

## FRANCHISE DISCLOSURE DOCUMENT



**Temp Walls Franchise Management, LLC**  
a North Carolina limited liability company  
107 Parr Drive  
Huntersville, North Carolina 28078  
Phone: (980) 264-7000  
Email: [development@tempwallsystems.com](mailto:development@tempwallsystems.com)  
Website: [www.tempwallsystems.com](http://www.tempwallsystems.com)

We offer qualified individuals and entities the right to operate a business offering the rental, installation and servicing of modular containment systems inside existing commercial buildings such as hospitals, office buildings, and retail centers under our then-current proprietary mark, which is currently “TWS TEMPORARY WALL SYSTEMS®” (the “Franchised Business”). You will bid on and secure rental contracts utilizing our customized cloud rental management software, service your clients’ modular containment systems, and be on-site for installation and removal of the temporary walls and components.

The total investment necessary to begin the operation of a Franchised Business is between \$1~~5345,444~~<sup>7</sup> and \$3~~5265,497~~<sup>44</sup>. This includes between \$6~~24,900~~ and \$7~~42,900~~ that must be paid to the franchisor or its affiliate(s).

We also offer qualified parties the right to enter into multiple franchise agreements simultaneously. A multi-unit addendum must be signed to operate multiple Franchised Businesses. The total investment necessary to operate 2 to 5 Franchised Businesses is between \$293,444 and \$940,444. This includes between \$104,400 and \$249,900 that must be paid to the franchisor or its affiliate(s). The amount paid to us or our affiliates includes the Initial Franchise Fee (including additional qualified households) and the Opening Assistance Fee.

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, us or an affiliate of ours in connection with the proposed franchise sale. We must also identify your territory and any other material terms not set forth in this franchisee disclosure document at least 7 calendar days before you sign a binding agreement with, or make any payment to, us or an affiliate of ours 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 to you. To discuss the availability of disclosures in different formats, contact Temp Walls Franchise Management, LLC at 107 Parr Drive, Huntersville, North Carolina 28078 or call (980) 264-7000.

The terms of your contract will govern your franchise relationship. Don’t rely on this 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, DC 20580. You can also visit the FTC’s home page at [www.ftc.gov](http://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 19, 2024**

### *Opening Assistance Fee*

The opening assistance fee you must pay to us is \$5,000 (the “Opening Assistance Fee”), which is a fee for opening assistance services that include: the cost of attending the initial training program, access to the learning management paths, and certain meals during the Initial Training Program, any on-site visits that the operational and support team will make, the initial cost of marketing setup, which includes, but is not limited to, the initial creation of collateral, website, and other marketing setup items (but excludes the ongoing cost that may be paid to us, vendors, or affiliates of additional collateral and other marketing channels), the initial cost of setup with miscellaneous software and technology utilized through the life of the business but does not cover the ongoing cost of software and technology that you may use in your business, and our administrative cost of assisting with of initial legal and compliance guidance that we may provide in our sole discretion. This fee is a single fee for one Franchise Agreement or multiple franchise agreements under a single Multi-Unit Addendum. Each Multi-Unit Addendum will have a separate Opening Assistance Fee.

### Multi-Unit Offering

#### *Multi-Unit Fee*

If we grant you the right to participate in our Multi-Unit Offering, then you must pay us a multi-unit fee based on the number of Franchised Businesses we grant you the right to develop. Our multi-unit fee is set forth below (“Multi-Unit Fee”):

Number Of Franchised Businesses	Multi-Unit Fee	Maximum Additional Target Buildings	Opening Assistance Fee (assumes one Multi-Unit Addendum)	Total (Multi-Unit Fee + Opening Assistance Fee + Additional Target Buildings)
1	\$59,900	\$10,000	\$5,000	\$64,900 – <del>\$784</del> ,900
2	\$99,900	\$20,000	\$5,000	\$104,900 - <del>\$132</del> <u>124</u> ,900
3	\$134,900	\$30,000	\$5,000	\$139,900 - <del>\$181</del> <u>169</u> ,900
4	\$169,900	\$40,000	\$5,000	\$174,900 - <del>\$230</del> <u>214</u> ,900
5	\$194,900	\$50,000	\$5,000	\$199,900 - \$2 <del>64</del> <u>69</u> ,900

The Multi-Unit Offering is open to franchisees that have at least 50% common ownership with an existing franchisee (or a franchisee signed at the same time) and this discount applies to future purchases and purchases of affiliated brands.

If we grant you the right to develop more than 5 Franchised Businesses, then you must pay us a Multi-Unit Fee equal to: (i) \$194,900 for the first 5 Franchised Businesses; plus (ii) \$20,000 for each additional Franchised Business you are granted the right to develop. In addition, if any territory in a Multi-Unit Offering has more than 4,000 Target Buildings, the Initial Franchise Fee allocated to that territory will increase from the applicable baseline amount (\$59,900 for unit 1 and the incremental amount for additional

LIST OF STATE ADMINISTRATORS	
<p><b><u>HAWAII</u></b></p> <p>(state administrator)  Business Registration Division  Department of Commerce and Consumer Affairs  335 Merchant Street, Room 203  Honolulu, HI 96813  (808) 586-2722</p> <p>(agent for service of process)  Commissioner of Securities  State of Hawaii  335 Merchant Street  Honolulu, HI 96813  (808) 586-2722</p>	<p><b><u>ILLINOIS</u></b></p> <p>Franchise Bureau  Office of the Attorney General  500 S. Second Street  Springfield, IL 62706  (217) 782-4465</p>
<p><b><u>INDIANA</u></b></p> <p>(state administrator)  Indiana Secretary of State  Securities Division, E-111  302 Washington Street  Indianapolis, IN 46204  (317) 232-6681</p> <p>(agent for service of process)  Indiana Secretary of State  201 State House  200 W. Washington Street  Indianapolis, IN 46204  (317) 232-6531</p>	<p><b><u>MARYLAND</u></b></p> <p>(state administrator)  Office of the Attorney General  Securities Division  200 St. Paul Place  Baltimore, MD 21202-2021  (410) 576-6360</p> <p>(agent for service of process)  Maryland Securities Commissioner  200 St. Paul Place  Baltimore, MD 21202-2021  (410) 576-6360</p>
<p><b><u>MICHIGAN</u></b></p> <p>(state administrator)  Consumer Protection Division  Antitrust and Franchise Unit  Michigan Department of Attorney General  525 W. Ottawa Street  G. Mennen Williams Building, 1<sup>st</sup> Floor  Lansing, MI 48933  (517) 373-7117</p> <p>(agent for service of process)  Corporations Division  Bureau of Commercial Services  Department of Labor and Economic Growth  P.O. Box 30054  Lansing, MI 48909</p>	<p><b><u>MINNESOTA</u></b></p> <p>(state administrator)  Minnesota Department of Commerce  85 7<sup>th</sup> Place East, Suite 280  St. Paul, Minnesota 55101  (651) 539-1560</p> <p>(agent for service of process)  Minnesota Commissioner of Commerce</p>

We will comply with Minn. Stat. Sec. 80C.14, subds. 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 as a condition of purchasing the franchise that would relieve any person from liability imposed by Minnesota Statute §§80C.01 – 80C.22.

Minnesota Rule 2860.4400(G) prohibits a franchisor from imposing on a franchisee by contract or rule, whether written or oral, any standard of conduct that is unreasonable.

The limitations of claims section must comply with Minn. Stat. Sec. 80C.17, subd. 5.

### Fee Deferral

Item 5 and Item 7 of the Franchise Disclosure Document and Section 3.1 of the Franchise Agreement are amended to state that payment of initial franchise fees shall be deferred until Franchisor has satisfied its pre-opening obligations to Franchisee and Franchisee's Franchised Business is open for business.

No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including, fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed with the franchise.