

#### FRANCHISE DISCLOSURE DOCUMENT

TOMMY'S EXPRESS LLC

a Michigan limited liability company 648 South Point Ridge Holland, Michigan 49423 Telephone: (616) 834-0544 www.tommys-express.com info@tommys-express.com

This franchise is for the operation of an ultra-modern car wash, doing business under the name and marks "Tommy's Express". A Tommy's Express Car Wash features a distinctive acrylic roof with innovative systems, designs and equipment, such as a modular control station and a flight deck control center to reduce labor.

The total investment necessary to begin operation of a Tommy's Express Car Wash franchise is \$4,916,776 to \$9,267,763. This includes from \$2,436,313 to \$3,339,144 which must be paid to the franchisor or its affiliate. The total investment necessary to begin the operation of a Tommy's Express Car Wash multi-unit development business is \$4,956,776 to \$9,307,763 for a required minimum of three Tommy's Express Car Wash outlets to be developed. This includes from \$2,476,313 to \$3,379,144 which must be paid to the franchisor or its affiliate.

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 the 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 government agency has verified the information contained in this document.** 

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Emily Kortman at 648 South Point Ridge, Holland, Michigan, 49423, and (616) 320-3492.

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

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as "A Consumer's Guide to Buying a Franchise," which can help you understand how to use this disclosure document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, 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.

## 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 and development agreement require you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in 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 Michigan than in your own state.
- 2. <u>Supplier Control</u>. You must purchase all or nearly all of the inventory or supplies that are necessary to operate your business from the franchisor, its affiliates, or suppliers that the franchisor designates, at prices the franchisor or they set. These prices may be higher than prices you could obtain elsewhere for the same or similar goods. This may reduce the anticipated profit of your franchise business
- <u>3.</u> <u>Unopened Franchises.</u> The franchisor has signed a significant number of franchise agreements with franchisees who have not yet opened their outlets. If other franchisees are experiencing delays in opening their outlets, you also may experience delays in opening your own outlet.

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.

# **TABLE OF CONTENTS**

ITEM 1	10
THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS AND AFFILIATES	10
ITEM 2	
BUSINESS EXPERIENCE	
ITEM 3	
LITIGATION	
ITEM 4	
BANKRUPTCY	16
ITEM 5	
INITIAL FEES	16
ITEM 6	
OTHER FEES	17
ITEM 7	22
ESTIMATED INITIAL INVESTMENT	
ITEM 8	<mark>30</mark> 29
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES	<u>30</u> 29
ITEM 9	32
FRANCHISEE'S OBLIGATIONS	32
ITEM 10	34
FINANCING	
ITEM 11	
FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING	
ITEM 12	
TERRITORY	
ITEM 13	
TRADEMARKS	
ITEM 14	4 <u>746</u>
PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION	4 <del>7</del> 46
ITEM 15	48
OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS	48
ITEM 16	49
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL	49
ITEM 17	49
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION	
ITEM 18	54
PUBLIC FIGURES	54

Bret Docter has been our Vice President of Real Estate since June of 2023 after previously serving as Director of Corporate Real Estate/Regional Director of Real Estate since October 2021. Bret has been Owner and Commercial Real Estate Developer with Property Quest in Holland, Michigan since August 2003.

### <u>Vice President of Development — Tim Hammond</u>

Tim Hammond has been our Vice President of Development since May 2022 and was our Regional Real Estate Manager (Southeast) since February 2022. Tim was in Real Estate Management with Jimmy John's in Champaign, Illinois, from March 2012 to December 2019, and in Atlanta, Georgia, from January 2020 to February 2022.

## <u>Director of Technology - Todd Stoel</u>

Todd Stoel has been our Director of Technology since July 2021. From January 2019 to July 2021, he served as our Manager of Software Development for Tommy Car Wash Systems. Prior to becoming Manager Software Development, Todd's position was Tommy Car Wash Systems Lead Web Developer, as well as internal IT support.

## **Director of Retail Operations - Corporate Stores - Bill Adams**

Bill Adams has been our Director of Retail Operations since November 2022. Bill was Vice President of Operations for Pancheros Mexican Grill in Coralville, Iowa, from January 2021 to November 2022. From November 2018 to January 2021, he was Director of Operations for Qdoba Mexican Grill in Detroit, Michigan. From July 2012 to November 2018, he was Director of Operations / Operating Partner for Knapick Management Group (DBA Dunkin', Jimmy John's, CoreLife Eatery, and Pedal Pub), located in Kalamazoo, Michigan.

#### Franchise Recruiter - Edouard Ouellette

Ed Ouellette has been our Franchise Recruiter since August 2022. From August 2021 to August 2022, he served as Talent Acquisition Specialist for Tommy Car Wash Systems in Holland, MI. Prior to joining Tommy's, he was employed as a Senior Talent Acquisition Specialist for Pridgeon and Clay, Inc., from October 2017 to August 2021, located in Grand Rapids, MI.

### <u>Franchise Sales Associate – Emily Kortman</u>

Emily Kortman has been our Franchise Sales Associate since 2020. Prior to joining Tommy's, she held various business development roles within the marketing and healthcare spaces and was most recently employed as an Internet Marketing Strategist for Valorous Circle, LLC, from 2019 to 2020, located in Grand Rapids, MI.

### **Director of Franchise Development – Holly Pasma-Burke**

Holly Pasma-Burke has been our Director of Franchise Development since April 2024. From August 2016 to April 2024, she was Co-Founder & Coach of Franchising 101 Consulting in West Michigan, Michigan.

### **Director of Franchise Finance & Administration Eric Kamstra**

Eric Kamstra has been our Director of Franchise Finance & Administration since April 2024. From June 2022 to April 2024, he served as Director of Investor Relations and Business Development at Auxo Investment Partners in Grand Rapids, Michigan. Prior to then, Eric was a Principal at Frisia Group in Grand Rapids, Michigan from May 2020 to June 2022, Director at Gun Lake Investments in Grand Rapids, Michigan from June 2019 to May 2020, and Director of Investor Relations and Communications at Blackford Capital in Grand Rapids, Michigan from May 2016 to January 2019.

# Item 3 **LITIGATION**

- Tommy's Express Car Wash building package The base steel package includes the stairs, mezzanine, roof, and installation of these components.
- Tommy's Express Car Wash lighting package This package includes the exterior and interior lighting package that complies with local lighting requirements and installation of these components.
- Tommy's Express Car Wash conveyor package This package includes the belt system to move cars through the wash and installation of these components.
- Tommy's Express Car Wash equipment package This package includes point-of-sale equipment, vacuum equipment, water reclamation equipment, electrical control systems, vending and mat wash systems, and other systems and installation of these components. The car wash equipment is responsible for cleaning the exterior of the vehicle.
- Tommy's Express Car Wash cloth package This package includes the cloth attached to the car was equipment and installation of these components.
- Tommy's Express Car Wash drying system package This package includes the drying system and installation of these components, which are responsible for removing water from the vehicle before it exits the wash.
- Tommy's Express Car Wash support equipment package This package includes the system which produces and delivers the required chemistry of water, detergents, and air to the car wash equipment and installation of these components.
- Tommy's Express Car Wash Guardian wash controls package This package includes the controller, the brain of the wash, activating all necessary functions when needed and installation of these components.
- Tommy's Express Car Wash vacuum system package This package includes the vacuum system located adjacent to the wash and is used by guests for interior cleaning and installation of these components.
- Tommy's Express Car Wash point-of-sale and computer system The point-of-sale system includes payment processing, license plate recognition, and gate arm units for each lane and installation of these components.
- Tommy's Express Car Wash accessories package This package includes accessory signage, building unit heaters, entry and exit wash doors, and Tommy's Express balls and installation of these components.
- Tommy's Express Car Wash kit package This package includes marketing small signage, uniform kit, tool accessories kit, and a camera kit and installation of these components.
- Tommy's Express Detergent package The detergent package includes all chemistry products required for vehicle cleaning and protection and is aligned with the Tommy's Express services, wash menu, and support system.
- 5. Cost Variables 90 Foot. Variables that impact low vs. high Tommy Scope of Work amounts include items like number of vacuums, equipment required for specific geography, equipment required per tunnel length, and some other options. More specifically, 90' low amounts reflect quotes based on 6 vacuums, two-lane POS, standard exterior finishes, and geographies that require less of certain components (for example, fewer heating components in warm climates). High amounts reflect quotes based on 25 vacuums, three-lane POS, standard exterior finish, geographies that require more of certain components (for example, more heating components in cold climates), and select other options. The buildable land ranges from about .53 acres to 0.7 acres. You must use our architect, or an architect approved by us, for architectural drawings and drawings to adapt site plans to local requirements and configuration. Fees paid to civil engineers, fees paid for site reports and testing and zoning will vary according to local requirements. Our affiliate is the sole approved supplier of the following packages (collectively, the "Approved Packages") that you must purchase, and our affiliate may earn a profit on these sales to you.

- 6. Cost Variables 110 Foot. Variables that impact low vs. high Tommy Scope of Work amounts include items like number of vacuums, equipment required for specific geography, tunnel length, and some other options. More specifically, 110' low amounts reflect quotes based on 6 vacuums, two-lane POS, standard exterior finishes, and geographies that require less of certain components (for example, fewer heating components in warm climates). High amounts reflect quotes based on 25 vacuums, three-lane POS, standard exterior finish, geographies that require more of certain components (for example, more heating components in cold climates), and select other options. The buildable land ranges from about .58 acres to 0.77 acres. You must use our architect, or an architect approved by us, for architectural drawings and drawings to adapt site plans to local requirements and configuration. Fees paid to civil engineers, fees paid for site reports and testing and zoning will vary according to local requirements. Our affiliate is the sole approved supplier of the Approved Packages that you must purchase, and our affiliate may earn a profit on these sales to you.
- 7. Cost Variables 130 Foot. Variables that impact low vs. high Tommy Scope of Work amounts include items like number of vacuums, equipment required for specific geography, tunnel length, and some other options. More specifically, 130' low amounts reflect quotes based on 6 vacuums, two-lane POS, standard exterior finishes, and geographies that require less of certain components (for example, fewer heating components in warm climates). High amounts reflect quotes based on 25 vacuums, three-lane POS, standard exterior finish, geographies that require more of certain components (for example, more heating components in cold climates), and select other options. The buildable land ranges from about .63 acres to 0.85 acres. You must use our architect, or an architect approved by us, for architectural drawings and drawings to adapt site plans to local requirements and configuration. Fees paid to civil engineers, fees paid for site reports and testing and zoning will vary according to local requirements. Our affiliate is the sole approved supplier of the Approved Packages that you must purchase, and our affiliate may earn a profit on these sales to you.
- **8. Insurance.** You must have the insurance coverages that we require for your Tommy's Business, as described in Item 8 below. The low end of our estimate represents a semi-annual premium and the high end of our estimate represents the cost of the annual premium.
- 9. **Permits & Licenses.** You must verify the specific business licenses and permits that you will need to operate the Tommy's Business. Our estimate represents the initial cost for licenses and permits which typically remain in effect for one year.
- 10. Training Expenses. Our estimate includes the out-of-pocket expenses for three trainees to attend our initial training program. The low end of our estimate assumes that the trainees are within driving distance of our training facility. The high end of our estimate assumes that additional travel, such as airline travel, will be required. Your total costs may vary depending on the number of trainees you send to our training program, the distance they must travel, the mode of transportation selected, and the types of accommodations you choose.
- 11. Grand Opening Marketing/Grand Opening Mailer. You must conduct a grand opening marketing campaign to promote the opening of your Tommy's Business. We recommend that your grand opening marketing campaign include flyers distribution, free wash weekends promotions, general promotional mailers, and coupons and promotional discounts on washes. You are required to use the Grand Opening Mailer program in conjunction with your grand opening marketing campaign. The cost for the Grand Opening Mailer program is a separate and distinct expense and is not included in the \$15,000 expenditure for your grand opening marketing

During the term of the Franchise Agreement and for a period of three years after the termination or expiration of the Franchise Agreement for any reason whatsoever, or in the event the Franchise Agreement is transferred by you or, in the case of a transfer of an interest in you by an owner in you, you or the transferring owner may not recruit, solicit, or hire, either directly or indirectly, for employment any person who is, or was within the previous six months, employed by us or by any other franchisee of ours, nor may you directly or indirectly induce any such person to leave his or her employment, without our prior express written consent or the consent of the other franchisee. In the case of a Tommy's employee, such consent may be given, or withheld, in our sole discretion and will, at a minimum, be contingent on payment by you to us of an amount equal to six to 36 months of the employee's wages, as determined by us.

You must operate the Tommy's Business in strict conformity with all applicable federal, state and local laws, ordinances and regulations. These laws, ordinances and regulations vary from jurisdiction to jurisdiction and may be implemented or interpreted in a different manner. You must learn of the existence and requirements of all laws, ordinances and regulations applicable to the Tommy's Business and you must adhere to them and to the then-current implementation or interpretation of them.

If you are a corporation, limited liability company or partnership, each principal owner must sign our Confidentiality and Non-Competition Agreement, which is Attachment 4 of our Franchise Agreement. A spouse of any franchise owner is not required to sign our Confidentiality and Non-Competition Agreement unless they are a principal owner of the franchise entity.

If you are a Developer, we may require you to employ an area manager to supervise the operations of all of your Tommy's Businesses, in addition to each manager you employ for the individual Tommy's Businesses you develop.

# Item 16 RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must use the location we approve solely for the operation of the Tommy's Business. You must keep your Tommy's Business open and in normal operation for the minimum hours and days as we specify, or as may be required by the terms of your lease. You must not use or permit the use of the Premises for any other purpose or activity at any time without first obtaining our written consent. You must operate the Tommy's Business in strict conformity with the methods, standards and specifications we may require in the Franchise Operations Manual or in writing.

You must sell or offer for sale only those products and those services that we have approved for sale in writing; you must sell or offer for sale all types of merchandise specified by Tommy's; you should not change our standards and specifications without our prior written consent; and you must stop selling and offering for sale any services or products which we may, in our discretion, disapprove in writing at any time. We have the right to change the types of authorized goods and services and there are no limits on our right to make changes.

The System may be supplemented, improved or modified from time to time by Tommy's. You must comply with all of our reasonable requirements in that regard, including offering and selling new or different products or services as specified by Tommy's.

You are restricted by the Franchise Agreement, the Franchise Operations Manual, and any other practice or custom with respect to the products or services which you may offer, which must be approved by Tommy's. You are not restricted as to the customers to whom you may sell products or services, except as described in Item 12.

## **EXHIBIT C**

## FRANCHISE AGREEMENT

#### TOMMY'S EXPRESS LLC

#### FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT ("Agreement") is made and entered into on
, (the "Effective Date"), between Tommy's Express LLC, a Michigan limited
liability company having its principal place of business located 648 South Point Ridge, Holland,
Michigan, 49423 (hereinafter referred to as "we," "Tommy's," "us" or "our"), and
a, with a principal address at (hereinafter
referred to as "you" or "your").

WHEREAS, as the result of the expenditure of time, skill, effort, and money, we have developed and own a specialized system, as updated and modified by us from time to time (the "System") relating to the establishment, development, and operation of an ultra-modern car wash, that does business under the name and marks "Tommy's", or "Tommy's Express", and offers the Approved Products and Services as that term is defined below (the "Tommy's Business").

WHEREAS, a Tommy's Business features a distinctive building in lengths from 50 to 130 feet with an acrylic roof and iconic sunburst entrance; an innovative automated wash system with conveyor belt, stainless steel arches, modular control station, and flight deck; and an interior vacuum area, and offers for sale on-site automated vehicle washing and drying, use of interior vacuums and mat washers, the sale of interior detailing kits, and other products and services, all pursuant to the System and as may be described in the Franchise Operations Manual and other materials ("Approved Products and Services");

WHEREAS, the distinguishing characteristics of the System include, without limitation, proprietary cleaning formulas and other items required to wash cars; specific equipment, materials and supplies; methods, uniform standards, proprietary designs, specifications and procedures for operations; procedures for management control; training and assistance; merchandising, advertising and promotional programs, all of which may be changed, improved and further developed by Tommy's; and comprehensive operations and training manuals, all of which may be changed, improved and further developed by Tommy's from time to time;

WHEREAS, we identify the System and the business conducted in accordance with the System under certain trademarks, service marks, logos, emblems, and indicia of origin (hereinafter "Proprietary Marks" or "Marks"), including, but not limited to, the names and mark "Tommy's", and "Tommy's Express", along with other such trade names, service marks, and trademarks as may be designated now or hereafter by Tommy's (in our Franchise Operations Manual or otherwise in writing) for use in connection with the System;

WHEREAS, you wish to obtain the right and license from Tommy's Tommy's for the use of the System and Proprietary Marks, and in association therewith to own and operate a Tommy's Tommy's Business only at the site of the real property identified on Attachment 1 hereto (hereinafter referred to as the "Premises"), and you understand and accept the terms, conditions and covenants set forth herein as those which are reasonably necessary to maintain our high and uniform standards of quality and service in order to protect the goodwill and enhance the public image of the System and the Proprietary Marks;

WHEREAS, we have the sole and exclusive right to the goodwill associated with the System and the Proprietary Marks and are willing to grant the right and license to you on the terms and conditions herein contained to use the System and the Proprietary Marks;

WHEREAS, you desire to obtain a franchise to use the System and the Proprietary Marks at the Premises, pursuant to the provisions hereof, and you have had a full and adequate opportunity to be thoroughly advised of the terms and conditions of this Franchise Agreement by counsel of your own choosing and represent and warrant that you have the business experience and financial ability to operate a Tommy's Business;

WHEREAS, you acknowledge that you have read this Agreement and our Franchise Disclosure Document ("Disclosure Document") (if applicable) and that you understand and accept the terms, conditions and covenants contained in this Agreement as being reasonably necessary to maintain uniform high standards of quality at all Tommy's Businesses and to protect the goodwill of the Proprietary Marks;

WHEREAS, we expressly disclaim the making of any warranty or guarantee, expressed or implied, oral or written, regarding the potential revenues, profits or success of the business venture contemplated by this Agreement. You acknowledge that you have not received or relied upon any such warranty or guarantee;

WHEREAS, you acknowledge that you have no knowledge of any representations by Tommy's, our officers, directors, shareholders or representatives about the franchise offered hereunder, about Tommy's or our franchising programs and policies that are contrary to the statements in the Disclosure Document (if applicable) or to the terms of this Agreement; and

WHEREAS, you acknowledge that this Agreement places detailed and substantial obligations on you, including full compliance with our present and future requirements regarding facilities, equipment, suppliers, operating procedures, management methods, merchandising strategies, sales promotion programs and related matters. You acknowledge that future improvements, changes, and developments in the System may require additional expense to be undertaken by you.

# BEFORE SIGNING THIS AGREEMENT, YOU SHOULD READ IT CAREFULLY WITH ASSISTANCE OF LEGAL COUNSEL.

**NOW, THEREFORE**, in consideration of the mutual covenants and agreements herein contained, the parties hereto agree as follows:

## ARTICLE 1 GRANT OF FRANCHISE

#### 1.1 Grant

Subject to the terms, conditions, and limitations elsewhere in this Agreement, we hereby grant to you a non-exclusive right and license to operate a Tommy's Business that uses the System, the Proprietary Marks and to market, sell and provide the Approved Products and Services in accordance with the System on and from the Premises. The Approved Products and Services are the only products and services authorized to be offered, sold, or provided at the Tommy's Business or on the Premises. This grant shall be effective only upon payment of the initial franchise fee in Section 4.1.

#### 1.2 Location

The right and license granted in Section 1.1 of this Agreement shall be restricted solely and exclusively to use in and from the Premises. During the term of this Agreement, the Premises shall be used exclusively by you and solely for the purpose permitted by this Agreement.

### 1.3 Non-Exclusivity

Except as set forth within this Agreement, the license granted to you by this Agreement is non-exclusive and we shall have, at all times throughout the term of this Agreement and any renewals hereof, the unqualified right to open and operate, or to franchise and license others to open and operate,

# AMENDMENT TO THE FRANCHISE AGREEMENT REQUIRED BY THE STATE OF MARYLAND

The Franchise Agreement ("Agreement") between the undersigned ("Franchisee") and Tommy's Express LLC ("Franchisor") shall be amended by the addition of the following language, which shall be considered an integral part of the Agreement ("Amendment"):

### MARYLAND LAW MODIFICATIONS

- 1. The Maryland Securities Division requires that certain provisions contained in franchise documents be amended to be consistent with Maryland law, including the Maryland Franchise Registration and Disclosure Law, MD. ANN. CODE, BUS. REG., §§ 14-201 et seq. (2015 Repl. Vol.) ("Law"). To the extent that this Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:
  - a. The general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Law.
  - b. Any acknowledgments or representations of the Franchisee made in the agreement which disclaim the occurrence and/or acknowledge the non-occurrence of acts that would constitute a violation of the Law are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Law.
  - c. A Franchisee may bring a lawsuit in Maryland for claims arising under the Law.
  - d. The limitation on the period of time mediation and/or litigation claims must be brought shall not act to reduce the three-year statute of limitations afforded a Franchisee for bringing a claim arising under the Law. Any claims arising under the Law must be brought within three years after the grant of the license.
- 2. Based upon the franchisor's financial condition, the Maryland Securities Commissioner 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. In addition, all development fees and initial payments by area developers shall be deferred until the first franchise under the development agreement opens.
- 23. Each provision of this Amendment shall be effective only to the extent that the jurisdictional requirements of the Law, with respect to each such provision, are met independent of this Amendment. This Amendment shall have no force or effect if such jurisdictional requirements are not met.
- 34. No statement, questionnaire, or acknowledgement signed or agreed to by a franchise 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.

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed, and delivered this An	mendment
on the same day and year that the Agreement has been executed.	

FRANCHISEE:	FRANCHISOR:
	TOMMY'S EXPRESS LLC

## **EXHIBIT D**

## DEVELOPMENT AGREEMENT

#### TOMMY'S EXPRESS LLC

## **DEVELOPMENT AGREEMENT**

THIS DEVELOPMENT AGRE	EMENT ("Agreement") is made and entered i	nto this day
of, 20 ("Effective	e Date") by and between Tommy's Express	LLC, a Michigan
limited liability company, with its princi	ipal office at 648 South Point Ridge, Holland,	Michigan, 49423
("Tommy's", "we", "us" or "our"), and	, a	whose principal
address is	("Developer", "you" or "your").	

WHEREAS, you intend to enter into franchise agreements with Tommy's, each in the form of our then-current franchise agreement (the "Franchise Agreement") to operate multiple businesses ("Tommy's Business(es)") using our plan and a system of uniform standards, methods, procedures, specifications, merchandising and advertising (hereinafter referred to as the "System") for the operation of businesses offering the establishment, development, and operation of an ultra-modern car wash, that does business under the name and Proprietary Marks "Tommy's," or "Tommy's Express," featuring a distinctive building in lengths from 50 to 130 feet with an acrylic roof and iconic sunburst entrance; an innovative automated wash system with conveyor belt, stainless steel arches, modular control station, and flight deck, and a free interior vacuum area;

WHEREAS, we are the licensee of the owner of the Proprietary Marks specified in the Franchise Agreement, or as may be hereafter designated as a part of the System and not thereafter withdrawn, and which we may hereafter acquire or develop for use with the System;

WHEREAS, you wish to obtain the rights and license from Tommy's for the use of the System and Proprietary Marks and, in association therewith, to own and operate additional Tommy's Businesses in the area described in Attachment "1" attached hereto (hereinafter referred to as the "Development Area") and you understand and accept the terms, conditions and covenants set forth herein and in the Franchise Agreement as those which are reasonably necessary to maintain our high and uniform standards of quality and service in order to protect the goodwill and enhance the public image of the System and the Proprietary Marks;

WHEREAS, we identify the System and the business conducted in accordance with the System under certain trademarks, service marks, logos, emblems, and indicia of origin (hereinafter "Proprietary Marks" or "Marks"), including, but not limited to, the names and mark "Tommy's," and "Tommy's Express," along with other such trade names, service marks, and trademarks as may be designated now or hereafter by Tommy's (in our Franchise Operations Manual or otherwise in writing) for use in connection with the System;

WHEREAS, you acknowledge that you have read this Agreement, the current Franchise Agreement, and our Disclosure Document (if applicable) and that you understand and accept the terms, conditions and covenants contained therein as being reasonably necessary to maintain our high standards of quality and service and the uniformity of those standards at all Tommy's Businesses in order to protect and preserve the goodwill of the Proprietary Marks; and

WHEREAS, we expressly disclaim the making of, and you acknowledge that you have not received or relied upon, any warranty or guarantee, express or implied, as to the revenues, profits or success of the business venture contemplated by this Agreement. You acknowledge that you have not received or relied on any representations, written or oral, about the franchise by Tommy's, or our officers, directors, employees or agents, that are contrary to the statements made in our Disclosure Document (if applicable) or to the terms herein, and you further represent to us, as an inducement to our

entry into this Agreement, that you have made no misrepresentations, written or oral, to Tommy's in the application for the multi-unit development rights granted hereunder.

BEFORE SIGNING THIS AGREEMENT, YOU SHOULD READ IT CAREFULLY WITH ASSISTANCE OF LEGAL COUNSEL.

**NOW, THEREFORE**, in consideration of the mutual covenants and agreements herein contained, the parties hereto agree as follows:

# ARTICLE 1 DEVELOPMENT RIGHTS AND OBLIGATIONS

#### 1.1 Grant of Franchises

Provided you: (i) are in full compliance with the terms and conditions contained in this Agreement, including, without limitation, the development obligations contained in Section 1.4; and (ii) are in, and any entities which we approve to enter into Franchise Agreements are in, full compliance with all obligations under all Franchise Agreements heretofore or hereafter entered into with Tommy's; then during the Development Schedule, we (1) will grant to you, in accordance with the provisions of Article 2 hereof, franchises for the ownership and operation of Tommy's Businesses located within the Development Area; and (2) will not operate (directly or through an affiliate), nor grant a franchise for the operation of, any Tommy's Business to be located within the Development Area, except such franchises as are granted to you. Upon expiration or termination of this Agreement, or if you are no longer in compliance with the terms of this Agreement or the terms of any Franchise Agreements, the limited exclusive rights described in this Section shall expire, subject to any territorial rights in any then-effective Franchise Agreements. You may develop, own, and operate the Tommy's Businesses pursuant to this Agreement through one or more entities approved by us in writing, and in which you or your owners are majority owners, provided that we have approved the owners of such entities, after full disclosure by you, and such entities otherwise meet all other of our requirements to become a franchisee.

#### 1.2 Term

Subject to the provisions contained herein, this Agreement shall be for a term commencing on the date hereof and expiring upon the earlier of: (i) date on which you have successfully and in a timely manner opened the last Tommy's Business to be developed hereunder according to the schedule provided in Attachment 1, attached hereto and incorporated herein by reference ("Development Schedule"); or (ii) the date on which the last Tommy's Business is required to be opened as set forth on the Development Schedule. Unless otherwise mutually agreed to in writing, you shall have no right to renew or extend the Term or develop additional Tommy's Businesses beyond those contemplated by the Development Schedule.

### 1.3 Rights Retained

We retain the right, in our sole discretion and without granting any rights to you: (a) to own and operate, or to grant other persons the right to own and operate, Tommy's Businesses at such locations outside the Development Area, and on such terms and conditions as we deem appropriate in our sole discretion, notwithstanding their proximity to the Development Area or their actual or threatened impact on sales or development of any of the Tommy's Businesses that you operate; (b) to offer and sell outside the Development Area the services and products authorized for Tommy's Businesses under the Proprietary Marks or other trademarks, service marks and commercial symbols through dissimilar channels of distribution and pursuant to such terms and conditions as we deem appropriate; and (c) to own, acquire, establish or operate, and license others to establish and operate, businesses under

# AMENDMENT TO THE DEVELOPMENT AGREEMENT REQUIRED BY THE STATE OF MARYLAND

The Development Agreement ("**Agreement**") between the undersigned ("**Developer**") and Tommy's Express LLC ("**Franchisor**") shall be amended by the addition of the following language, which shall be considered an integral part of the Agreement ("**Amendment**"):

### MARYLAND LAW MODIFICATIONS

- 1. The Maryland Securities Division requires that certain provisions contained in franchise documents be amended to be consistent with Maryland law, including the Maryland Franchise Registration and Disclosure Law, MD. ANN. CODE, BUS. REG., §§ 14-201 et seq. (2015 Repl. Vol.) ("Law"). To the extent that this Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:
  - a. The general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Law.
  - b. Any acknowledgments or representations of the Developer made in the agreement which disclaim the occurrence and/or acknowledge the non-occurrence of acts that would constitute a violation of the Law are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Law.
  - c. A Developer may bring a lawsuit in Maryland for claims arising under the Law.
  - d. The limitation on the period of time mediation and/or litigation claims must be brought shall not act to reduce the three-year statute of limitations afforded a Developer for bringing a claim arising under the Law. Any claims arising under the Law must be brought within three years after the grant of the license.
- 2. Based upon the franchisor's financial condition, the Maryland Securities Commissioner 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. In addition, all development fees and initial payments by area developers shall be deferred until the first franchise under the development agreement opens.
- 23. Each provision of this Amendment shall be effective only to the extent that the jurisdictional requirements of the Law, with respect to each such provision, are met independent of this Amendment. This Amendment shall have no force or effect if such jurisdictional requirements are not met.
- 34. No statement, questionnaire, or acknowledgement signed or agreed to by a franchise 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.

on the same day and year that the Agreement has been	executed.
DEVELOPER:	FRANCHISOR: TOMMY'S EXPRESS LLC
By:Name:	By:Name:

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed, and delivered this Amendment

### **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:

State	Effective Date
California	April 26, 2024
Hawaii	[Pending] April 29, 2024
Illinois	[Pending] May 1, 2024
Indiana	[Pending] May 1, 2024
Maryland	[Pending]
Michigan	[Pending] April 26, 2024
Minnesota	[Pending]
New York	[Pending]
North Dakota	[Pending]June 12, 2024
Rhode Island	[Pending] April 26, 2024
South Dakota	April 26, 2024
Virginia	[Pending]May 9, 2024
Washington	April 26, 2024
Wisconsin	April 26, 2024

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.