

FRANCHISE DISCLOSURE DOCUMENT



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

A Two Men and a Truck® franchise (a “**Franchised Business**”) provides moving services and related services including packing and the sale of boxes and packing materials. You may purchase a Metro Market Franchise or a Mod Market Franchise (as each are defined in Item 1).

The total investment necessary to begin operations of a Franchised Business ranges from \$165,700 to \$538,700 for a Metro Market Franchise and \$107,100 to \$270,000 for a Mod Market Franchise. This includes \$50,000 to \$165,500 for a Metro Market Franchise and \$30,000 to \$40,500 for a Mod Market Franchise that must be paid to the franchisor or its affiliates. If you enter into an Area Development Agreement, the total investment necessary to have the right to develop between a total of two and five franchises (including the investment for the first franchise developed) ranges from \$218,200 to \$1,203,700. This includes \$100,000 to \$825,000 that must be paid to the franchisor or its affiliates.

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

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

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

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

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

The issuance date: May 1, 2024, as amended on September 16, 2024

Your franchise will offer commercial and household moving and other relocation services and related products and services to the public. The market for the products and services the franchise will offer is well developed and highly competitive. Your competitors will include other local and national moving or transport companies and may include truck rental agencies.

Industry-Specific Regulations

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

ITEM 2 –BUSINESS EXPERIENCE

Chief Executive Officer: ~~Greg Weller~~Jon Nobis

Mr. ~~Weller~~Nobis has been the Chief Executive Officer for us, each of the other SM Franchisors, SM Manager, RW Purchaser, and a number of other related entities since ~~December 2022~~September 2024. He has also been a Manager of RW Parent since December 2022. From March 2015 to December 2022, Mr. Weller served in various positions for SiteOne Landscape SupplySeptember 2024. From November 2021 to September 2024, Mr. Nobis served as the Chief Information Officer for SM Manager in Atlanta, Georgia, including Division President from October 2021 to December 2022, Executive Vice President of Operations from February 2020 to October 2021, and Senior Vice President Operations from May 2019 to February 2020, and Senior Vice President Supply Chain, Real Estate and Operations Excellent from January 2017 to May 2019. Mr. Weller. From March 2018 to April 2022, he was the Chief Executive Officer for TMTI in Lansing, Michigan. Mr. Nobis serves in his present capacities in Atlanta, Georgia.

Chief Financial Officer & Treasurer: ~~Anand Nainpally~~Sunil Doshi

Mr. ~~Nainpally~~Doshi has been the Chief Financial Officer & Treasurer for us, each of the other SM Franchisors, SM Manager, RW Parent, RW Purchaser, and a number of other related entities since May 2023. From June 2019 to March 2023, he served as theAugust 2024. From March June 2020 to July 2024, he served in a variety of roles for Fossil Group, Inc. in Richardson, Texas, including Executive Vice President, Chief Financial Officer and Treasurer from March 2021 to June 2024 and Senior Vice President Corporate Finance at Inspire Brands in Atlanta, Georgia. From August 2014 to December 2018, Mr. Nainpally was the Senior Vice President/Global Operations Finance for Hilton Worldwide in McLean, Virginia. Mr. Nainpally, Global Finance and Accounting and Chief Accounting Officer from June 2020 to March 2021. From February 2019 to May 2020, Mr. Doshi was the Chief Financial Officer for Mitra QSR KNE, LLC. Mr. Doshi serves in his present capacities in Atlanta, Georgia.

General Counsel: Josh Burnette

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

| Type of Fee (1) | Amount | Due Date | Remarks |
|--|--|-------------------------------------|---|
| Monthly Technology and Support Fee | <p><u>Metro Market Franchises:</u> currently, 1% of Gross Sales with a minimum payment of \$1,200 per month</p> <p><u>Mod Market Franchises:</u> currently, 2% of Gross Sales with no minimum</p> | Monthly on the 15 th | Currently, this fee covers our services relating to components of our Automation Systems (as defined and described in Item 11). We may modify this fee from time to time or change the products and services covered by this fee. <u>There is no cap on this fee.</u> |
| Fees for Sales Support Services | <p><u>Metro Market Franchises:</u> currently, 1st level --\$80 per month; additional levels of services range from \$200 to \$4,000 per month based on per call fees and a percentage of booked sales orders</p> <p><u>Mod Market Franchises:</u> currently, \$500 per month plus a \$40 per transaction fee for each completed move originating from us for the first 12 months (and after if you employ a CSR); after 12 months, \$2,500 per month with no transaction fee if you do not employ a CSR</p> | Last business day of month incurred | We may require you to obtain customer sales support services from us, including call answering, sales support, and other customer service and communication services during and after business hours. All Metro Market Franchises must use the 1 st level of services (which includes disaster recovery support, corporate inquiries responses, and national account inquiries with certain accounts). Additional service levels are optional for Metro Market Franchises but may be required for franchises with performance issues. Mod Market Franchises are required to use all sales support services offered by us unless approved otherwise. “CSR” means customer service representative. We may change the fees from time to time, <u>and there is no cap on these fees.</u> |
| Records and Bookkeeping Fees | \$500 to \$1,500 per month; late fee of \$100 for failure to timely submit data | Last business day of month incurred | Payable if you obtain records and bookkeeping services from us. These services are optional for Metro Market Franchises and required for Mod Market Franchises. If you obtain these services from us, you must sign an agreement in the form attached as Exhibit J. |
| Local Digital Advertising Fees | 100% of digital advertising spend billed to us by all managed ad platforms, plus an administrative fee of 15% to 20% of the media spend | Last business day of month incurred | Payable if you choose to obtain optional digital advertising services from us. If you obtain these services from us, you must sign an agreement in the form attached as Exhibit J, and we will place digital ads for you. |
| Risk Management and Safety Services Fees | \$1,800 to \$4,800 per year | Last business day of month incurred | We may require you to implement a risk management and safety system designated or approved by us from us or a Designated Supplier. If you obtain these services from us, you must sign an agreement in the form attached as Exhibit J. |

| Type of Fee (1) | Amount | Due Date | Remarks |
|---|--|-------------------------------------|---|
| Advertising Cooperative | Up to 1% of annual Gross Sales, unless all members agree to a higher rate. Currently, fees range from approximately \$100 to \$400 per month. | As assessed | We may require you to participate in an advertising cooperative, which may require you to contribute a monthly amount. <u>There is no cap on this fee, if all members agree to a higher rate.</u> |
| Miscellaneous Fees and Charges | Varies by goods and services provided (currently, such fees range from \$30 to \$300) | Last business day of month incurred | Includes payments for behavioral assessments, career ads, and technical support services purchased from us. <u>There are no caps on these fees.</u> |
| NSF Fees and Interest | The greater of (i) the expenses we incur as a result of non-sufficient funds fees or (ii) \$100. In addition, interest equal to the lesser of (a) 2% per month or (b) the maximum rate allowed by law. | As incurred | An NSF fee must be paid if you have insufficient funds to cover an electronic transfer and interest must be paid on all overdue amounts. |
| Audit Expenses | Cost of Audit | On receipt of our invoice | We reserve the right to require you to pay us or our representatives or third-party agents for the reasonable expenses of an audit, inspection, and investigation. |
| Additional Assistance Fees | \$75 to \$1,200 per day plus travel and living expenses of training personnel | On receipt of our invoice | We typically will provide up to three days of assistance to you in the commencement and operation of your franchise at no charge (which may be provided virtually). We may charge a reasonable per diem fee plus travel and living expenses of our staff or third-party vendors if you request additional assistance or if we determine, in our sole discretion, that you need additional assistance due to performance issues. |
| Indemnification | Will vary under circumstances | As incurred | You must reimburse us if we incur liability from the operation of your franchise. |
| Attorneys' Fees and Costs | Will vary under circumstances | As incurred | You must pay our costs if we must take action to enforce your obligations to us. |
| Reimbursement for the Cost of Insurance | Will vary under circumstances | As incurred | If you fail to obtain or maintain any of the required insurances, we may obtain that insurance on your behalf and you must reimburse us for the cost. See Item 8. |
| Payments relating to Participation in Captive Insurance Program | Annual fee based on your allocable portion of the letter of credit we provide for participants | Last business day of month incurred | Annual service fee payable if you elect to participate in the captive insurance program that we offer and participate in our segregated cell in the program (referred to as a B-Cell franchisee). See Item 8 for details about the program and Note 3 about how the fee is calculated. |

| Type of Fee (1) | Amount | Due Date | Remarks |
|---|--|--|---|
| Tax Reimbursement Fees | Will vary under circumstances | As incurred | These fees will be paid to us to reimburse us for certain sales, use, personal property and other taxes we or our affiliates incur related to the goods, services, and licenses that we provide to you. |
| Renewal Fee | 10% of the franchise fee charged to new franchisees at the time of renewal (the fee is 20% if you do not timely renew) | Paid by ACH on the date of renewal | This fee must be paid if you renew your Franchise Agreement. |
| Fee for Adding a Person as a Franchisee or as a Principal of the Franchisee | 12.5% of the franchise fee charged to new franchisees at time of addition for each person added | Before person is added and before training has started for that person | This fee must be paid for each person you add as a franchisee or principal of your franchise. |
| Transfer/ Marketing Area Division Fee | 25% of the franchise fee charged to new franchisees at the time of transfer | Before transfer and before training of proposed transferee | This fee must be paid if you transfer your franchise or divide your Marketing Area. This fee is subject to applicable state laws. If we pay a referral fee or commission related to the transferee, you must reimburse us for such fees prior to the transfer. |
| Fees for Additional Training and Meetings | \$75 to \$1,200 for registration fees for meetings; \$75 to \$1,200 per person per day plus travel and living expenses of training personnel for additional training | Before additional training | We may charge fees, including a reasonable per diem fee or registration fees for attending additional training or meetings. We may permit or require you to attend virtual training sessions. |
| Fees for Administering National Accounts | Currently, fixed fees of \$20 to \$100 for each service or 3% to 5% of the revenue from the National Account | On receipt of payment from the National Account | We may charge fees for administering National Accounts and providing related administrative services. These fees may be charged as flat fees or as a percentage of revenue and may be collected from the customer as a mark-up to the charge paid by the customer or may be collected from the franchisee. We will provide notice of any fees charged for each National Account and any changes to such fees. <u>There are no caps on these fees.</u> |
| Fees for Administering National Programs-Value Flex | Currently, \$120 to \$1,000 per move based on the value of materials being moved and an administrative fee of \$250 to \$600 per move | On receipt of payment from the customer | We may charge fees for administering National Programs and providing related administrative services. Currently, the Value Flex® long-distance move program is our only National Program. If your customer participates in a Value Flex® program move, you must pay us this fee to cover potential damages and our expenses. We will provide notice of any fees charged for each National Program and any changes to such fees. <u>There are no caps on these fees.</u> |

13. Additional Funds – 3 Months. This is an estimate of the expenses you will incur during the 3-month initial phase of operations. These expenses include royalty, Advertising Fund, and Technology and Support fee payments, insurance premiums, local advertising, additional supplies, rent, ~~payroll costs~~, and vehicle lease or loan payments. The estimate also includes estimated payroll expenses, including wages and benefits, for 11 employees for Metro Market Franchises and six employees for Mod Market Franchises. As an independent business owner, you will determine, in your sole discretion, the number of employees you hire and the wages and benefits that you offer them.

14. Total Estimated Initial Investment. We have relied on our predecessor's experience in the business and the opening of a substantial number of franchises since 1989, as well as our experience since we began franchising in August 2021, to compile these estimates.

We do not generally offer financing for your initial investment, although we may do so in our sole discretion. The availability and terms of any financing you obtain from us will depend on several factors such as the general availability of financing, your credit worthiness, collateral you may have, policies of lending institutions concerning this type of business, and similar considerations.

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

The initial investment described in this Item relates to the development of a new franchise. If you are renewing your existing franchise, you will not incur most of the expenses referenced in this Item. However, you may be responsible for upgrading your franchise and any related expenses. You will not pay an initial franchise fee on renewal, but you will pay a renewal fee in the amount specified in your Franchise Agreement (currently 10% of the franchise fee charged to new franchisees at the time of renewal). If you are acquiring an existing franchise by transfer, in addition to the price you negotiate for the purchase of the franchise, you will be responsible for the transfer fee and you may be responsible for upgrading the franchise and any related expenses.

Area Developer:

YOUR ESTIMATED INITIAL INVESTMENT

| TYPE OF EXPENDITURE | AMOUNT | | METHOD OF PAYMENT | WHEN DUE | TO WHOM PAYMENT IS TO BE MADE |
|--|-----------|-------------|-----------------------------------|---------------------------------------|-----------------------------------|
| | Low | High | | | |
| Initial Area Development Fee (1) | \$100,000 | \$825,000 | Lump Sum | On Signing Area Development Agreement | Us |
| Legal Accounting and Other Miscellaneous Expenses (2) | \$2,500 | \$5,000 | As Incurred | As Incurred | Third Parties |
| Initial Investment for First Franchise to be Developed (3) | \$115,700 | \$373,700 | See Table for Franchise Agreement | See Table for Franchise Agreement | See Table for Franchise Agreement |
| TOTAL ESTIMATED INITIAL INVESTMENT (4) | \$218,200 | \$1,203,700 | | | |

building, neighboring buildings, lease terms, zoning restrictions, and the location of our franchisees that are adjacent to you. If we cannot agree on a site and your franchise is not opened within 4 months of the date of your Franchise Agreement, the Franchise Agreement may be terminated.

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

If you enter into an Area Development Agreement with us, the Marketing Area for each franchise to be developed will be listed in the Area Development Agreement. The location for operation of each franchise within those Marketing Areas will not be listed. We will not determine those locations, but we must approve the location for each franchise developed by you under the Area Development Agreement. Our approval will be based on our then-current standards for locations.

Time of Opening

Franchises are typically open for business one to ~~3~~three months after signing a Franchise Agreement or paying consideration to us. This time period is generally determined by how long it takes you to complete training and obtain your first trucks. You are required to open your franchise within ~~4~~four months of signing the Franchise Agreement. You must not open the Franchised Business until we have inspected and approved the development of your franchise location.

During Operation

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

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

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

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

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

5. Give you access to updates in our Manuals and specifications relating to the franchise (Section 2.8 of Franchise Agreement). We can change our specifications and Manuals at any time, and

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

In consideration of the continued development, use, maintenance, and support that we will provide for the Automation Systems and computer systems, software, and/or other technology being developed for future use in the System, you must pay a monthly technology and support fee in the amount determined by us based on the costs of providing these services. Currently, the technology and support fee for a Metro Market Franchise is 1% of Gross Sales with a minimum payment of \$1,200 per month and for a Mod Market Franchise is 2% of Gross Sales without any minimum payment.

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

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

Initial Training Program

You must attend training at Stick Men University at our support center in Lansing, Michigan before opening your franchise. Our initial training class, Gearing Up, is 32 to 40 hours of classes that focus on the day-to-day operations of the business. We may, in our sole discretion, require or permit you to attend a virtual option for these classes. If you acquire a Mod Market Franchise, you may also be required to complete 3 to 5 days of on-site training at a franchise location specified by us. All training must be successfully completed prior to opening your franchise, which must occur within four months of signing the Franchise Agreement. There is no extra charge for these courses, except where we train additional personnel that you request and we approve to be trained. You are, however, responsible in every instance for all travel and living expenses that you or any of your employees incur in connection with the pre-opening training.

The following tables provide detailed information about our Gearing Up training program, which is intended for the franchisee and/or a designated general manager:

TRAINING PROGRAM


| GEARING UP | | | |
|--------------------------------|-----------------------------|------------------------------|--|
| Subject | Hours of Classroom Training | Hours of On-The-Job Training | Location |
| Two Men and a Truck Overview | 2-3 | 0 | Stick Men University in Lansing, Michigan or online training |
| Hiring and Retaining Staff | 5-6 | 0 | |
| Operations Best Practices | 3-4 | 0 | |
| Marketing | 3-4 | 0 | |
| Brand Standards | 1 | 0 | |
| Sales | 4-5 | 0 | |
| DOT/Fleet Safety | 3-4 | 0 | |
| Customer Care | 4-5 | 0 | |
| Risk/Safety | 2-3 | 0 | |
| Financial and Reporting | 4 | 0 | |
| IT | 1 | 0 | |
| Total Hours of Training | 32-40 | 0 | |

All course subjects will be delivered using the resources and facilities of our Training and Development Department located in Lansing, Michigan, although some subjects may be taught or offered virtually. Classes are scheduled periodically as needed to accommodate new franchisees. The instructional materials consist primarily of instructor-led sessions with a training guidebook and handouts. Hands-on learning takes place with the operations software and moving and packing techniques during the start-up process. Our training program is led by Lauren Ackley, our Training and Development Team Lead, who has ~~four years of experience in training our franchisees~~ worked in the moving services industry since 2014. She has held various positions for us and our predecessor since 2014 and provided training to our franchisees since 2020. The experience of other instructors that participate in our training program ranges from one to 23 years in the industry and from one to 23 years working with us our predecessor. Some portions of training program may be provided by an outside vendor as we deem necessary.

If you acquire a Mod Market Franchise, you may also be required to complete 3 to 5 days of on-site training at a franchise location specified by us.

We provide the training program for up to 2 persons, which includes you and a designated general manager. You and/or the designated franchise representative (typically a general manager or manager), must attend and satisfactorily complete our initial training program. However, we may waive the initial training or portions of it for some existing franchisees. The training program must be completed to our satisfaction. There is no separate charge for the training program, but you must pay all travel and living expenses of the training program enrollees. Subject to our approval, you may be permitted to bring additional attendees to training at your expense. Training must be completed before you begin to operate your franchise unless we approve otherwise.

We can require you and/or a representative designated by you and approved by us (typically a general manager or manager) to attend additional training courses. We can charge a reasonable fee for this additional training and you must pay all travel and living expenses that you and your employees incur during the additional training. The registration or other fees charged for additional training will

| Trademark | Application or Registration Number | Application or Registration Date | Comments |
|--|------------------------------------|----------------------------------|------------|
| TWO MEN AND A TRUCK INTERNATIONAL and Logo (stick men in truck on globe)  | 4,400,204 | 9/10/2013 | Registered |
| TWO MEN AND A TRUCK | 2,020,083 | 12/3/1996 | Registered |
| TWO MEN AND A TRUCK | 3,006,814 | 10/18/2005 | Registered |
| TWO MEN AND A TRUCK | 4,340,844 | 5/28/2013 | Registered |
| TWO MEN AND A TRUCK | 90,402,418 | 10/5/2021 | Registered |
| VALUE FLEX | 5,159,221 | 3/14/2017 | Registered |
| WE MOVE PEOPLE FORWARD | 4,499,329 | 3/18/2014 | Registered |

There are no agreements currently in effect that significantly limit our rights to use or license the use of our Trademarks in any manner material to the franchise, except as follows:

Under an agreement dated August 18, 2000, TMTI acquired the right to the names and service marks TWO MEN AND A TRUCK, TWO MEN AND A TRUCK, INC. and the corporate name Two Men and a Truck, Inc. for the State of Georgia, together with the goodwill of the business symbolized by such names and marks. In exchange for our right to operate using these names and service marks, the seller receives 1/3 of the royalties that are collected from franchisees operating in Georgia. The agreement with the seller also provides him or his assigns certain reversionary rights in the names and service marks if we file or are involuntarily and properly placed in liquidation bankruptcy, or cease licensing the operation of, or operating Franchised Businesses or company-owned businesses within the State of Georgia for a period of one year or more. This reversion, if enforced, will have the effect of assigning, conveying, and transferring to the seller all of our right, title, and interest in and to the names and service marks in the State of Georgia, together with the goodwill of the business symbolized by the names and service marks.

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

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

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

10. **Acknowledgements of Applicants in Certain States.** The following acknowledgements apply to Applicant, unless Applicant or the franchise are subject to the state franchise disclosure laws in California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, or Wisconsin:

(a) Applicant has conducted an independent investigation and financial assessment of the business venture contemplated by the Franchise Agreement that may be signed by Applicant and recognizes that it involves business risks making the success of the venture largely dependent on the business abilities of Applicant as well as other variables.

(b) Applicant has no knowledge of any representations by Franchisor or its officers, directors, shareholders, employees or agents about the business contemplated by the Franchise Agreement that are contrary to the terms of the Franchise Agreement or the documents incorporated in the Franchise Agreement or the disclosure contained in the Franchisor's Disclosure Document delivered to Applicant. Applicant has made no misrepresentations in obtaining preliminary approval of the Application.

(c) Applicant has received, read and understood the Franchise Agreement and the disclosure contained in the Franchisor's Disclosure Document, Franchisor has fully and adequately explained the provisions of each to Applicant's satisfaction and Franchisor has afforded Applicant ample time and opportunity to consult with advisors about the potential benefits and risks of entering into the Franchise Agreement.

11. **No Assignment by Applicant.** Applicant's rights under this Agreement may not be assigned to any other person without the written consent of Franchisor.

12. **Georgia Law and Jurisdiction.** This Agreement and its construction and any disputes between the parties will be governed by the laws of the State of Georgia (without reference to the conflicts of law provisions). Unless otherwise precluded by law, any legal proceedings between the parties must be brought and conducted only in a State or Federal Court in the jurisdiction in which the principal place of business of Franchisor is located (currently, Atlanta, Georgia), and Applicant consents to those Courts having personal jurisdiction of Applicant.

13. **Entire Agreement; Modification.** This Agreement constitutes the full and entire agreement between the parties. This Agreement supersedes all previous representations, agreements or understandings between the parties and such previous representations, agreements and/or understandings, if any, are merged into this Agreement and superseded by this Agreement. No officer or employee or agent of Franchisor has any authority to make any representation or promise not contained in this Agreement or related agreements, or in any Disclosure Document for prospective franchisees required by applicable law, ~~and Franchisee agrees that it has executed.~~ Nothing in this Agreement without or any related agreement is intended to disclaim or to require Franchisee to waive reliance on any such representation or promise in the Franchise Disclosure Document delivered to Franchisee or in its exhibits or amendments.

The parties have signed this Agreement on the date set forth at the beginning of this Agreement.

TWO MEN AND A TRUCK SPE LLC
Franchisor

By: _____

TWO MEN AND A TRUCK SPE LLC
ADDENDUM TO FRANCHISE AGREEMENT—RENEWAL

THIS ADDENDUM is made this _____ day of _____, 20____ and modifies a Franchise Agreement of the same date (“Franchise Agreement”) entered into by **TWO MEN AND A TRUCK SPE LLC**, a Delaware limited liability company with its principal office at One Glenlake Parkway, 14th Floor, Atlanta, Georgia 30328 (“Franchisor”) and _____ with its principal office at _____ (“Franchisee”).

A. Introduction. Franchisor and Franchisee are parties to a franchise agreement dated _____ (“Expiring Agreement”), the term of which expired or will expire on _____, 20____ (“Expiration Date”). Franchisee desires to renew its franchise relationship with Franchisor and has signed a new franchise agreement to which this Addendum is attached (“Franchise Agreement”). Franchisor has approved the renewal, subject to any additional obligations described in this Addendum. Franchisor and Franchisee desire to amend the Franchise Agreement to reflect Franchisee’s status as an existing franchisee renewing an ongoing relationship and to specify any additional obligations applicable on the renewal.

B. Release of Franchisor. As a condition of renewal, Franchisee hereby releases and forever discharges Franchisor and its subsidiaries and affiliates and their respective officers, directors, shareholders, representatives, agents, members, managers and employees, in their corporate and individual capacities, from all liability, right, claim, debt and cause of action whatsoever, known or unknown, suspected or unsuspected, which Franchisee ever had, now has or may have at any time based on any agreement entered into between the parties on or before the date of this Addendum, including but not limited to the Expiring Agreement, or based on any act or omission occurring on or before the date of this Addendum. This release does not apply to claims arising under the Washington Franchise Investment Protection Act, Chapter 19.100 RCW, or the rules adopted thereunder.

C. Renewal Fee. Franchisee is not required to pay the initial franchise fee referenced in Section 4.1 of the Franchise Agreement. Franchisee must pay a renewal fee in the amount of \$_____. The renewal fee is payable at the time of signing the Franchise Agreement and is not refundable.

D. Initial Training. Unless otherwise specified in this Addendum, Franchisor will not be required to provide, and Franchisee will not be required to attend and complete the initial training course provided by Franchisor.

E. Opening of Franchise Business. The first sentence of the third paragraph of Section 2.3 of the Franchise Agreement is deleted and replaced with the following: “Franchisee is already operating the Franchise Business and operations must continue on renewal without interruption.”

F. Additional Obligations of Franchisee. *[Specify any ~~additional training, renewal visit, upgrade, maintenance, and other obligations~~ conditions for renewal described in Section 2.1 of the existing Franchise Agreement that must be performed after the renewal, such as training, a renewal visit, upgrades, maintenance, and other listed obligations.]*

G. Surviving Provisions of Expiring Agreement. Any provision in the Expiring Agreement, which by its terms or reasonable implication imposes an obligation to be performed, in whole or in part, after the Expiration Date, will survive the termination or expiration of the Expiring Agreement and will remain in full force and effect, including, but not limited to indemnification obligations arising from acts or omissions occurring before the Expiration Date.

(b) **Termination for Cause.** Franchisor or Franchisee (the “non-defaulting party”) may terminate this Agreement based on the breach of this Agreement by the other party (the “defaulting party”) and the failure of the defaulting party to cure that breach within a reasonable period of time after written notice from the non-defaulting party (the notice need not exceed 10 days for non-payment or 30 days for other breaches). A party may elect to terminate this Agreement in its entirety or only as to the Services to which the defaults relate. The scope of the termination must be described in the notice of breach.

(c) **Termination without Cause.** Except as otherwise provided in a Policy, either party may terminate this Agreement in its entirety or only as to certain Services by providing 30 days written notice to the other party.

(d) **Discontinuance of Service.** Franchisor may terminate this Agreement on 30 days written notice to Franchisee as to a Service if Franchisor, in its discretion, decides to no longer offer the Service or no longer provides the Service as an optional service.

6. Effect of Termination. After the effective date of termination, the parties will not have any further rights or obligations under this Agreement except: (a) Franchisee will be obligated to pay for Services provided up to the date of termination; and (b) Franchisor and Franchisee will continue to be bound by provisions of this Agreement or the Policies that by their terms or intent survive termination of this Agreement.

7. Acknowledgements of Franchisee; No Warranties. Franchisee acknowledges that the Services provided by Franchisor under this Agreement are limited and do not replace Franchisee’s need to have personnel on staff to handle the day-to-day operations of the Franchise Business. Franchisor does not Warrant the Services or guarantee any results and Franchisee hereby releases Franchisor from any claims, demands, or liability for any loss in profits, damages, or disputes that arise in connection with the Services provided by Franchisor. Franchisor disclaims any representations or warranties in connection with the Services, including but not limited to representations or warranties that the Services will satisfy or ensure compliance with any legal obligations or laws or regulations. Franchisee acknowledges that it is solely responsible for and is not relying on Franchisor for compliance with applicable laws. No officer or employee or agent of Franchisor has any authority to make any representation or warranty not contained in this Agreement ~~and Franchisee agrees that it has executed.~~ Nothing in this Agreement without or any related agreement is intended to disclaim or to require Franchisee to waive reliance on any such representation or warranty in the Franchise Disclosure Document delivered to Franchisee or in its exhibits or amendments.

8. Limitations on Remedies. Franchisee’s sole remedy for any breach of this Agreement by Franchisor will be termination of this Agreement under Section 5 above. Franchisor will, in no event, be liable for lost revenue or other consequential damages and Franchisee releases Franchisor from any such liability and waives any claims Franchisee may have to such damages.

9. Indemnification. Franchisee will indemnify and hold harmless Franchisor, its officers, directors, employees, and agents, from all fines, charges, suits, proceedings, claims, demands, damages, liabilities, costs, and settlements with customers and/or others, including the payment of reasonable attorney’s fees, arising out of any action and/or inaction of Franchisee and/or any lawsuit, proceeding of any kind or nature and/or settlement negotiations that relate in any way to the Services provided by Franchisor under this Agreement.

10. Only Franchisee Has the Right to Control Its Employees. Franchisor does not control, and does not have the right to control, Franchisee’s decisions regarding hiring, disciplining, or terminating

STATE EFFECTIVE DATES

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the states, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered, or exempt from registration, as of the Effective Date stated below:

| <u>State</u> | <u>Effective Date</u> |
|---------------------|---|
| California | August 27, 2024, <u>as amended on Pending</u> |
| Hawaii | May 29, 2024, <u>as amended on Pending</u> |
| Illinois | May 1, 2024, <u>as amended on September 16, 2024</u> |
| Indiana | May 20, 2024, <u>as amended on September 16, 2024</u> |
| Maryland | Pending |
| Michigan | May 1, 2024, <u>as amended on September 16, 2024</u> |
| Minnesota | August 26, 2024, <u>as amended on Pending</u> |
| New York | August 14, 2024, <u>as amended on Pending</u> |
| North Dakota | June 27, 2024, <u>as amended on Pending</u> |
| Rhode Island | July 11, 2024, <u>as amended on Pending</u> |
| South Dakota | May 22, 2024, <u>as amended on September 16, 2024</u> |
| Virginia | June 20, 2024, <u>as amended on Pending</u> |
| Washington | Pending |
| Wisconsin | May 14, 2024, <u>as amended on September 17, 2024</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 other seller-assisted marketing plans.

RECEIPT

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Two Men and a Truck SPE LLC offers you a franchise, it must provide this disclosure document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale. Iowa and New York require that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan and Oregon require that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If Two Men and a Truck SPE LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington D.C. 20580 and the state agency listed in Exhibit A.

Issuance Date: May 1, 2024, as amended on September 16, 2024

The name, principal business address and telephone number of each franchise seller offering the franchise is as follows (check all that apply):

| | | | | |
|--|--------------------------------------|--|--------------------------------|--------------------------------|
| Franchise sellers at One Glenlake Parkway, 14th Floor, Atlanta, Georgia 30328, 800-756-5656: | | | | |
| <input type="checkbox"/> Pam Batten | <input type="checkbox"/> Tray Doster | <input type="checkbox"/> Daniel Laughlin | <input type="checkbox"/> _____ | <input type="checkbox"/> _____ |
| Other franchise sellers: _____ | | | | |

I received a disclosure document dated May 1, 2024, as amended on September 16, 2024, that included the following Exhibits:

| | | | |
|---|--|---|---|
| A | List of State Administrators | J | Agreement to Provide Optional Services |
| B | List of Agents for Service of Process | K | Non-Disclosure and Confidentiality Agreement |
| C | Franchise Agreement | L | Addendum to Permit Operation without Office in Marketing Area |
| D | Preliminary Approval Agreement | M | List of Franchisees |
| E | Addendum to Franchise Agreement-Renewal | N | List of Former Franchisees |
| F | Addendum to Franchise Agreement to Authorize Optional Services | O | Financial Statements |
| G | Addendum to Franchise Agreement-Mod Market | P | State-Specific Addenda |
| H | Area Development Agreement | Q | Franchise Termination and Release Agreement |
| I | Addendum—Captive Insurance Program | R | State Effective Dates and Receipts |

Signature (individually and as an officer)

Date Disclosure Document Received

Print Name

PLEASE SIGN AND KEEP FOR YOUR FILES

Print Franchisee's Name (if an entity)

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| I | Addendum—Captive Insurance Program | R | State Effective Dates and Receipts |

Signature (individually and as an officer)

Date Disclosure Document Received

Print Name

Print Franchisee's Name (if an entity)

PLEASE SIGN AND RETURN TO:

Franchise Development
3400 Belle Chase Way
Lansing, MI 48911
Fax number (800) 278-6114
FranchiseInfo@twomen.com