~~ Next Day Access, LLC

By: Stephen D. Greenwald By:
Title: In-house Counsel Title:

**WASHINGTON ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT,
FRANCHISE AGREEMENT, ~~MULTI-UNIT AGREEMENT~~ AND ~~OTHER ALL~~ RELATED
AGREEMENTS.**

The provisions of this Addendum form an integral part of, are incorporated into, and modify the Franchise Disclosure Document, the franchise agreement, and all related agreements regardless of anything to the contrary contained therein. This Addendum applies if: (a) the offer to sell a franchise is accepted in Washington; (b) the purchaser of the franchise is a resident of Washington; and/or (c) the franchised business that is the subject of the sale is to be located or operated, wholly or partly, in Washington.

1. **Conflict of Laws.** In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, ~~Chapter~~chapter 19.100 RCW will prevail.
2. **Franchisee Bill of Rights.** RCW 19.100.180 may supersede provisions in the franchise agreement ~~in or related agreements concerning~~ your relationship with the franchisor, including in the areas of termination and renewal of your franchise. There may also be court decisions ~~which may that~~ supersede the franchise agreement ~~in or related agreements concerning~~ your relationship with the franchisor ~~including the areas of termination and renewal of your franchise.~~ Franchise agreement provisions, including those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.
3. **Site of Arbitration, Mediation, and/or Litigation.** In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the ~~State~~state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

~~4. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.~~
4. **General Release.** A release or waiver of rights ~~executed by a franchisee may not include rights~~ in the franchise agreement or related agreements purporting to bind the franchisee to waive compliance with any provision under the Washington Franchise Investment Protection Act or any ~~rule~~rules or ~~order~~orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).
5. **Statute of Limitations and Waiver of Jury Trial.** Provisions ~~such as those which contained in the franchise agreement or related agreements that~~ unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.
6. **Transfer Fees.** Transfer fees are collectable only to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.
7. Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, **Termination by Franchisee.**

- The franchisee may terminate the franchise agreement under any grounds permitted under state law.
8. **Certain Buy-Back Provisions.** Provisions in franchise agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term of the franchise agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchise is terminated for good cause.
 9. **Fair and Reasonable Pricing.** Any provision in the franchise agreement or related agreements that requires the franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any to purchase or rent any product or service for more than a fair and reasonable price is unlawful under RCW 19.100.180(2)(d).
 10. **Waiver of Exemplary & Punitive Damages.** RCW 19.100.190 permits franchisees to seek treble damages under certain circumstances. Accordingly, provisions contained in the franchise agreement or elsewhere requiring franchisees to waive exemplary, punitive, or similar damages are void, except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2).
 11. **Franchisor's Business Judgement.** Provisions in the franchise agreement or related agreements stating that the franchisor may exercise its discretion on the basis of its reasonable business judgment may be limited or superseded by RCW 19.100.180(1), which requires the parties to deal with each other in good faith.
 12. **Indemnification.** Any provision in the franchise agreement or related agreements requiring the franchisee to indemnify, reimburse, defend, or hold harmless the franchisor or other parties is hereby modified such that the franchisee has no obligation to indemnify, reimburse, defend, or hold harmless the franchisor or any other indemnified party for losses or liabilities to the extent that they are caused by the indemnified party's negligence, willful misconduct, strict liability, or fraud.
 13. **Attorneys' Fees.** If the franchise agreement or related agreements require a franchisee to reimburse the franchisor for court costs or expenses, including attorneys' fees, such provision applies only if the franchisor is the prevailing party in any judicial or arbitration proceeding.
 14. **Noncompetition Covenants.** Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). ~~that conflict~~As a result, any provision contained in the franchise agreement or elsewhere that conflicts with these limitations ~~are~~is void and unenforceable in Washington.

Nonsolicitation Agreements. RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor.

15. ~~RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor.~~ As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.
16. **Questionnaires and Acknowledgments.** No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise

relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

~~17. The franchisor may use the services of franchise brokers to assist it in selling franchises.~~
Prohibitions on Communicating with Regulators. Any provision in the franchise agreement or related agreements that prohibits the franchisee from communicating with or complaining to regulators is inconsistent with the express instructions in the Franchise Disclosure Document and is unlawful under RCW 19.100.180(2)(h).

18. Advisory Regarding Franchise Brokers. Under the Washington Franchise Investment Protection Act, a “franchise broker” is defined as a person that engages in the business of the offer or sale of franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. ~~Do not rely on the~~ If a franchisee is working with a franchise broker, franchisees are advised to carefully evaluate any information provided by the franchise broker about a franchise. Do your own investigation by contacting the franchisor’s current and former franchisees to ask them about their experience with the franchisor.

~~No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed with the franchise.~~

~~WASHINGTON ADDENDUM TO FRANCHISE AGREEMENT, MULTI UNIT AGREEMENT AND ACKNOWLEDGEMENT ADDENDUM AND ANY RELATED AGREEMENTS~~

~~To the extent the Washington Franchise Investment Protection Act, Wash. Rev. Code §§19.100.010—19.100.940 applies, the terms of this Addendum apply.~~

~~1. Notwithstanding anything to the contrary contained in the Franchise Agreement, to the extent that the Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:~~

~~In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.~~

~~RCW 19.100.180 may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.~~

~~In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the State of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.~~

~~A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial may not be enforceable.~~

~~Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.~~

~~Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.~~

~~RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.~~

~~2. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed with the franchise.~~

19. The Washington Department of Financial Institutions requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement, or, for certain ongoing fees including the Client Management Software Fee, Technology Fee and Google Workspace Fee, until the date that we begin providing such related services to you.

~~3.1. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.~~

~~4.1. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.~~

~~This Addendum is being entered into in connection with the Franchise Agreement. In the event of any conflict between this Addendum and the Franchise Agreement, the terms and conditions of this Addendum shall apply.~~

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

FRANCHISOR:

FRANCHISEE:

Next Day Access, LLC

A Tennessee Limited Liability Company

By: Stephen D. Greenwald

Title: In-house Counsel

By:

Title:

Next Day Access, LLC

A Tennessee Limited Liability Company

By: Stephen D. Greenwald

Title: In-house Counsel

By:

Title:

|

WISCONSIN ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

To the extent the Wisconsin Franchise Investment Law, Wis. Stat. §§553.01 – 553.78 or Wisconsin Fair Dealership Law, Wis. Stat. §§135.01 – 135.07 applies, the terms of this Addendum apply.

Item 17, Additional Disclosures:

For all franchisees residing in the State of Wisconsin, we will provide you at least 90 days' prior written notice of termination, cancellation or substantial change in competitive circumstances. The notice will state all the reasons for termination, cancellation or substantial change in competitive circumstances and will provide that you have 60 days in which to cure any claimed deficiency. If this deficiency is cured within 60 days, the notice will be void. If the reason for termination, cancellation or substantial change in competitive circumstances is nonpayment of sums due under the franchise, you will have 10 days to cure the deficiency.

For Wisconsin franchisees, Ch. 135, Stats., the Wisconsin Fair Dealership Law, supersedes any provisions of the Franchise Agreement or a related contract which is inconsistent with the Law.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed with the franchise.

WISCONSIN ADDENDUM TO FRANCHISE AGREEMENT

To the extent the Wisconsin Franchise Investment Law, Wis. Stat. §§553.01 – 553.78 or Wisconsin Fair Dealership Law, Wis. Stat. §§135.01 – 135.07 applies, the terms of this Addendum apply.

1. Notwithstanding anything to the contrary contained in the Franchise Agreement, to the extent that the Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

To the extent any of the provisions regarding notice of termination or change in dealership are in conflict with Section 135.04 of the Wisconsin Fair Dealership Law, the Wisconsin law shall apply.

2. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.

3. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

This Addendum is being entered into in connection with the Franchise Agreement. In the event of any conflict between this Addendum and the Franchise Agreement, the terms and conditions of this Addendum shall apply.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

FRANCHISOR: **WISCONSIN ADDENDUM TO FRANCHISE AGREEMENT**

~~To the extent the Wisconsin Franchise Investment Law, Wis. Stat. §§553.01 – 553.78 or Wisconsin Fair Dealership Law, Wis. Stat. §§135.01 – 135.07 applies, the terms of this Addendum apply.~~

~~1. Notwithstanding anything to the contrary contained in the Franchise Agreement, to the extent that the Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:~~

~~To the extent any of the provisions regarding notice of termination or change in dealership are in conflict with Section 135.04 of the Wisconsin Fair Dealership Law, the Wisconsin law shall apply.~~

~~2. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed with the franchise.~~

~~3.1. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.~~

~~4.1. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.~~

~~This Addendum is being entered into in connection with the Franchise Agreement. In the event of any conflict between this Addendum and the Franchise Agreement, the terms and conditions of this Addendum shall apply.~~

~~IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date~~

~~Franchisor signs below.~~

~~FRANCHISOR:~~

FRANCHISEE:

Next Day Access, LLC

A Tennessee Limited Liability Company

By: Stephen D. Greenwald

By:

Title: In-house Counsel

Title:

EXHIBIT H

State Effective Dates

~~Next Day Access, LLC~~ _____

~~A Tennessee Limited Liability Company~~ _____

~~By: Stephen D. Greenwald~~ _____ ~~By:~~ _____

~~Title: In house Counsel~~ _____ ~~Title:~~ _____

EXHIBIT J

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	Different Form of FDD
<u>Florida</u>	<u>Effective</u>
Hawaii	Pending Registration
Illinois	Pending Registration
Indiana	<u>April 16, 2024</u> <u>Pending Registration</u>
<u>Kentucky</u>	<u>Effective</u>
Maryland	Pending Registration
Michigan	Effective
Minnesota	<u>May 3, 2024</u> <u>Pending Registration</u>
<u>Nebraska</u>	<u>Effective</u>
New York	Pending Registration
North Dakota	Pending Registration
Rhode Island	<u>April 23, 2024</u> <u>Pending Registration</u>
South Dakota	<u>April 1, 2024</u> <u>Pending Registration</u>
<u>Texas</u>	<u>Effective</u>
<u>Utah</u>	<u>Effective</u>
Virginia	<u>April 16, 2024</u> <u>Pending Registration</u>
Washington	Pending Registration
Wisconsin	<u>April 1, 2024</u> <u>Pending Registration</u>

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.

EXHIBIT ~~KI~~

RECEIPT

This ~~Disclosure Document~~disclosure document summarizes certain provisions of the Franchise Agreement for a Next Day Access franchise agreement and other information in plain language. Read this ~~Disclosure Document~~disclosure document and all agreements carefully.

The Federal Trade Commission requires Next Day Access, LLC to provide this disclosure document to you fourteen (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.

In New York, New York law requires a franchisor to provide the franchise 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.

If Next Day Access, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal 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 listed in Exhibit C.

Franchise Seller: Next Day Access, LLC; 900 Wilshire Drive, Suite 102, Troy, MI 48084; 919-632-4902

Sellers: Janet Diaz: 900 Wilshire Drive, Suite 102, Troy, MI 48084; 913-632-4902

Mike Gardner: 900 Wilshire Drive, Suite 102, Troy, MI 48084; 913-632-4902

David Tarr: 900 Wilshire Drive, Suite 102, Troy, MI 48084; 913-632-4902

Date of Issuance: March 17, 2025

This disclosure document included the following Exhibits:

- Exhibit A Financial Statements
- Exhibit B Franchise Agreement
- Exhibit C State Administrators and Agents for Service of Process
- Exhibit D Power of Attorney – Telephone and Internet
- Exhibit E Sample Deposit Agreement
- Exhibit F Sample Release Agreement
- Exhibit G List of Franchise Locations
- Exhibit H Contact Information for Former Franchisees
- Exhibit I State Addenda
- Exhibit J State Effective Dates
- Exhibit K Receipts

PROSPECTIVE FRANCHISEE:

By: _____ By: _____

Print Name: _____ Print Name: _____

Date: _____ Date: _____

RECEIPT

~~If we offer you a~~ This disclosure document summarizes certain provisions of the franchise for agreement and other information in plain language. Read this disclosure document and all agreements carefully.

~~The Federal Trade Commission requires~~ Next Day Access-business, we must, LLC to provide this Disclosure Document ~~disclosure document~~ to you fourteen (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 you to receive this Franchise Disclosure Document at the earlier of the first personal meeting or 10 business days before execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

In New York, New York law requires a franchisor to provide the franchise 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.

~~If we do~~ Next Day Access, LLC does ~~not deliver this Disclosure Document~~ 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 ~~you should report it~~ be reported to the Federal Trade Commission, Washington, D.C. 20580, and the ~~applicable~~ appropriate state agency listed ~~on~~ in Exhibit A to this Disclosure Document C.

~~This disclosure document and the offer of the sale of a Next Day Access is being provided by Next Day Access, LLC, 3150 Stage Post Drive, Suite 101, Bartlett, TN 38133; (901) 386-1832. Our registered agent for service of process in Tennessee is Paul Clark, 7852 Anna Calla Way, Bartlett, TN 38133.~~

~~The specific person providing the offer of the sale of this Next Day Access franchise is David Tarr, 3150 Stage Post Dr., Suite 101, Bartlett, TN 38133; (800) 423-0751.~~

~~I have received the Next Day Access, LLC Franchise Disclosure Document issued April 1, 2024 (or the later date set forth for each applicable state on the State Cover Page to this Disclosure Document), which includes the following exhibits:~~

~~List of Franchise Seller: Next Day Access, LLC; 900 Wilshire Drive, Suite 102, Troy, MI 48084; 919-632-4902~~
~~Sellers: Janet Diaz: 900 Wilshire Drive, Suite 102, Troy, MI 48084; 919-632-4902~~
~~Mike Gardner: 900 Wilshire Drive, Suite 102, Troy, MI 48084; 913-632-4902~~
~~David Tarr: 900 Wilshire Drive, Suite 102, Troy, MI 48084; 913-632-4902~~

Date of Issuance: March 17, 2025

This disclosure document included the following Exhibits:

Exhibit A Financial Statements

Exhibit B Franchise Agreement

~~A.~~ Exhibit C State Administrators and Agents for Service of Process

~~B.~~ List of Current Franchisees

Exhibit D Power of Attorney – Telephone and Internet

Exhibit E Sample Deposit Agreement

Exhibit F Sample Release Agreement

Exhibit G List of Franchise Locations

~~C.~~ Exhibit H Contact Information for Former Franchisees

~~D.~~ Financial Statements

~~E.~~ Franchise Agreement (with addenda)

~~F.~~ Conversion Amendment

~~G.~~ Honored Veteran

~~H.~~ Release Agreement

~~I.~~ Operating Manual Table of Contents

~~J.~~ Exhibit I State Addenda

~~K.~~ State Effective Dates

Exhibit J State Effective Dates

~~L.~~ Exhibit K Receipts

Date: _____

Your Name (Please PROSPECTIVE FRANCHISEE):

By: _____ By: _____

Print Name: _____ Print Name: _____

Your Signature: _____

RECEIPT

~~This Disclosure Document summarizes provisions of the Franchise Agreement for a Next Day Access franchise and other information in plain language. Read this Disclosure Document and all agreements carefully.~~

~~If we offer you a franchise for a Next Day Access business, we 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 you to receive this Franchise Disclosure Document at the earlier of the first personal meeting or 10 business days before execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.~~

~~If we do not deliver this Disclosure Document on time or if it contains a false or misleading statement or a material omission, a violation of federal and state law may have occurred and you should report it to the Federal Trade Commission, Washington, D.C. 20580, and the applicable state agency listed on Exhibit A to this Disclosure Document.~~

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- ~~A. List of State Administrators and Agents for Service of Process~~
- ~~B. List of Current Franchisees~~
- ~~C. List of Former Franchisees~~
- ~~D. Financial Statements~~
- ~~E. Franchise Agreement (with addenda)~~
- ~~F. Conversion Amendment~~
- ~~G. Honored Veteran~~
- ~~H. Release Agreement~~
- ~~I. Operating Manual Table of Contents~~
- ~~J. State Addenda~~
- ~~K. State Effective Dates~~
- ~~L. Receipts~~

Date: _____

Your Name (Please Print): _____

Your Signature: _____ Date: _____