

## FRANCHISE DISCLOSURE DOCUMENT



Tumble Fresh Franchising, LLC  
A Minnesota Limited Liability Company  
7616 Currell Boulevard, Suite 100  
Woodbury, MN 55125-2295  
651-731-0515  
slinn@thelinnco.com  
<https://www.tumblefreshlaundry.com>

Tumble Fresh Franchising, LLC is offering franchises for the operation under the Tumble Fresh Coin Laundry name and logo of a self-service laundromat that provides quality, convenient and efficient washers and dryers in an inviting, vibrant laundry space.

The total investment necessary to begin operation of a Tumble Fresh Coin Laundry franchise is \$1,085,250 to \$2,721,500. This includes \$39,500 that must be paid to the franchisor or affiliate.

The total investment necessary to begin operation under a two-to five-unit Multi-Unit Development Agreement (including the first unit) is \$1,115,750 to \$2,822,000. This includes \$69,000 to \$135,000 that must be paid to the franchisor.

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

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, please contact William Wallace at 7616 Currell Boulevard, Suite 100, Woodbury, MN 55125-2295 and 651-731-0515.

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

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as "A Consumer's Guide to Buying a Franchise," which can help you understand how to use this disclosure document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC- HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW. Washington, D.C. 20580. You can also visit the FTC's home page at [www.ftc.gov](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: March 26, 2026

## How to Use This Franchise Disclosure Document

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

QUESTION	WHERE TO FIND INFORMATION
<b>How much can I earn?</b>	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibit H.
<b>How much will I need to invest?</b>	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor’s direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
<b>Does the franchisor have the financial ability to provide support to my business?</b>	Item 21 or Exhibit F includes financial statements. Review these statements carefully.
<b>Is the franchise system stable, growing, or shrinking?</b>	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
<b>Will my business be the only Tumble Fresh Coin Laundry business in my area?</b>	Item 12 and the “territory” provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
<b>Does the franchisor have a troubled legal history?</b>	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
<b>What’s it like to be a Tumble Fresh Coin Laundry franchisee?</b>	Item 20 or Exhibit H lists current and former franchisees. You can contact them to ask about their experiences.
<b>What else should I know?</b>	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

## What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

**When your franchise ends.** The franchise agreement may prohibit you from operating a similar business after your franchise ends even if you still have obligations to your landlord or other creditors.

### Some States Require Registration

Your state may have a franchise law, or other law, that requires franchisors to register before offering or selling franchises in the state. Registration does not mean that the state recommends the franchise or has verified the information in this document. To find out if your state has a registration requirement, or to contact your state, use the agency information in Exhibit A.

Your state also may have laws that require special disclosures or amendments be made to your franchise agreement. If so, you should check the State Specific Addenda (if any). See the Table of Contents for the location of the State Specific Addenda.

## Special Risk(s) to Consider About *This* Franchise

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

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in Minnesota. 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 Minnesota than in your own state.
2. **Financial Condition.** The franchisor's financial condition, as reflected in its financial statements (see Item 21), calls into question the franchisor's financial ability to provide services and support to you.
3. **Short Operating History.** The franchisor is at an early stage of development and has a limited operating history. This franchise is likely to be a riskier investment than a franchise in a system with a longer operating history.

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.

**NOTICE MANDATED BY SECTION 8 OF  
MICHIGAN'S FRANCHISE INVESTMENT ACT**

The following is applicable to you if you are a Michigan resident or your franchise will be located in Michigan.

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

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

- (i) The failure of the proposed transferee to meet the franchisor's then-current reasonable qualifications or standards.
- (ii) The fact that the proposed transferee is a competitor of the franchisor or sub-franchisor.
- (iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.
- (iv) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.

(h) A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c).

(i) A provision which permits the franchisor to directly or indirectly convey, assign, or otherwise transfer its obligations to fulfill contractual obligations to the franchisee unless provision has been made for providing the required contractual services.

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

Any questions regarding this notice should be directed to:

State of Michigan Department of Attorney General  
Corporate Oversight Division  
Franchise Section  
525 W. Ottawa Street  
G. Mennen Williams Building, 5th Floor  
Lansing, Michigan 48909  
Telephone Number: (517) 373 7117

## TABLE OF CONTENTS

<u>Item</u>	<u>Page</u>
Item 1 THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES...	1
Item 2 BUSINESS EXPERIENCE.....	3
Item 3 LITIGATION .....	3
Item 4 BANKRUPTCY .....	3
Item 5 INITIAL FEES .....	4
Item 6 OTHER FEES.....	4
Item 7 ESTIMATED INITIAL INVESTMENT .....	9
Item 8 RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES.....	12
Item 9 FRANCHISEE’S OBLIGATIONS .....	16
Item 10 FINANCING .....	18
Item 11 FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS, AND TRAINING .....	18
Item 12 TERRITORY.....	26
Item 13 TRADEMARKS.....	30
Item 14 PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION.....	32
Item 15 OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS .....	34
Item 16 RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL.....	34
Item 17 RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION .....	35
Item 18 PUBLIC FIGURES .....	41
Item 19 FINANCIAL PERFORMANCE REPRESENTATIONS .....	41
Item 20 OUTLETS AND FRANCHISEE INFORMATION .....	44
Item 21 FINANCIAL STATEMENTS.....	46
Item 22 CONTRACTS .....	47
Item 23 RECEIPTS.....	47

### Exhibits

- A. State Administrators and Agents for Service of Process
- B. Franchise Agreement (with Guaranty and Non-Compete Agreement, and Pet Fresh Amendment)
- C. Multi-Unit Development Agreement
- D. Rider to Lease Agreement
- E. Form of General Release
- F. Financial Statements
- G. Brand Standards Manuals - Table of Contents
- H. Current and Former Franchisees
- I. State Addenda to Disclosure Document
- J. State Addenda to Agreements
- K. Electronic Transfer of Funds Authorization

**Item 1**  
**THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES**

In this disclosure document, “we”, “us,” or “our” refers to Tumble Fresh Franchising, LLC. “You” means the person to whom we grant a franchise. If you are a corporation, limited liability company, or other entity, each owner of the franchise entity must sign our Guaranty and Non-Compete Agreement, which means that all of the franchise agreement’s provisions also will apply to your owners.

Us, Any Parents, Predecessors and Certain Affiliates

Our name is Tumble Fresh Franchising, LLC. Our principal business address is 7616 Currell Boulevard, Suite 100, Woodbury, MN 55125-2295. We are a Minnesota limited liability company formed on April 7, 2022. We began offering Tumble Fresh Coin Laundry franchises in June 2022. We do business under the names “Tumble Fresh Franchising, LLC” and “Tumble Fresh Coin Laundry”. We do not intend to use any other names to conduct business. We do not have any parent entities. As of December 31, 2025, we had 2 Tumble Fresh Coin Laundry franchises open and operating.

Although we have never operated a Tumble Fresh Coin Laundry location, as of December 31, 2025, our affiliate Linn Retail Centers, Inc. (“Linn”) operated 15 Tumble Fresh Coin Laundry locations, 13 in Minnesota and 2 in Wisconsin. Linn began operating Tumble Fresh Coin Laundry locations when it opened its first Minnesota location in 2011. Linn may be considered a predecessor of ours as it has licensed the Tumble Fresh Coin Laundry trademarks to us. It has never offered franchises in any line of business. It has the same principal business address as we do.

We do not have any affiliates that provide products or services to our franchisees, other than L/C Commercial, LLC (“LCC”). LCC may provide commercial real estate support services to our franchisees. LCC’s principal business address is the same as ours. LCC has never operated the type of business a Tumble Fresh Coin Laundry franchisee will operate nor has it offered franchises in any line of business.

Other than Pet Fresh Franchising, LLC (“Pet Fresh”), we have never had any affiliates that offer franchises in any line of business. Pet Fresh offered franchises under the Pet Fresh Dog Wash name for self-serv pet washing bays which included an optional pet grooming facility from June 2022 to December 10, 2025 at which time it ceased the offer and sale of Pet Fresh franchises and assigned to us all of its rights in the Pet Fresh franchise system and its trademarks. As of December 31, 2025, there was one Pet Fresh franchise in operation.

Of the 15 Tumble Fresh Coin Laundry locations discussed above, 8 of them are operated in combination with a Pet Fresh Dog Wash unit, of which 6 of these units are located within the Tumble Fresh Coin Laundry locations, and 2 are stand-alone units located adjacent to Tumble Fresh Coin Laundry locations.

We offer franchisees who are opening a Tumble Fresh franchise the right to offer self-service pet washing bay(s) for use by customers to wash their pets and optional grooming services under the Pet Fresh Dog Wash name and trademark at their Tumble Fresh Coin Laundry location. If you would like to offer these services at your location, you will sign an amendment to your Franchise Agreement. The current form of that amendment is attached to the Franchise Agreement as Attachment 4. We refer to this amendment as the “Pet Fresh Amendment”.

Our agent for service of process in Minnesota is William Wallace, and the agent’s principal business address is 7616 Currell Boulevard, Suite 100, Woodbury, MN 55125-2295. Our agents for service of process in other states are disclosed in Exhibit A.

### Information About the Franchises Offered

If you sign a franchise agreement with us, you will develop and operate a self-service laundromat that provides quality, convenient and efficient washers and dryers in an inviting, vibrant laundry space under the trade name Tumble Fresh Coin Laundry. The size of these locations vary from a minimum of 2,900 square feet to a maximum of 5,800 square feet. As discussed above, if you would like the right to offer pet washing services under the Pet Fresh Dog Wash name and trademark at your Tumble Fresh Coin Laundry location, you must sign the Pet Fresh Amendment.

If you sign a Multi-Unit Development Agreement (attached as Exhibit C to this disclosure document), you will develop multiple Tumble Fresh Coin Laundry locations, which may or may not provide pet washing services, on an agreed-upon schedule. For each location you open, you must sign our then-current form of franchise agreement, which may be different from the form of franchise agreement included in this disclosure document.

You will operate in a self-service laundromat market that is well developed. Our products *or* services are offered year-round. You will compete for customers with independent owners, national chains, regional chains, and franchised businesses, offering self-service laundromats. If you also desire to offer pet washing services and pet grooming services, you will compete for customers with pet stores, groomers and other businesses offering these services.

### Laws and Regulations

You must comply with all federal, state and local regulations applicable to your business. We are not aware of any laws or regulations specific to the industry in which the franchise business operates.

You should consult with a legal advisor about legal requirements that may apply to your business.

**Item 2**  
**BUSINESS EXPERIENCE**

**Stephen Linn – President and Chief Manager**

Stephen Linn has been our President and Chief Manager since April 2022. Mr. Linn has acted as the CEO and CFO of our affiliate Linn Retail Centers, Inc. located in Woodbury, MN since January 1983. He also acted as the President and Chief Manager of our affiliate Pet Fresh located in Woodbury, MN from April 2022 to December 2025.

**Amy Dumonceaux – Secretary**

Amy Dumonceaux has been our Secretary since April 2022. She has served as a Vice President and the Secretary of our affiliate Linn Retail Centers, Inc. located in Woodbury, MN since June 1995. She also acted as the Secretary of our affiliate Pet Fresh located in Woodbury, MN from April 2022 to December 2025.

**William Wallace – President and COO**

William Wallace has been the Chief Operating Officer of our affiliate, Linn Retail Centers, Inc. located in Woodbury, MN since July 2019. He took on the additional role as President of Linn Retail Centers, Inc., in January 2023.

**Blake Martin – Vice President of Real Estate & Franchise Development**

Blake Martin has been our Vice President of Real Estate & Franchise Development since December 2020. He has also been the Vice President of Real Estate & Franchise Development for our affiliate, Linn Retail Centers, Inc., located in Woodbury, MN since December 2020.

**Amanda Knuuttila – Sales Support Manager**

Amanda Knuuttila has served as our Sales Support Manager since April 2022. She has also served as the Sales Support Manager for our affiliate Linn Retail Centers, Inc. located in Woodbury, MN since July 2018. She served as the Sales Support Manager for our affiliate Pet Fresh located in Woodbury, MN from April 2022 to December 2025.

**Item 3**  
**LITIGATION**

No litigation is required to be disclosed in this Item.

**Item 4**  
**BANKRUPTCY**

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

**Item 5  
INITIAL FEES**

Franchise Fee

When you sign your franchise agreement, you must pay us \$39,500 as the Initial Franchise Fee. This fee is uniform and is not refundable.

Multi-Unit Development

If you and we agree that you will develop multiple franchises, then you will sign our Multi-Unit Development Agreement (“MUDA”) in the form of Exhibit C to this disclosure document. Your Initial Franchise Fees will be reduced in accordance with the following schedule:

Per Unit Initial Franchise Fee

- 2 Units - \$34,500
- 3 Units - \$32,000
- 4 Units - \$29,500
- 5 Units - \$27,000

Each unit after the first unit must be opened within one year of the previous unit being opened. You will pay all Initial Franchise Fees upon signing the MUDA. They are uniform and not refundable.

**Item 6  
OTHER FEES**

<b>Type of Fee</b>	<b>Amount<sup>1</sup></b>	<b>Due Date</b>	<b>Remarks</b>
Royalty	6% of your monthly Gross Sales	Tenth day of each month for the prior month	See Note 1 and Note 2.
Marketing Fund Contribution	2% of your monthly Gross Sales	Tenth day of each month for the prior month	See Note 1 and Note 2.
Local Advertising	1% of your monthly Gross Sales	On demand	If you fail to spend at least 1% of your monthly Gross Sales on local advertising we have approved in your market, unless we otherwise agree, you must pay us the difference and we will spend that amount in your market area.

Type of Fee	Amount <sup>1</sup>	Due Date	Remarks
Replacement / Additional Training Fee	\$300 per day	Prior to attending training	If you send a manager or other employee to our training program after you open, we will charge our then-current training fee.
Non-compliance Fee	\$500	On demand	We may charge you \$500 if your business is not in compliance with our system specifications or the franchise agreement and you fail to correct the non-compliance after 30 days' notice. We can then charge you \$250 per week until you correct such non-compliance.
Reimbursement Fee	Amount that we spend on your behalf, plus 10% of amount	Within 15 days of invoice	If we pay any amount that you owe to a third party, you must reimburse us.
Tumble Fresh/Pet Fresh App Processing Fee	Amount charged to us by third party processors, generally ranging from 3% to 8% of the amount of each sale transaction made through the Tumble Fresh/Pet Fresh App, depending upon the processor.	As incurred	See Note 3.
Technology Fee	\$400 per month See Note 4	Tenth day of each month for the prior month	<p>We can increase this fee on 30 days' notice to you.</p> <p>This Fee is subject to an annual increase of 10% of the then-current amount of the Fee. Adjustments are compounded annually and cumulative including increases in any given year of greater than 10% to adjust for prior years when no increase, or an increase of less than the permitted percentage increase, was implemented. We will give you 30 days' notice of any fee increase.</p>

Type of Fee	Amount <sup>1</sup>	Due Date	Remarks
Late Fee	\$100 plus interest on the unpaid amount at a rate equal to 1.5% per month (or, if such rate exceeds the maximum allowed by law, then interest at the highest rate allowed by law)	On demand	We may charge a late fee if you fail to make a required payment when due.
Insufficient Funds Fee	\$30 (or maximum allowed by law, whichever is less)	On demand	We may charge an insufficient funds fee if a payment made by you is returned because of insufficient funds in your account.
Costs of Collection	Our actual costs	On demand	Payable if we incur costs (including reasonable attorney fees) in attempting to collect amounts you owe to us.
Special Support Fee	\$600 per day, plus our out-of-pocket costs	On demand	If we provide in-person support to you in response to your request, we may charge this fee plus any out-of-pocket expenses (such as travel, lodging, and meals for employees providing onsite support).
Customer Complaint Resolution Fee	Our expenses	On demand	We may take any action we deem appropriate to resolve a customer complaint about your business. If we respond to a customer complaint, we may require you to reimburse us for our expenses.
Audit	Our actual cost	On demand	Payable only if (1) we audit you because you have failed to submit required reports or other non-compliance, or (2) the audit concludes that you under-reported Gross Sales by more than 3% for any period.

Type of Fee	Amount <sup>1</sup>	Due Date	Remarks
Special Inspection Fee	\$600, plus our out-of-pocket costs	On demand	Payable only if we conduct an inspection of your business because of a governmental report, customer complaint or other customer feedback, or your default or non-compliance with any system specification.
Non-compliance cure costs and Fee	Our costs and expenses, plus 10% of this amount	On demand	We may cure your non-compliance on your behalf (for example, if you do not have required insurance, we may purchase insurance for you), and you will owe our costs and expenses plus a 10% administrative fee.
Transfer Fee	\$10,000 plus any broker fees and other out-of-pocket costs we incur	When transfer occurs	Payable if you transfer the franchise or sell your business.
Indemnity	Our costs and losses from any legal action related to the operation of your franchise	On demand	You must indemnify and defend (with counsel reasonably acceptable to us) us and our affiliates against all losses in any action by or against us related to, or alleged to arise out of, the operation of your franchise (unless caused by our misconduct or negligence).
Legal costs	Our attorney fees, court costs, and other expenses of a legal proceeding, if we are the prevailing party	On demand	In any legal proceeding (including arbitration), the losing party must pay the prevailing party's attorney fees, court costs and other expenses.

All fees are payable only to us. All fees are imposed by us and collected by us. All fees are non-refundable. All fees are uniform for all franchisees, although we reserve the right to change, waive, or eliminate fees for any one or more franchisees as we deem appropriate. There are currently no marketing cooperatives, purchasing cooperatives, or other cooperatives that impose fees on you.

#### Notes

1. You must provide us with a monthly report of Gross Sales for the prior month on or before the 5<sup>th</sup> day of each month and we will make a direct debit of your business bank operating

account to pay Royalty Fees, Brand Fund Contributions and Technology Fees, no later than the 10<sup>th</sup> day of each month for the prior month. If the 5<sup>th</sup> or the 10<sup>th</sup> day is not a business day, the obligation to report and/or pay will fall on the next immediate business day. We can direct debit your account at any other time we may determine to pay any other fees or amounts you owe us, and we can change the day for payment or the payment method upon notice to you for any fees or other amounts.

You must comply with our procedures and perform all acts and deliver and sign all documents, including authorization (in the form attached to this disclosure document as Exhibit K or other form that we may require) for direct debits from your business bank operating account, or another account we require. Under this procedure you authorize us to initiate debit entries and/or credit correction entries to your designated business bank operating account for payments of fees and other amounts payable to us. You will make the funds available to us for withdrawal by direct debit no later than the date we specify. If you have not timely reported Gross Sales for any reporting period, or you withhold our access to accounting or financial systems or data we need to determine Gross Sales, we can debit your account in an amount equal to 125% of the last Gross Sales reported to us, and we will true-up the actual amount due to us after you report Gross Sales.

2. “Gross Sales” is defined in our franchise agreement as the total amount of all sales generated through your business for a given period, including, payment for any services or products sold by you, whether for cash or credit. Gross Sales includes commissions generated by ATM and/or Bitcoin machines. Gross Sales does not include: (i) bona fide refunds to customers; (ii) sales taxes collected; (iii) sale of used equipment not in the ordinary course of business; or (iv) sales of prepaid cards or similar products (but the redemption of any such card or product will be included in Gross Sales).

3. If funds placed on the Tumble Fresh/Pet Fresh App by a customer are transferred to your account before a purchase of goods or services by the customer at the Tumble Fresh Coin Laundry location, we can debit your account for the amount and allocate the funds at the time the purchase or sale of goods or services is made to the franchised location where the purchase or sale of goods or services occurred.

4. You will pay a Technology Fee for each Tumble Fresh location you operate, which is currently \$400.

**Item 7**  
**ESTIMATED INITIAL INVESTMENT**

**YOUR ESTIMATED INITIAL INVESTMENT - FRANCHISE AGREEMENT**

Type of Expenditure (see Note 1)	Amount	Method of Payment	When Due	To Whom Payment is to be Made
Initial Franchise Fee	\$39,500	Check or wire transfer	Upon signing the franchise agreement	Us
Lease Security Deposit (see Note 2)	\$4,500 - \$12,500	Check	Upon signing lease	Landlord
Rent (see Note 3)	\$21,750 - \$78,000	Check		
Utilities	\$750 - \$2,000	Check, debit, and/or credit	Upon ordering service  (Does not include regular monthly utility bills after location is opened).	Utility providers
Leasehold Improvements (see Note 4)	\$330,000 - \$1,000,000	Check	As incurred or when billed	Contractors
Market Introduction Program	\$5,000 - \$20,000	Check, debit, and/or credit	As incurred or when billed	Vendors and suppliers
Furniture, Fixtures, and Equipment	\$600,000 - \$1,200,000	Check, debit, and/or credit	As incurred	Vendors and suppliers
Computer Systems (see Note 5)	\$25,000 - \$70,000	Check, debit, and/or credit	As incurred	Vendors and suppliers
Insurance	\$500 - \$3,000	Check	Upon ordering	Insurance company
Signage (see Note 6)	\$9,250 - \$220,000	Check, debit, and/or credit	Upon ordering	Vendor

Type of Expenditure (see Note 1)	Amount	Method of Payment	When Due	To Whom Payment is to be Made
Office Expenses	\$1,000 - \$2,500	Check, debit, and/or credit	As incurred	Vendors
Inventory	\$4,000 - \$6,500	Check, debit, and/or credit	Upon ordering	Vendors
Licenses and Permits	\$1,000 - \$2,500	Check	Upon application	Government
Professional Fees (lawyer, accountant, etc.)	\$1,500 - \$3,000	Check, debit, and/or credit	As incurred or when billed	Professional service firms
Travel, lodging and meals for initial training	\$1,500 - \$2,000	Cash, debit or credit	As incurred	Airlines, hotels, and restaurants
Additional funds (for first 3 months) (see Note 7)	\$40,000 - \$60,000	Varies	Varies	Employees, suppliers, utilities
Total	\$1,085,250 - \$2,721,500			

Notes to Chart Above

1. The low estimates in the chart above are for the opening and operation of a Tumble Fresh Coin Laundry location with 2,900 square feet that does not include Pet Fresh Dog Wash self-serv pet washing bays or a grooming station. The high estimates are for a Tumble Fresh Coin Laundry location with 5,800 square feet that includes Pet Fresh Dog Wash self-serv pet washing bays and a grooming station. Other than your lease security deposit and utility deposits under certain circumstances, none of the other expenditures in this table are refundable. Neither we nor any affiliate finances any part of your initial investment. However, see Item 10 for financing options.
2. We expect that you will lease the location for your Tumble Fresh Coin Laundry. These estimates in this table assume you pay a security deposit of one month's rent before you open for business.
3. Rents costs are generally between approximately \$30 and \$85 per square foot in the Minneapolis/St. Paul, Minnesota market, including CAM and taxes, and will vary in other markets. The low estimate is for a 2,900 square foot location and the high estimate is for

a 5,800 square foot location. Each estimate is for the payment of the first 3 month's rent. If you choose to purchase the real estate for your location the costs will be significantly higher.

4. The low estimate assumes that your landlord provides a tenant improvement allowance for a significant portion of the improvements to the location and that minor updates to the mechanical systems such as HVAC and ventilation, or utilities such as water, sewer, electric and gas are needed. The high estimate assumes the location will require significant mechanical and utility improvements and that your landlord provides a small tenant improvement allowance, and you are responsible for paying for the improvements to the location. The high estimate includes the cost for a separate entryway or access point which would be required of a facility providing self-serv pet washing and grooming services. Both estimates assume that you meet our design and décor requirements for your location.
5. Each of these estimates include the cost to acquire a computer and the payment processing system that we require. The high estimate includes an additional payment processing system required for the pet washing and pet grooming services. Although we do not require you to use any specific computer software in your business, we do require that you use some type of accounting software to manage the finances of your business. We have included these costs in these estimates.
6. The low estimate assumes one exterior sign over the front door of location. The high estimate assumes signs on 4 sides of the building and a monument sign with an electronic message center. The high estimate also includes additional interior and exterior signage for the Pet Fresh services.
7. These estimates are for other required expenses you will incur before operations begin and during the initial 3-month period of operations, such as payroll, additional inventory, rent, and other operating expenses. It does not include any credit card processing fees you must pay on card transactions, whether made through the Tumble Fresh/Pet Fresh App or otherwise as those fees will depend on the vendors, the number of transactions, and the amount of any single transaction. It does not include any salary or compensation for you or any other owner. In formulating the amount required for additional funds, we relied on the experience of our affiliate in developing Tumble Fresh Coin Laundry locations with and without Pet Fresh Dog Wash washing bays, and our general knowledge of the industry.

**YOUR ESTIMATED INITIAL INVESTMENT – MULTI UNIT DEVELOPMENT AGREEMENT**

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to be Made
First franchise (see Note 1)	\$1,045,750 - \$2,682,000	Varies	Varies	Various Vendors and Us

<b>Type of Expenditure</b>	<b>Amount</b>	<b>Method of Payment</b>	<b>When Due</b>	<b>To Whom Payment is to be Made</b>
Initial franchise fees for 2-5 Units (see Note 2)	\$69,000 - \$135,000	Check or wire transfer	Upon signing the MUDA	Us
Business planning and miscellaneous expenses	\$1,000 - \$5,000	Check	As incurred	Vendors and suppliers
Total	\$1,115,750 - \$2,822,000			

Notes to Multi-Unit Development Agreement Chart Above

1. These costs were taken from the initial chart in this Item 7 except that we have excluded the Initial Franchise Fee as that cost is accounted for as discussed below. You would otherwise incur these costs for the initial Tumble Fresh Coin Laundry location opened under the MUDA. As the costs to provide the Pet Fresh services are included in the high estimates in Item 7 chart above, they are included in the high estimates. For your second and each subsequent laundry location, your costs may be higher than the above estimates due to inflation and other economic factors.

2. All Initial Franchise Fees are due at the time the MUDA is signed. The low estimate is for the Initial Franchise fees for 2 Tumble Fresh Coin Laundries (\$34,500 x 2) and the high estimate is for 5 of these locations (\$27,000 x 5). See Item 5 for additional information.

**Item 8  
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES**

Generally

We have the right to require you to purchase or lease all goods, services, supplies, fixtures, equipment, inventory, computer hardware and software, real estate, or comparable items related to establishing or operating your business (1) either from us or our designee, or from suppliers approved by us, or (2) according to our specifications.

Specific Obligations

The following are our current specific obligations for purchases and leases:

A. Real Estate. Your business location is subject to our approval and must meet our specifications.

B. Insurance. You must obtain insurance as described in the franchise agreement and in our Brand Standards Manual, which includes: (i) “Special” causes of loss coverage forms, including fire and extended coverage, crime, vandalism, and malicious mischief, on all property of the business, for full repair and replacement value (subject to a reasonable deductible); (ii) Business interruption insurance covering at least 12 months of income; (iii) Commercial General Liability insurance, including products liability coverage, and broad form commercial liability coverage, written on an “occurrence” policy form in an amount of not less than \$1,000,000 single limit per occurrence and \$2,000,000 aggregate limit; (iv) Business Automobile Liability insurance including owned, leased, non-owned and hired automobiles coverage in an amount of not less than \$1,000,000; and (v) Workers Compensation coverage as required by state law. Your policies (other than Workers Compensation) must list us and our affiliates as an additional insured, must include a waiver of subrogation in favor of us and our affiliates, must be primary and non-contributing with any insurance carried by us or our affiliates, and must stipulate that we receive 30 days’ prior written notice of cancellation.

C. Point-of-sale system and hardware, and related software and hardware. You must purchase (or lease) the point-of-sale system, including software and hardware, that we specify.

D. Equipment, furniture, signage, A/V, security, design and decor. All equipment, including water heaters and water softeners; car vacuums; relay panel to control lighting; televisions; laundry and trash receptacles; soap venders; vending machines; bill changers; coin scales; laundry carts; mop buckets and brooms; furniture (including tables, benches and seats, step stools, and infant changing stations); interior and exterior signage (including graphics, wraps for your ATM and vending machines); and design and décor (including awning on your business location), must meet our specifications. We also have approved suppliers for most of these items.

If you are providing Pet Fresh Dog Wash services your signage, including door signs, digital signs and all graphics, certain equipment, including your dog wash, dog wash waste station and waste dispenser, and certain supplies, including dog shampoo, disinfectant, flea and tick treatment, and conditioner, and floor mats must be purchased from our approved suppliers and must meet our specifications.

### Sole Suppliers to the Franchise System

We have sole suppliers for your point-of-sale systems, laundry equipment, soap dispensers and change machines, your furniture and your interior and exterior signage. If you will be providing the Pet Fresh Dog Washing stations and grooming services we have sole suppliers for your equipment, signage, dog wash waste station and waste dispenser, the dog shampoo, disinfectant, flea and tick treatment, and conditioner, and the floor mats. You must purchase the items disclosed in this paragraph only from these suppliers. None of these suppliers are affiliated with us. But some of them pay us rebates based on franchisee purchases. See below for additional information on these rebates.

### Us or our Affiliates as Supplier

We are the sole supplier for the Tumble Fresh/Pet Fresh App and any payment processing services for transactions made through the Tumble Fresh/Pet Fresh App. We or our affiliates may in the future require you to purchase other goods or services and we or our affiliates may be the sole supplier of these goods or services. We intend to make a profit on any goods or services we sell to you. We have one affiliated supplier for commercial real estate support services, but you have no obligation to use this supplier.

### Ownership of Suppliers

None of our officers own an interest in any supplier to our franchisees other than L/C Commercial, LLC, our affiliated supplier.

### Alternative Suppliers

If you want to use a supplier that is not on our list of approved suppliers for an item or service for which we do not have only a sole supplier, you must request our approval in writing. We will grant or revoke approvals of suppliers based on criteria appropriate to the situation, which may include evaluations of the supplier's capacity, quality, financial stability, reputation, and reliability; inspections; product testing; and performance reviews. Our criteria for approving suppliers are not available to you. We permit you to contract with alternative suppliers who meet our criteria only if you request our approval in writing, and we grant approval. There is no fee for us to review or approve an alternate supplier. We will provide you with written notification of the approval or disapproval of any supplier you propose within 8 weeks after receipt of your request. We may grant approvals of new suppliers or revoke past approvals of suppliers on written notice to you, or by updating our Manual.

### Issuing Specifications and Standards

We issue specifications and standards to you in our Manual and/or in written directives. We may issue new specifications and standards for any aspect of our system, or modify existing specifications and standards, at any time by revising our Manual and/or issuing new written directives (which may be communicated to you by any method we choose).

### Revenue to Us and our Former Affiliate

In our fiscal year ended December 31, 2025, we had total revenue of \$90,093, of which \$5,540.73 was required purchases or leases by our franchisees, which amount is 6.15% of our total revenue. This information was taken from our audited financial statements and internal records.

In the fiscal year ended December 31, 2025, our affiliate had total revenue of \$1,928.96 from required purchases or leases by Pet Fresh Dog Wash franchisees. This information was taken from its unaudited financial statements and internal records.

### Proportion of Required Purchases and Leases

We estimate that the required purchases and leases to establish your business are approximately 80% of your total purchases and leases to establish your business.

We estimate that the required purchases and leases of goods and services to operate your business are approximately 50% of your total purchases and leases of goods and services to operate your business.

### Payments by Designated Suppliers to Us

We may obtain rebates, direct payments or other consideration from any designated suppliers based on purchases by you or other franchisees. We intend to keep all amounts received from suppliers based on franchisee purchases. There are no caps or limitations on the amount of rebates we may receive from suppliers as a result of franchisee purchases. They may also provide us and our affiliates with credits on purchases we and our affiliates make from them based on the volume of purchases our franchisees make from them. Although these rebates may range in type and form, we anticipate that they will be between 2% and 10% of the purchase price of the goods or services. For example, the supplier of the Pet Fresh Dog Wash equipment and signage pays us a 2% rebate on amounts paid by franchisees for these items. We also receive compensation from our preferred lender in connection with franchisees who obtain loans from this lender to develop their Tumble Fresh Coin Laundry location. See Item 10 for additional information.

### Purchasing or Distribution Cooperatives

No purchasing or distribution cooperative currently exists.

### Negotiated Arrangements

We do not negotiate purchase arrangements with suppliers, including price terms, for the benefit of franchisees. However, we may do so in the future.

### Benefits Provided to You for Purchases

We do not provide any material benefit to you based on your purchase of particular goods or services, or your use of particular suppliers.

**Item 9**  
**FRANCHISEE’S OBLIGATIONS**

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

Obligation	Section in agreement	Disclosure document item
a. Site selection and acquisition/lease	Franchise Agreement (FA): §§ 6.1, 6.2 Multi-Unit Development Agreement (MUDA): Not Applicable	Item 11
b. Pre-opening purchase/leases	FA: §§ 6.2, 6.3 MUDA: Not Applicable	Items 5, 7, 8 and 11
c. Site development and other pre-opening requirements	FA: § 5.4; Section 6 MUDA: §§1(a), 3	Items 5, 7, 8 and 11
d. Initial and ongoing training	FA: §§ 4.4, 5.3, 5.4, 6.4, 7.6 MUDA: Not Applicable	Items 6, 7 and 11
e. Opening	FA: §§ 6.4, 6.5 MUDA: §1(a)	Items 5, 7, 8 and 11
f. Fees	FA: Section 4, §§ 5.5, 7.8, 9.3, 10.5, 11.2, 11.3, 14.4, 15.2, 16.1, 17.6 MUDA: §§1(a), 1(b)	Items 5, 6, 7 and 11
g. Compliance with standards and policies/operating manual	FA: §§ 4.5, 6.4, 7.1, 7.2, 7.3, 7.5, 7.9 – 7.13, 7.15, 10.1 – 10.4, 11.1, 11.2 MUDA: Sections 1 and 6	Items 6, 8, 11, 12 and 14
h. Trademarks and proprietary information	FA: Section 12, § 13.1 MUDA: Not Applicable	Items 13 and 14
i. Restrictions on products/services offered	FA: § 7.3 MUDA: Not Applicable	Items 8, 11 and 16
j. Warranty and customer service requirements	FA: §§ 6.1, 6.3, 7.3, 7.5, 7.8, 7.9 MUDA: Not Applicable	Items 6, 8 and 16

<b>Obligation</b>	<b>Section in agreement</b>	<b>Disclosure document item</b>
k. Territorial development and sales quotas	FA: Not applicable MUDA: §1(a), 4(ii)	Item 12
l. Ongoing product/service purchases	FA: Section 8 MUDA: Not Applicable	Items 6, 8 and 16
m. Maintenance, appearance, and remodeling requirements	FA: §§ 7.12, 7.13 MUDA: Not Applicable	Items 7, 8 and 11
n. Insurance	FA: § 7.15 MUDA: Not Applicable	Items 6, 7 and 8
o. Advertising	FA: Section 9 MUDA: Not Applicable	Items 6 and 11
p. Indemnification	FA: Section 16 MUDA: Not Applicable	Item 6
q. Owner's participation/management/staffing	FA: §§ 2.4, 5.2, 5.5, 7.5(a) MUDA: Not Applicable	Items 11 and 15
r. Records and reports	FA: Section 10 MUDA: Not Applicable	Items 6 and 11
s. Inspections and audits	FA: §§ 10.5, 11.2 MUDA: Not Applicable	Items 6 and 11
t. Transfer	FA: Section 15 MUDA: Section 7	Items 6 and 17
u. Renewal	FA: §§ 3.2, 6.2 MUDA: Not Applicable	Item 17
v. Post-termination obligations	FA: Section 13, § 14.3, Attachment 3 MUDA: Not Applicable	Item 17
w. Non-competition covenants	FA: § 13.2, Attachment 3 MUDA: Not Applicable	Item 17
x. Dispute resolution	FA: Section 17 MUDA: Section 7	Items 6 and 17

**Item 10**  
**FINANCING**

We do not offer direct or indirect financing. We do not guarantee your note, lease or obligations.

**Item 11**  
**FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS, AND TRAINING**

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

Our Pre-Opening Obligations

Before you open your business:

A. *Your site.* We will review and advise you regarding potential locations that you submit to us. (Franchise Agreement - Section 5.4(a)). If you sign a Multi-Unit Development Agreement, we will approve the location of future sites and territories for those sites, and our then-current standards for sites and territories will apply. We are not obligated to assist you in locating a site or negotiating the purchase or lease of the site.

- (i) We generally do not own your premises.
- (ii) If your site is not already known and approved by us when you sign your franchise agreement, then we and you will specify in your franchise agreement the area in which you must select a site (Franchise Agreement, Summary Page). We do not select your site. Your site is subject to our approval. To obtain our approval, you must provide all information and documents about the site that we require.
- (iii) The factors we consider in approving sites are general location and neighborhood, competition, trade area demographics, traffic patterns, parking, size, physical characteristics of existing buildings, lease terms and size of proposed location. Your location must be at least 2,900 square feet but not more than 5,800 square feet unless we otherwise approve.
- (iv) The time limit for us to approve or disapprove your proposed site is 30 days after you submit all of our required documents and information. (Franchise Agreement - Section 6.1). If we and you cannot agree on a site within 90 days of the date you sign your Franchise Agreement, we may terminate your Franchise Agreement and retain any amounts you have paid to us. (Franchise Agreement – Section 14.2(c)).
- (v) Your lease must be approved by us. But our review and approval is related to those provisions we require be included in your lease including those related to duration and restrictions on usage during and after lease ends. The lease may not be modified without our prior written approval once we approve it. (Franchise

Agreement - Section 6.2 and 6.3), Pet Fresh Amendment – Section 7). Your landlord must sign our form of Rider to Lease Agreement (attached to this disclosure document as Exhibit D) at the time you and your landlord sign the Lease.

(vi) We are not obligated to assist you in conforming the premises of your site to local ordinances and building codes and obtaining any required permits. This will be your responsibility.

B. *Constructing, remodeling, or decorating the premises.* We will provide you with a set of our standard building plans and specifications and/or standard recommended floor plans, and our specifications for required décor. (Franchise Agreement - Section 5.4(b)).

C. *Hiring and training employees.* We will provide you with our suggested staffing levels and operational instructions in the Manual which you can use as part of your training of new employees (Franchise Agreement – Sections 5.2 and 5.3), and our initial training program described below. All hiring decisions and conditions of employment are your sole responsibility.

D. *Necessary equipment, signs, fixtures, opening inventory, and supplies.* We will provide you a list of our specifications and approved suppliers for equipment, signs, fixtures, opening inventory, and supplies necessary to open your business. (Franchise Agreement – Section 5.4(b)). We do not provide these items directly; we only provide the names of approved suppliers. We do not deliver or install these items.

E. *Brand Standards Manual.* We will give you access to our Brand Standards Manual (Franchise Agreement - Section 5.1).

F. *Initial Training Program.* We will conduct our initial training program. (Section Franchise Agreement - 5.4(d)). The current initial training program is described below.

G. *Business plan review.* If you request, we will review your pre-opening business plan and financial projections. (Franchise Agreement - Section 5.4(c)).

H. *Market introduction plan.* We will advise you regarding the planning and execution of your market introduction plan. (Franchise Agreement - Section 9.5).

I. *On-site opening support.* We will have a representative provide on-site support for one to three days in connection with the opening of your Tumble Fresh Coin Laundry location. (Franchise Agreement - Section 5.4(e)).

### Length of Time to Open

The typical length of time between signing the franchise agreement and the opening of your business is 6-9 months if you are leasing the location. If you are developing the location, the length may be a year or more. Factors that may affect the time period include your ability to purchase property or sign a lease, obtain governmental development approvals, obtain financing, develop your location, obtain business permits and licenses, and hire employees. You must open your business within 270 days after you sign your lease or sublease for the location or you

otherwise acquire property control (Franchise Agreement – Section 6.5), unless the location is the second or more Tumble Fresh Coin Laundry location to be opened under a Multi-Unit Development Agreement. In that case, you must open the business to the public within 1 year of the last opening of a location by you under the Multi-Unit Development Agreement.

### Our Post-Opening Obligations

After you open your business:

A. *Developing products or services you will offer to your customers.* Although it is our intent and practice to refine and develop products or services that you will offer to your customers, the franchise agreement does not obligate us to do so.

B. *Hiring and training employees.* We will provide you with our suggested staffing levels and operational instructions in the Manual which you can use as part of your training of new employees. (Franchise Agreement – Sections 5.2 and 5.3). All hiring decisions and conditions of employment are your sole responsibility.

C. *Advice on operating problems you encounter.* If you request, we will provide advice to you (by telephone or electronic communication) regarding operating problems you encounter, to the extent we deem reasonable. If we provide in-person support in response to your request, we may charge a fee (currently \$600 per day) plus any out-of-pocket expenses (such as travel, lodging, and meals for our employees providing onsite support). (Franchise Agreement – Section 5.5(a)).

D. *Establishing prices.* Upon your request, we will provide recommended prices for products and services. (Franchise Agreement – Sections 5.5(b) and 7.4).

E. *Establishing and using administrative, bookkeeping, accounting, and inventory control procedures.* We will provide you our recommended procedures for administration, bookkeeping, accounting, and inventory control. (Franchise Agreement – Section 5.5(c)). We may make any such procedures part of required (and not merely recommended) procedures for our system.

F. *Marketing Fund.* We will administer the Marketing Fund. (Franchise Agreement – Section 5.5(d)). We will prepare an unaudited annual financial statement of the Marketing Fund within 120 days of the close of our fiscal year and will provide the financial statement to you upon request. (Franchise Agreement – Section 9.3).

G. *Website.* We will maintain a website for the Tumble Fresh Coin Laundry brand, which will include your business information and telephone number. (Franchise Agreement – Section 5.5(e)) which will have a separate page identifying those locations that also provide services under the Pet Fresh Dog Wash mark.

H. *App.* We will make the Tumble Fresh/Pet Fresh App available for download by your customers and we will provide all processing services for purchases of goods or services

made through the Tumble Fresh/Pet Fresh App at your Tumble Fresh Coin Laundry location. (Franchise Agreement – Section 5.5(f)).

### Advertising

We have no obligation to conduct advertising or marketing for you or your Tumble Fresh Coin Laundry location.

*Marketing Fund.* The purpose of the Marketing Fund is to develop programs that benefit the Tumble Fresh Coin Laundry brand and promote the Tumble Fresh Coin Laundry marks and any other marks we may license for use in the business. This means we may use monies in the Fund for any purpose that promotes the Tumble Fresh Coin Laundry name and logo, other marks we license to you and the overall brand, including the creation, production and placement of advertising; to pay for agency costs and commissions; to pay the costs to create and produce video, audio and written advertisements; to pay for direct mail and other media advertising, including internet advertising, internet search engine campaigns and the cost to maintain and update our website, web pages, social media and social networking sites, profiles and accounts and for the costs of search engine optimization; in-house staff assistance and related administrative costs; local and regional promotions; public relations campaigns including the cost of retaining public relations firms; market research; and other advertising and marketing activities; and the cost to produce marketing materials, including mailers, that our franchisees may use.

We may, but do not intend to, use Marketing Fund monies for the advertising or promotion of the Pet Fresh Dog Wash mark or any services provided in connection with that mark. If we do, we may use those funds for all or any of the purposes above and we may allocate amounts as we deem fit, which may include for costs and expenses related to the advertising, marketing and promotion of these marks and the services offered to the exclusion of others, or in such a way that does not benefit proportionately or at all certain of the marks. We may promote one or more of the marks, without reference to the others or the services related to the marks. For example, we may use Marketing Fund monies to pay for advertising that advertises only Tumble Fresh Coin Laundry locations and does not mention or reference the provision of services under the Pet Fresh Dog Wash marks, or vice versa.

Although media coverage is primarily local, we may place advertising in regional or national media of our choice, including print, direct mail, electronic and online advertising, radio or television. We may create advertising materials in-house or use national, regional or local agencies. We do not guarantee that advertising expenditures from the Fund will benefit you or any other franchisee directly, on a pro-rate basis, or at all. We will determine how monies in the Marketing Fund will be spent. We are not required to use monies in the Marketing Fund to benefit any individual market or franchisee. We are not required to spend any amount on advertising in the area or territory where any particular franchisee is located.

We will maintain the brand website (which may be paid for by the Marketing Fund). No money from the Marketing Fund will be spent principally to solicit new franchise sales, but we may use monies in the Fund to update and administer the brand website which may contain information on franchise opportunities.

You must contribute 2% of your Gross Sales per month to the Marketing Fund. (Franchise Agreement – Section 4.3). We reserve the right to have other franchisees contribute a different amount or at a different rate. Outlets that we own, or our affiliates own, are not obligated to contribute to the Marketing Fund. We administer the fund. The fund is not audited. We will make unaudited annual financial statements available to you upon request. Any funds remaining in the Marketing Fund at the end of a year are carried forward to the next year.

During our fiscal year ended December 31, 2025, 54.6% of the expenditures from the Marketing Fund were used for production, 43.8% for media placement, and 1.6% for administrative expenses.

During our fiscal year ended December 31, 2025, our affiliate used 100% of the expenditures from the Pet Fresh Dog Wash Marketing Fund for production of Pet Fresh Dog Wash marketing materials. As of December 10, 2025 our affiliate was dissolved but all amounts in this Fund had been spent as of this date.

*Market introduction plan.* You must develop a market introduction plan for all services you intend to provide and obtain our approval of the plan at least 30 days before the projected opening date of your Tumble Fresh Coin Laundry location. (Franchise Agreement – Section 9.5).

*Required local advertising spending.* After you open, unless we otherwise approve, you must spend at least 1% of Gross Sales each month on marketing your business. If you fail to spend the required amount in any month, unless we otherwise approve you must pay us the difference and we will spend it in your market area. This local advertising requirement is separate from your obligation to make Marketing Fund contributions as discussed above. (Franchise Agreement Section – 9.4).

*Your own advertising material.* You may use your own advertising or marketing material only with our approval. To obtain our approval, you must submit any proposed advertising or marketing material at least 14 days prior to use. If we do not respond, the material is deemed rejected. (Franchise Agreement – Section 9.1). If you develop any advertising or marketing materials, we may use those materials for any purpose, without any payment to you.

*Advertising cooperative.* Although we can require you to, we do not currently require our franchisees to participate in a local or regional advertising cooperative. If we do, we will define the area of membership of the cooperative and determine how much you must contribute to the cooperative. Amounts you contribute to the cooperative will be credited against any local advertising spend requirement, as determined by us. If we establish a cooperative in a market serviced by Tumble Fresh coin laundromats we or our affiliates own, they will participate in the cooperative too. We will be responsible for administering any cooperatives (Franchise Agreement – Section 9.6). We do not anticipate any cooperatives will operate from governing documents or prepare annual or periodic financial statements, but if they do, we will make them available to you upon request. We have the power to form, change, dissolve, or merge these cooperatives.

## Point of Sale and Computer Systems

You must use the FasCard Payment Processing system as your point-of-sale system. The FasCard system works with existing coin laundry machines and the pet grooming bays, if applicable, and accepts coins, credit/debit cards and loyalty cards. This system will generate or store data such as inventory/product details, sales transactions, client, employee, scheduling, reporting, and accounting information. If you will be providing grooming services you must use a cloud based business management solution to set and manage appointments.

We estimate that the FasCard system described above will cost between \$25,000 and \$60,000 to purchase plus an additional \$1,000 to \$5,000 per bay if you are providing self-service dog washing. If you will be providing grooming services the cost to acquire the business management solution discussed above will be between \$650 and \$110 depending upon whether you purchase a receipt printer. You must also pay a monthly fee of \$35 if you have one groomer plus \$10 per additional groomer.

We are not obligated to provide any ongoing maintenance, repairs, upgrades, or updates for the FasCard system. We are not aware of any third parties with an obligation to repair, update, upgrade or maintain this system. Although we do not require you to use any specific computer software in your business we do require that you use some type of accounting software to manage the finances of your business.

You must also use the Tumble Fresh/Pet Fresh App. The App has various features, including the ability to accept payments from customers. You will pay us a monthly Tumble Fresh/Pet Fresh App Processing Fee. We pass through amounts charged to us by third party processors for sale transactions at your location made through the Tumble Fresh/Pet Fresh App. The amounts range from 3% to 8% of the amount of the sale transaction. You will also pay a card processing fee on all card transactions not made through the Tumble Fresh/Pet Fresh App. The amount of these fees will depend upon the vendors, number of transactions, and the amount of any single transaction.

We anticipate that you will be required to upgrade or update your technology during the term of the franchise, and there are no contractual limitations on the frequency and cost of the obligation. These costs may range anywhere from \$1,000 to \$25,000. We estimate that the annual cost of any optional or required maintenance, updating, upgrading, or support contracts will be \$600 to \$1,200, plus an additional \$600 to \$1,200 if you are providing pet washing services.

You must give us unrestricted independent access to the FasCard system or any other computer hardware, software or technology systems you use in the business, plus all information contained in any of these items. The information that we may access will include sales, customer data, and reports. There is no contractual limitation on our right to access the information. (Franchise Agreement – Section 7.7).

## Brand Standards Manuals

The Brand Standards Manual you will use will depend on the services you will provide at your Tumble Fresh Coin Laundry location. If you are not providing any services under the Pet Fresh Dog Wash mark you will use only our Tumble Fresh Brand Standards Manual, the table of contents of which is attached at Exhibit G. This Manual has 298 pages. If you will be providing services under the Pet Fresh Dog Wash mark you will also use our Brand Standards Manual for a Pet Fresh Dog Wash, the table of contents of which is also attached at Exhibit G. This Manual has 145 pages. If the services you are providing under the Pet Fresh Dog Wash mark include grooming services you will use our Brand Standards Manual for Pet Fresh Grooming, the table of contents of which is attached at Exhibit G. This Manual has 57 pages.

## Training Programs

We offer three Initial Training Programs depending upon the services that will be provided at your Tumble Fresh Coin Laundry. If your location will not provide dog wash or grooming services your required attendees discussed below are only required to attend and complete the “Tumble Fresh Training Program” below. If your location will also provide dog washing and/or grooming services your required attendees discussed below must complete the “Pet Fresh Training Program” and/or the “Pet Fresh Grooming Program” below. We may combine any of these Programs to make attendance more efficient.

Amanda Knuuttila is in charge of our Initial Training Programs. Ms. Knuuttila is our Sales Support Manager. She has been with our affiliate Linn Retail Centers, Inc., since 2011 but became involved in the commercial laundromat industry in 2020. Our actual trainers may have various lengths of experience depending on the individual, but they would typically have at least one year of experience with us and in the subjects they are teaching.

Your business must at all times be under your on-site supervision or under the on-site supervision of a general manager who has completed the applicable Program(s). (Franchise Agreement 7.5(a)). If you need to send a new general manager to any of these Programs, you must pay a fee of \$300 per day per person. This fee must be paid at the time the person attends the Program. Otherwise, we do not currently require additional training programs or refresher courses, but may in the future.

The Initial Training Programs will be scheduled in accordance with the needs of new franchisees. You are responsible for the travel and living expenses of all individuals who attend any of these Programs on your behalf. The Programs will be held in advance of the opening of the Tumble Fresh Coin Laundry location, remotely, at a corporate location, and at your location once sufficient build-out has been completed and your business is close to being open. The instructional materials for each of the Initial Training Programs consists primarily of the applicable Brand Standards Manual.

If your required attendees fail to successfully complete the required Initial Training Program(s) in the times discussed below, we can terminate the franchise agreement and retain all amounts you have paid us, whether paid under a franchise agreement or the MUDA. (Franchise

Agreement – Section 5.4(d); MUDA – Section 1(b)). In addition to the required attendees, you may send any additional persons to the Initial Training Programs subject to the maximum participant numbers discussed below.

Each of the Initial Training Programs is described below:

**TUMBLE FRESH TRAINING PROGRAM**

Subject	Hours of Classroom Training	Hours of On the Job Training	Location
Introduction – Brand Standards	0.5	0	Our Location, Woodbury, MN or Your Location
Customer Service and Visual Standards	1	2	Our Location, Woodbury, MN or Your Location
Equipment – Preventative Maintenance & Repair	1	3	Our Location, Woodbury, MN or Your Location
Annual Preventative Maintenance	0.5	1	Our Location, Woodbury, MN or Your Location
Store Security	1	1	Our Location, Woodbury, MN or Your Location
Accounting Operations	2	3	Our Location, Woodbury, MN or Your Location
FasCard Payment System Training	2	1	Our Location, Woodbury, MN or Your Location
Lottery Operations	0	1	Our Location, Woodbury, MN or Your Location
Cleaning Operations	1	2	Our Location, Woodbury, MN or Your Location
Marketing	3	1	Our Location, Woodbury, MN or Your Location
Vending Operations	1	2	Our Location, Woodbury, MN or Your Location
<b>Total Hours</b>	<b>13</b>	<b>17</b>	

The classroom portion of the Tumble Fresh Training Program must be completed at least four weeks before the location is scheduled to open for business. The on-the-job portion of this Program must be completed by the proposed opening date for the location.

There is no fee for up to 4 people to attend the Tumble Fresh Training Program. You and your Principal Executive, if different from you, and your general manager, if any, must attend and successfully complete this Program. The Principal Executive is the executive primarily responsible for your business and must have decision-making authority on behalf of the business and who owns at least 10% of the equity in your business entity.

**PET FRESH DOG WASH TRAINING PROGRAM**

Subject	Hours of Classroom Training	Hours of On the Job Training	Location
Customer Service and Visual Standards	.50	.50	Our Location, Woodbury, MN or Your Location
Equipment – Preventative Maintenance & Repair	.50	1.0	Our Location, Woodbury, MN or Your Location
Store Security	1.0	.50	Our Location, Woodbury, MN or Your Location
Accounting Operations	1.0	0	Our Location, Woodbury, MN or Your Location
FasCard Payment System Training	.50	.25	Our Location, Woodbury, MN or Your Location
Cleaning Operations	.50	1.0	Our Location, Woodbury, MN or Your Location
Marketing	1.00	.25	Our Location, Woodbury, MN or Your Location
<b>Total Hours</b>	<b>5</b>	<b>3.5</b>	

There is no fee for up to 2 people to attend this Program. You and the Principal Executive, if applicable, and the general manager, if any, must complete this Program to our satisfaction at least 14 days before opening your Tumble Fresh Coin Laundry location.

**PET FRESH GROOMING TRAINING PROGRAM**

Subject	Hours of Classroom Training	Hours of On the Job Training	Location
Customer Service and Visual Standards	0.5	0.5	Our Location, Woodbury, MN or Your Location

Subject	Hours of Classroom Training	Hours of On the Job Training	Location
Equipment – Preventative Maintenance & Repair	0.50	0.5	Our Location, Woodbury, MN or Your Location
Services and Procedures	1.00	0.5	Our Location, Woodbury, MN or Your Location
Supplies and ordering	1.00	0.5	Our Location, Woodbury, MN or Your Location
Vagaro POS training	0.50	0.5	Our Location, Woodbury, MN or Your Location
Grooming	1.00	5	Our Location, Woodbury, MN or Your Location
Marketing	1.00	0.25	Our Location, Woodbury, MN or Your Location
<b>Total Hours</b>	<b>5.50</b>	<b>7.75</b>	

The classroom portion of this Program must be completed at least two weeks before the location is scheduled to open for business. The on-the-job portion of our Initial Training Program must be completed by the proposed opening date for the location. There is no fee for up to two people to attend this Program. You and the Principal Executive, if applicable, and the general manager, if any, must complete this Program to our satisfaction at least 14 days before opening your Tumble Fresh Coin Laundry location.

## **Item 12 TERRITORY**

### Search Area

If you do not have a site for your Tumble Fresh Coin Laundry location when you sign the franchise agreement, we will list a general “search area” in the franchise agreement. You do not acquire any rights, exclusive or otherwise, in this area. It is only the area in which you will look for a site for your location. We may grant other people a franchise for this area as well. Once you identify a site for your location, and we approve that site, we will then update the franchise agreement to identify this location.

### Your Location

Your franchise is for a specific location. If the specific location is not known at the time you sign a franchise agreement, then your location is subject to our approval.

### Grant of Territory

Your franchise agreement will specify a territory, which will be determined by us. Your territory will generally encompass an area surrounding your location that is the lesser of 2 miles or an area encompassing 20,000 in population.

### Relocation; Establishment of Additional Outlets

You do not have the right to relocate your business, and we have no obligation to approve any request for relocation. Our policy is to approve relocation of a franchisee's business on a case-by-case basis, considering factors such as changes in demographics, profitability of your current business, or a loss of your premises due to circumstances beyond your control.

You do not have the right to establish additional franchised outlets unless you sign a Multi-Unit Development Agreement ("MUDA") in the form attached as Exhibit C to this disclosure document. If you and we sign a MUDA, then you will have the right to establish a mutually-agreed number of additional outlets on a mutually-agreed schedule. Under the MUDA, your right to develop additional outlets is subject to the following conditions: (1) you must comply with the mutually-agreed development schedule; (2) you must have sufficient financial and organizational capacity to develop, open, operate, and manage each additional Tumble Fresh Coin Laundry business; (3) you must be in compliance with all brand requirements at your open Tumble Fresh Coin Laundry business(es); and (4) you must not be in default under any other agreement with us. We will approve the location of future sites and territories for those sites, and our then-current standards for sites and territories will apply. You are not obligated to develop additional outlets under the MUDA, and you may terminate it any time without penalty. If you do not meet your development schedule in the MUDA, we have the right to terminate your right to develop additional outlets. If the MUDA is terminated, we will retain any amounts you have paid to us.

### Options to Acquire Additional Franchises

You do not receive any options, rights of first refusal, or similar rights to acquire additional franchises.

### Territory

During the term of your franchise agreement, we will not establish either a company-owned or franchised outlet that is physically located in your territory selling the same or similar goods or services under the Tumble Fresh Coin Laundry name. Other than this limitation there are no prohibitions on us in your territory. For example, we can establish and operate and allow others to establish and operate similar or identical businesses within the territory if such businesses do not operate under the Tumble Fresh Coin Laundry name, and to establish and operate and allows others to establish and operate similar or identical business outside of your territory under any trademarks even if the businesses compete with your location in your territory. We can also establish and operate and allow others to establish and operate businesses inside the territory under any of our trademarks so long as the businesses are not competitive with your business. We can acquire businesses in the territory that are similar to your business or sell our business whether

through a sale of assets or stock to anyone, regardless of whether they operate or franchise the operation of businesses similar to your business. In any event, the continuation of your territorial protection does not depend on achieving a certain sales volume, market penetration, or other contingency. There are no circumstances that permit us to modify your territorial rights.

If you sign a MUDA, you will receive what we refer to as a “development area” within which to locate your Tumble Fresh Coin Laundry locations. However, you will not receive any territorial protection whatsoever in the development area.

In either case above, you will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control.

#### Restrictions on Us from Soliciting or Accepting Orders

There are no restrictions on us from soliciting or accepting orders from costumers inside your territory or development area. We reserve the right to use other channels of distribution, such as the internet, catalog sales, telemarketing, or other direct marketing sales, to make sales within your territory or development area using our principal trademarks or using trademarks different from the ones you will use under your franchise agreement. We do not pay any compensation to you for soliciting or accepting orders from inside your territory or development area.

#### Soliciting by You Outside Your Territory

There are no restrictions on you from soliciting or accepting orders from consumers outside of your territory, except that all marketing and advertising is subject to our approval.

#### Competing Systems

Neither we nor any of our affiliates operates, franchises, or has plans to operate or franchise a business under a different trademark selling goods or services similar to those you will offer. However, the franchise agreement does not prohibit us from doing so. If you will be operating a Pet Fresh Dog Wash service in connection with your Tumble Fresh Coin Laundry location, as discussed in Item 1, our affiliate Pet Franchise Franchising, LLC had previously offered and sold Pet Fresh franchises which would compete with your Pet Fresh Dog Wash location. Our affiliate is no longer offering or selling Pet Fresh franchises, but such franchises exist which may be owned by our affiliate or its franchisees. Our affiliate and its franchisees will be able to solicit and accept orders from customers within your territory. We will have the right to resolve all conflicts you may have with us or our affiliate as it relates to a Pet Fresh Dog Wash location and between franchisees of our system and the Pet Fresh Dog Wash system. We have the same principal business address as Pet Fresh Franchising, LLC and we do not maintain or plan to maintain physically separate offices or training facilities with Pet Fresh Franchising, LLC.

**Item 13  
TRADEMARKS**

Principal Trademark

The following are the principal trademarks that we license to you. These trademarks are owned by our affiliate, Linn Retail Centers, Inc. (“Linn”). Our affiliate has registered these trademarks on the Principal Register of the United States Patent and Trademark Office. The registration information is contained in the chart below.

Trademark	Registration Date	Registration Number
 (Design Mark)	July 4, 2023	7,096,470
Tumble Fresh Coin Laundry (Word Mark)	July 4, 2023	7,096,469
A Fresh New Experience (Word Mark)	December 9, 2025	8,059,401
 (Design Mark)	January 17, 2023	6,953,380
Pet Fresh Dog Wash (Word Mark)	January 17, 2023	6,953,379

Determinations

There are no currently effective material determinations of the United States Patent and Trademark Office, the Trademark Trial and Appeal Board, or any state trademark administrator or court. There are no pending infringement, opposition, or cancellation proceedings.

However, Clarified, Inc. (“Clarified”) objected to Linn’s proposed registrations above based on the allegation that they conflict with its registrations of their various Tumble design marks and the Tumble word mark. In March 2023, Linn and Clarified resolved this matter and entered into a Settlement and Release Agreement and a Trademark Coexistence and Consent Agreement. Under the Settlement and Release Agreement, Clarified granted Linn a non-exclusive irrevocable license throughout the United States to use the word “Tumble” in connection with a software

application meeting certain standards to be used in connection with Tumble Fresh Coin Laundry locations and so long as the words Fresh or Fresh Coin Laundry appear in connection with the word Tumble. The license extends to Linn, its subsidiaries, affiliates and franchisees. Clarified may terminate the license upon a breach of the Agreement by Linn or its permitted sublicensees. The term of this Agreement is 5 years with the right to renew by Linn for 10 additional one-year terms and an obligation of the parties to negotiate in good faith for a further extension.

Under the Trademark Coexistence and Consent Agreement, Clarified consented to registration at the USPTO of the marks in the chart above. Linn is prohibited from using any of Clarified's registered marks and Clarified is prohibited from using any of the marks in the chart above so long as there is an application on file at the USPTO or a valid registration in effect. Clarified has acknowledged that use of the word Tumble by Linn is permitted so long as it is used with the word Fresh or the words Fresh Coin Laundry. Linn is prohibited from using the trademarks in the chart above, and from filing a trademark application that incorporates Clarified's Tumble mark for certain items, including washing and drying machines, rental of laundry equipment, laundry pick-up or delivery services, an online laundry marketplace and various other services. However, the parties agreed that the use by Linn or its licensees of Clarified's Tumble mark with the software application described above and washing and drying laundry facilities is not a violation of the Agreement. The parties have also agreed to refrain from taking action that would hinder either party from registration or use of its marks.

### Litigation

There is no pending material federal or state court litigation regarding our use or ownership rights in a trademark.

### Agreements

As discussed above, Linn owns the trademarks described in this Item. Under an Intercompany License Agreement between us and Linn, dated March 30, 2022, which was then superseded by a new Intercompany License Agreement dated December 11, 2025, we have been granted the exclusive right to sublicense the trademarks to franchisees throughout the United States. The agreement is 30 years in length with a renewal term of 30 years unless a party provides notice of nonrenewal. It may be modified only by mutual consent of the parties. It may be canceled by Linn only if we or a franchisee materially misuse the trademarks or we breach the agreement and in either case fail to correct the misuse. The Intercompany License Agreement specifies that if it is ever terminated, your franchise rights will remain unaffected. Linn also has the right to withdraw the trademarks based on infringement or if it loses the right to them.

### Protection of Rights

We protect your right to use the principal trademarks listed in this Item, and we protect you against claims of infringement or unfair competition arising out of your use of the trademarks, to the extent described in this section.

The franchise agreement obligates you to notify us of the use of, or claims of rights to, a trademark identical to or confusingly similar to a trademark licensed to you. The franchise agreement does not require us to take affirmative action when notified of these uses or claims. We have the right to control any administrative proceedings or litigation involving a trademark licensed by us to you.

If you use our trademarks in accordance with the franchise agreement, then (i) we will defend you (at our expense) against any legal action by a third-party alleging infringement by your use of the trademark, and (ii) we will indemnify you for expenses and damages if the legal action is resolved unfavorably to you.

Under the franchise agreement, we may require you to modify or discontinue using a trademark, at your expense.

You must disclose to us all ideas, plans, improvements, concepts, methods and techniques relating to your Tumble Fresh Coin Laundry business, including any Pet Fresh Dog Wash portion of your business, conceived or developed by you, your employees, agents or contractors, or any suggestions, comments, or other feedback with respect to the Tumble Fresh system. We refer to these as “Innovations”. We will automatically own all Innovations, and we will have the right to use and incorporate any Innovations into the Tumble Fresh system, without any liability or obligation to pay you royalties or other compensation. You must sign any documents we require to confirm our ownership of the Innovations.

#### Superior Prior Rights and Infringing Uses

We do not know of either superior prior rights or infringing uses that could materially affect your use of the principal trademarks. There are also various parties in various industries using various of the terms that make up our principal trademarks as a part of their corporate name or to describe their business or business services.

### **Item 14 PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION**

#### Patents

We do not own rights in, or licenses to, patents that are material to the franchise. We do not have any pending patent applications.

#### Copyrights

All of our original works of authorship fixed in a tangible medium of expression are automatically protected under the U.S. Copyright Act, whether or not we have obtained registrations. This includes our Brand Standards Manuals as well as all other sales, training, management and other materials that we have created or will create. You may use these copyrighted materials during the term of the franchise, in a manner consistent with our ownership rights, solely for your franchised business.

We do not have any registered copyrights. There are no pending copyright applications for our copyrighted materials. There are no currently effective determinations of the U.S. Copyright Office (Library of Congress) or any court regarding any copyright.

There are no agreements currently in effect that limit our right to use or license the use of our copyrighted materials.

We have no obligation to protect any of our copyrights or to defend you against claims arising from your use of copyrighted items. The franchise agreement does not require us to take affirmative action when notified of copyright infringement. We control any copyright litigation. We are not required to participate in the defense of a franchisee or indemnify a franchisee for expenses or damages in a proceeding involving a copyright licensed to the franchisee. We may require you to modify or discontinue using the subject matter covered by any of our copyrights, at your expense.

We do not know of any copyright infringement that could materially affect you.

### Proprietary Information

We have a proprietary, confidential Brand Standards Manual and related materials that include site plans and space designs, guidelines, standards and policies for the development and operation of your business. We also claim proprietary rights in other confidential information or trade secrets that include all methods for developing and operating the business, including the provision of pet washing and grooming services, and all non-public plans, data, financial information, processes, vendor pricing, supply systems, marketing systems, formulas, techniques, site plans, designs, layouts, operating procedures, customer data, information and know-how.

You (and your owners, if the franchise is owned by an entity) must protect the confidentiality of our Brand Standards Manual and other proprietary information, and you must use our confidential information only for your franchised business. We may require your managers and key employees to sign confidentiality agreements. You may not use confidential or proprietary information for the purpose of machine learning, augmented human intelligence development, training any artificial intelligence (“AI”) model, algorithm improvement, or similar data aggregation activities without our express written consent. These uses are prohibited. You are prohibited, without our prior written consent, from inputting any confidential or proprietary information, including the Brand Standards Manual, into any generative AI platform, or disclosing any of this information to any provider or source of generative AI services. You must opt out of allowing any provider or source of generative AI to utilize our confidential or proprietary information for training of any AI model or for other purposes.

**Item 15**  
**OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE  
FRANCHISE BUSINESS**

Your Participation

You are not required to participate personally in the direct operation of your business. However, we highly recommend that you participate.

You must designate one person as your “Principal Executive”. As discussed earlier, the Principal Executive is the executive primarily responsible for your business and must have decision-making authority on behalf of the business. The Principal Executive must own at least 10% of the equity in your business. The Principal Executive must complete the applicable Initial Training Programs described in Item 11. The Principal Executive must complete any post-opening training programs that we develop in the future. The Principal Executive must make reasonable efforts to attend all in-person meetings and remote meetings (such as telephone conference calls), including regional or national brand conferences, that we require. The Principal Executive cannot fail to attend more than three consecutive required meetings.

If your business is owned by an entity, all owners of the entity must sign our Guaranty and Non-Compete Agreement (see Attachment 3 to Exhibit B). You may not engage a third-party management company to manage or operate the business without our prior written approval.

“On-Premises” Supervision

You are not required to personally conduct “on-premises” supervision (that is, act as general manager) of your business. However, we recommend on-premises supervision by you.

There is no limit on who you can hire as an on-premises supervisor. The general manager of your business (whether that is you or a hired person) must successfully complete the applicable Initial Training Programs.

If the franchise business is owned by an entity, we do not require that the general manager own any equity in the entity.

Restrictions on Your General Manager

If we request, you must have your general manager sign a confidentiality and non-compete agreement. We do not require you to place any other restrictions on your manager.

**Item 16**  
**RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL**

You must offer for sale only goods and services that we have approved.

You must offer for sale all goods and services that we require. We have the right to change the types of authorized goods or services, and there are no limits on our right to make changes. You may not provide dog washing or grooming services unless approved by us and then only in accordance with our standards, including completion of the required Initial Training Program, and only upon signing the Pet Fresh Amendment attached to the franchise agreement.

You must follow our policies, procedures, methods, and techniques and comply with all of our mandatory standards and specifications when operating your Tumble Fresh Coin Laundry location and providing any services from it. Your location must be open to the general public for the minimum days of the week and minimum hours we may specify. You must participate in our customer satisfaction programs, including surveys and provide any guarantees we require. You must use and promote only the Tumble Fresh/Pet Fresh App for use by your customers.

We can implement pricing policies, such as minimum or maximum price policies, minimum advertised price policies and unilateral minimum price policies, and you must abide by these policies. You cannot operate other businesses from the site of your business.

We do not restrict your access to customers, except that all sales must be made at or from your premises.

**Item 17**  
**RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION**  
**THE FRANCHISE RELATIONSHIP**

**This table lists certain important provisions of the franchise and related agreements. You should read these provisions in the agreements attached to this disclosure document.**

<b>Provision</b>	<b>Section in Franchise or Other Agreement</b>	<b>Summary</b>
a. Length of the franchise term	Franchise Agreement (FA): § 3.1 Multi-Unit Development Agreement (MUDA): Section 1	10 years from date of franchise agreement.  2-5 years depending upon number of locations you agree to open.
b. Renewal or extension of the term	FA: § 3.2 MUDA: none	You may obtain a successor franchise agreement for up to 2 additional 5-year terms.
c. Requirements for franchisee to renew or extend	FA: § 3.2 MUDA: none	For our franchise system, “renewal” means that at the end of your term, you sign our successor franchise agreement for an additional 5-year

Provision	Section in Franchise or Other Agreement	Summary
		<p>term. This contract may contain materially different terms and conditions than your original contract.</p> <p>To renew, you must give advance notice to us; be in compliance with all contractual obligations to us and third parties; renovate to our then-current standards; sign then-current form of franchise agreement and related documents (including personal guaranty); sign general release (unless prohibited by applicable law).</p> <p>If you continue operating your franchise after the expiration of the term without a renewal agreement, then we may either terminate your operation at any time or deem you to have renewed your agreement for a 5-year term.</p>
d. Termination by franchisee	FA: § 14.1 MUDA: Section 4	<p>If we violate a material provision of the franchise agreement and fail to cure or to make substantial progress toward curing the violation within 30 days after notice from you.</p> <p>If you sign a MUDA, you may terminate it at any time.</p>
e. Termination by franchisor without cause	Not Applicable	
f. Termination by franchisor with cause	FA: § 14.2 MUDA: Section 4	<p>We may terminate your agreement for cause, subject to any applicable notice and cure opportunity.</p> <p>If you sign a MUDA, termination of your MUDA does not give us the right to terminate your franchise agreement. However, if your franchise agreement is terminated, we can terminate your MUDA.</p>
g. "Cause" defined--curable defaults	FA: § 14.2 MUDA: none	Non-payment by you (10 days to cure); violate franchise agreement other than non-curable default (30 days to cure).
h. "Cause" defined--non-curable defaults	FA: § 14.2(c) MUDA: Section 4	FA: Misrepresentation when applying to be a franchisee; failure to obtain approval of the site for your location within 90 days of the date you sign the franchise agreement; failure to

Provision	Section in Franchise or Other Agreement	Summary
		<p>open within 270 days after you sign a lease or otherwise obtain property control; knowingly submitting false information; bankruptcy; lose possession of your location; violation of law; violation of confidentiality; violation of non-compete; violation of transfer restrictions; slander or libel of us; refusal to cooperate with our business inspection; cease operations for more than 5 consecutive days; three defaults in 12 months; cross-termination; charge or conviction of, or plea to a felony, or commission or accusation of an act that may affect our brand; you withhold our access to accounting or financial systems or data we need to determine Gross Sales or you terminate your authorization for us to directly debit your account; any other breach of franchise agreement which by its nature cannot be cured.</p> <p>If you sign the Pet Fresh Amendment, in addition to the above, a default will include your or any of your required attendees failure to timely complete any applicable Initial Training Program or if you stop providing pet washing services without giving us at least 60-days' notice.</p> <p>MUDA: failure to meet development schedule, including opening requirements; violation of franchise agreement or other agreement which gives us the right to terminate it.</p>
i. Franchisee's obligations on termination/non-renewal	FA: §§ 14.3 – 14.5 MUDA: none	Pay all amounts due; return Manual and proprietary items; notify phone, internet, and other providers and transfer service; cease doing business; remove identification; purchase option by us.
j. Assignment of agreement by franchisor	FA: § 15.1 MUDA: Section 7	No restriction on our right to assign

Provision	Section in Franchise or Other Agreement	Summary
k. "Transfer" by franchisee - defined	FA: § 15.2 MUDA: Section 7	For you (or any owner of your business) to voluntarily or involuntarily transfer, sell, or dispose of, in any single or series of transactions, (i) substantially all of the assets of the business, (ii) the franchise agreement, (iii) any direct or indirect ownership interest in the business, or (iv) control of the business.
l. Franchisor's approval of transfer by franchisee	FA: § 15.2 MUDA: Section 7	No transfers without our approval.
m. Conditions for franchisor's approval of transfer	FA: § 15.2 MUDA: none	Pay transfer fee; buyer meets our standards; buyer is not a competitor of ours; buyer and its owners sign our then-current franchise agreement and related documents (including personal guaranty); you've made all payments to us and are in compliance with all contractual requirements; buyer completes training program; you sign a general release; business complies with then-current system specifications (including remodel, if applicable, of your location, the type and scope of which we will determine).
n. Franchisor's right of first refusal to acquire franchisee's business	FA: § 15.5 MUDA: none	If you want to transfer your business (other than to your co-owner or your spouse, sibling, or child), we have a right of first refusal.
o. Franchisor's option to purchase franchisee's business	FA: § 14.5 MUDA: None	We have the right at expiration or termination of your franchise agreement to purchase any or all of the assets related to your business, and/or to require you to assign your lease or sublease to us or to enter into a lease with us on commercially reasonable terms, including a 10 year lease term, at current market rates, if the real estate is owned by you or an affiliate.
p. Death or disability of franchisee	FA: §§ 2.4, 15.4 MUDA: none	If you die or become incapacitated, a new principal executive acceptable to us must be designated to operate the business, and your executor must transfer the business to an approved new owner within nine months.

Provision	Section in Franchise or Other Agreement	Summary
q. Non-competition covenants during the term of the franchise	FA: § 13.2(a) MUDA: none	<p>Neither you, any owner of the business, or any spouse of an owner may have ownership interest in, lend money or provide financial assistance to, provide services to, or be employed by, any Competitor or any business or other venture offering or selling franchises or licenses for the operation of a Competitor.</p> <p>“Competitor” means any business or other venture that offers self-service laundry services, including a business or other venture that provides the use of washers or dryers or other services traditionally provided by a laundromat.</p> <p>If you sign the Pet Fresh Amendment, “Competitor” also includes pet washing services, and pet grooming services if you provide those services at any time during the term of the franchise agreement.</p>
r. Non-competition covenants after the franchise is terminated or expires	FA: § 13.2(b) MUDA: none	<p>For two years, neither you, any owner of the business, or any spouse of an owner may have an ownership interest in, lend money or provide financial assistance to, provide services to, or be employed by a Competitor located or doing business within your former territory, including at the location of your laundry, a 15 mile radius of your former territory or the territory of any other Tumble Fresh Coin Laundry business operating on the date of termination of the franchise agreement. During this period, no involvement in a business that is located at the location of your business or otherwise in the prohibited area that is offering or selling franchises or licenses for a Competitor, or that is located outside of the prohibited area that is offering or selling franchises or licenses for Competitors located or to be located in the prohibited area.</p>

Provision	Section in Franchise or Other Agreement	Summary
		If there is no territory identified in the franchise agreement, the prohibited area means the “search area”, a radius of 15 miles from the search area, and the territory of any other Tumble Fresh Coin Laundry location. The search area is the area we grant you to search for a Tumble Fresh Coin Laundry location.
s. Modification of the agreement	FA: § 18.4 MUDA: Section 7	No modification or amendment of the agreement will be effective unless it is in writing and signed by both parties. This provision does not limit our right to modify the Manual or system specifications.
t. Integration/merger clause	FA: § 18.3 MUDA: Section 7	Only the terms of the agreement are binding (subject to applicable state law). Any representations or promises outside of the disclosure document and franchise agreement (or MUDA) may not be enforceable. However, no claim made in any franchise agreement (or MUDA) is intended to disclaim the express representations made in this Disclosure Document.
u. Dispute resolution by arbitration or mediation	FA: § 17.1 MUDA: Section 7	All disputes are resolved by arbitration (except for injunctive relief) (subject to applicable state law).
v. Choice of forum	FA: §§ 17.1; 17.5 MUDA: Section 7	Arbitration will take place where our headquarters is located (currently, Woodbury, Minnesota) (subject to applicable state law). Any legal proceedings not subject to arbitration will take place in the District Court of the United States, in the district where our headquarters is then located, or if this court lacks jurisdiction, the state courts of the state and county where our headquarters is then located (subject to applicable state law).
w. Choice of law	FA: § 18.8 MUDA: Section 7	Minnesota (subject to applicable state law).

**Item 18**  
**PUBLIC FIGURES**

We do not use any public figure to promote our franchise.

**Item 19**  
**FINANCIAL PERFORMANCE REPRESENTATIONS**

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

As of December 31, 2025, there were 17 Tumble Fresh Coin Laundry locations in the Tumble Fresh Coin Laundry franchise system, of which 15 were affiliate owned locations and two were franchised locations. Of these 17 locations, 15 of them, including the two franchised locations, operated for the entire 12-month period ended December 31, 2025 (the “2025 Year”). We refer to these locations in this Item 19 as the “Measured Outlets”. We have excluded from the Measured Outlets two affiliate owned locations that opened in the 2025 Year and as such were not open for the entire 2025 Year.

Of the Measured Outlets, seven, including one franchised location, offered dog washing services under the Pet Fresh Dog Wash mark, but none provided grooming services. Of these seven locations five, including the one franchised location, provided those services on the premises of the Measured Outlet and two provided the services from a building adjacent to the premises of the Measured Outlet. We have excluded from this Item 19, the revenue from the dog washing services of these two locations as we are not offering franchises for a Pet Fresh Dog Wash location separate from a Tumble Fresh Coin Laundry location.

The information in the first three Sections below is derived from the Measured Outlets for the 2025 Year, as discussed below:

- Section A - Total average annual revenue of the Measured Outlets for the 2025 Year.
- Section B - Average annual revenue of the Measured Outlets (excluding revenue generated from dog washing services) for the 2025 Year. We refer to this revenue below as the “Laundromat Service Revenue”.
- Section C – Average annual revenue of the Measured Outlets from dog washing services for the 2025 Year. We refer to this revenue below as the “Pet Fresh Dog Wash Revenue”.

Section D below provides average annual same location sales information for the 2025 Year based on a comparison of total revenue in calendar year 2024 as compared to the 2025 Year

(the “Comparison Period”) of the Measured Outlets that were open and operating for the entire Comparison Period. We refer to these outlets as the “Comparison Outlets”. We have excluded from the Comparison Outlets two Tumble Fresh Coin Laundry affiliate-owned locations and one Tumble Fresh Coin Laundry franchised location as these locations were not open for the entire Comparison Period.

All of the Measured Outlets offered the same products and services that we would require a franchised location to offer. Some of the affiliate-owned Measured Outlets offered additional services, but we have excluded the amounts paid for those services from the Revenue reported below for those locations as a franchisee may not be able to provide those services based on applicable state law.

**Section A**  
**2025 Year Total Revenue**

2025 Year	Average	# / % of Locations at or above Average	Median	High	Low
Revenue	\$574,663	7 / 47%	\$534,456	\$825,229	\$388,183

**Section B**  
**2025 Year Laundromat Revenue**

2025 Year	Average	# / % of Locations at or above Average	Median	High	Low
Revenue	\$569,333	7 / 47%	\$534,456	\$812,416	\$388,183

**Section C**  
**2025 Year Pet Fresh Dog Wash Revenue**

2025 Year	Average	# / % of Locations at or above Average	Median	High	Low
Revenue	\$18,653	3 / 60%	\$20,964	\$25,474	\$12,719

**Section D**  
**Revenue Growth of Comparison Outlets during Comparison Period**

Revenue Growth during Comparison Period (2025 over 2024)		# / % of Locations at or above Average
Average	4.85%	6 / 50%
High	11.10%	
Low	1.51%	
Median	5.13%	

**Notes Applicable to this Item 19:**

Of the Measured Outlets, 10 are located in the Minneapolis and St. Paul metropolitan area, 2 are located in Minnesota outside of the Minneapolis and St. Paul metropolitan area, and one each in Hudson, Wisconsin, Superior, Wisconsin, and Fargo, North Dakota.

“Revenue” as used in this Item 19 has the same definition as Gross Sales in our franchise agreement. Gross Sales is the total dollar amount of all sales generated through the business including commissions generated by ATM and/or Bitcoin machines. Gross Sales excludes: (i) bona fide refunds to customers; (ii) sales taxes collected; (iii) sale of used equipment not in the ordinary course of business; and (iv) sales of prepaid cards or similar products (but the redemption of any such card or product would be included in Gross Sales). Except as disclosed above, Sections A and D include all Revenue of the Measured Outlets and Comparison Outlets. Sections B and C only include the Revenue identified in the applicable Section.

The dollar amounts shown in this Item 19 have been rounded to the nearest dollar, and the percentages have been rounded to the nearest whole percent or hundredth of a percent, as applicable.

Written substantiation for the data presented in this Item 19 will be made available to all prospective franchisees upon reasonable request.

**Some outlets have sold these amounts. Your individual results may differ. There is no assurance that you’ll sell as much.**

Other than the preceding financial information, we do not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to our management by contacting William Wallace, 7616 Currell Boulevard, Suite 100, Woodbury, Minnesota 55125, (651) 731-0515, the Federal Trade Commission, and the appropriate state regulatory agencies.

**Item 20**  
**OUTLETS AND FRANCHISEE INFORMATION**

**Table 1**  
**Systemwide Outlet Summary**  
**For Years 2023 to 2025<sup>1</sup>**

<b>Column 1 Outlet Type</b>	<b>Column 2 Year</b>	<b>Column 3 Outlets at the Start of the Year</b>	<b>Column 4 Outlets at the End of the Year</b>	<b>Column 5 Net Change</b>
Franchised	2023	0	1	1
	2024	1	2	+1
	2025	2	2	0
Company Owned <sup>2</sup>	2023	12	11	-1
	2024	11	13	+2
	2025	13	15	+2
Total Outlets	2023	12	12	0
	2024	12	15	+3
	2025	15	17	+2

1. All numbers are as of December 31 of the applicable year.
2. These outlets are owned by our affiliate.

**Table 2**  
**Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)**  
**For Years 2023 to 2025<sup>1</sup>**

<b>Column 1 State</b>	<b>Column 2 Year</b>	<b>Column 3 Number of Transfers</b>
All States	2023	0
	2024	0
	2025	0
Total	2023	0
	2024	0
	2025	0

1. All numbers are as December 31 of the applicable year.

**Table 3  
Status of Franchised Outlets  
For Years 2023 to 2025<sup>1</sup>**

Column 1 State	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets Opened	Column 5 Termi- Nations	Column 6 Non- Renewals	Column 7 Reacquired by Franchisor	Column 8 Ceased Operations – Other Reasons	Column 9 Outlets at End of the Year
Minnesota	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
North Dakota	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Total	2023	0	1	0	0	0	0	1
	2024	1	1	0	0	0	0	2
	2025	2	0	0	0	0	0	2

1. All numbers are as of December 31 of the applicable year.

**Table 4  
Status of Company-Owned Outlets  
For Years 2023 to 2025<sup>1</sup>**

Column 1 State	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets Opened	Column 5 Outlets Reacquired from Franchisee	Column 6 Outlets Closed	Column 7 Outlets Sold to Franchisee	Column 8 Outlets at End of the Year
Minnesota	2023	11	0	0	0	1	10
	2024	10	1	0	0	0	11
	2025	11	2	0	0	0	13
Wisconsin	2023	1	0	0	0	0	1
	2024	1	1	0	0	0	2
	2025	2	0	0	0	0	2
Totals	2023	12	0	0	0	1	11
	2024	11	2	0	0	0	13
	2025	13	2	0	0	0	15

1. All number are as of December 31 of the applicable year.

**Table 5**  
**Projected Openings As Of December 31, 2025**

<b>Column 1 State</b>	<b>Column 2 Franchise Agreements Signed but Outlet Not Opened</b>	<b>Column 3 Projected New Franchised Outlets in the Next Fiscal Year</b>	<b>Column 4 Projected New Company- Owned Outlets in the Next Fiscal Year</b>
Minnesota	0	0	0
North Dakota	0	1	0
Totals	0	1	0

Current Franchisees

Exhibit H contains the names of all current franchisees (as of the end of our last fiscal year) and the address and telephone number of each of their outlets.

Former Franchisees

No Tumble Fresh Coin Laundry franchisee had an outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during our most recently completed fiscal year or has not communicated with us within 10 weeks of the issuance date of this disclosure document.

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

Confidentiality Clauses

In the last three fiscal years, no franchisees have signed any contract, order, or settlement provision that directly or indirectly restricts a current or former franchisee from discussing his or her personal experience as a franchisee in our system with any prospective franchisee.

Franchisee Organizations

There are no trademark-specific franchisee organizations associated with our franchise system.

**Item 21**  
**FINANCIAL STATEMENTS**

Attached to this Disclosure Document at Exhibit F is a copy of our audited financial statements as of December 31, 2025, December 31, 2024, and December 31, 2023.

**Item 22**  
**CONTRACTS**

Copies of all proposed agreements regarding this franchise offering are attached as the following Exhibits:

- B. Franchise Agreement (with Guaranty and Non-Compete Agreement, and Pet Fresh Amendment)
- C. Multi-Unit Development Agreement
- D. Rider to Lease Agreement
- E. Form of General Release
- J. State Addenda to Agreements
- K. Electronic Transfer of Funds Authorization

**Item 23**  
**RECEIPTS**

Detachable documents acknowledging your receipt of this disclosure document are attached as the last two pages of this disclosure document.

**EXHIBIT A**

**STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS**

<b>STATE</b>	<b>STATE ADMINISTRATOR</b>	<b>AGENT FOR SERVICE OF PROCESS</b>
<b>CALIFORNIA</b>	Department of Financial Protection and Innovation 651 Bannon Street, Suite 300 Sacramento, CA 9581195834 866-275-2677 (toll free) Ask.DFPI@dfpi.ca.gov	Commissioner of Financial Protection and Innovation Same address Same phone
<b>CONNECTICUT</b>	Connecticut Department of Banking, Securities and Business Investment Division 260 Constitution Plaza Hartford, CT 06103-1800 860-240-8299	Connecticut Banking Commissioner Same Address 860-240-8230
<b>FLORIDA</b>	Department of Agriculture & Consumer Services Attention: Business Opportunities PO Box 6700 Tallahassee, FL 32314-6700 850-245-6000	Same
<b>GEORGIA</b>	Consumer Protection Division 40 Capitol Square, SW Atlanta, GA 30334 404-651-8600	Same
<b>HAWAII</b>	Department of Commerce and Consumer Affairs Business Registration Division 335 Merchant Street, Room 205 Honolulu, HI 96813 808-586-2744	Hawaii Commissioner of Securities Same address 808-586-2722
<b>ILLINOIS</b>	Office of the Attorney General Franchise Division 500 South Second Street Springfield, IL 62706 217-782-4465	Illinois Attorney General Same address Same phone
<b>INDIANA</b>	Indiana Secretary of State Securities Division 302 West Washington Street, Room E-111 Indianapolis, IN 46204 317-232-6681	Indiana Secretary of State 201 State House 200 West Washington Street Indianapolis, IN 46204 317-232-6531
<b>IOWA</b>	Iowa Insurance Division Securities and Regulated Industries Bureau Two Ruan Center 601 Locust Street, 4th Floor Des Moines, IA 50319 515-281-8815	Same

<b>STATE</b>	<b>STATE ADMINISTRATOR</b>	<b>AGENT FOR SERVICE OF PROCESS</b>
<b>KENTUCKY</b>	Kentucky Attorney General's Office Consumer Protection Division 1024 Capitol Center Drive Frankfort, KY 40602 502-696-5389	Same
<b>LOUISIANA</b>	Department of Urban & Community Affairs Consumer Protection Office 301 Main Street, 6th Floor One America Place Baton Rouge, LA 70801 504-342-7013 (gen. info.) 504-342-7900	Same
<b>MAINE</b>	Department of Professional and Financial Regulation Office of Securities 121 State House Station Augusta, ME 04333 877-624-8551	Same
<b>MARYLAND</b>	Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, MD 21202 410-576-6360	Maryland Securities Commissioner Same address Same phone
<b>MICHIGAN</b>	Michigan Department of Attorney General Corporate Oversight Division Franchise Section G. Mennen Williams Building, 5th Floor 525 W. Ottawa Street Lansing, MI 48913 517-335-7567	Same
<b>MINNESOTA</b>	Minnesota Department of Commerce 85 7th Place East, Suite 280 St. Paul, MN 55101-2198 651-539-1638	Minnesota Commissioner of Commerce Same Address 651-539-1600
<b>NEBRASKA</b>	Department of Banking and Finance Securities Bureau 1526 K Street, Suite 300 Lincoln, NE 68508 P.O. Box 95006 Lincoln, NE 68509-5006 402-471-2171	Same

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
<b>NEW HAMPSHIRE</b>	Attorney General Consumer Protection and Antitrust Bureau State House Annex Concord, NH 03301 603-271-3641	Same
<b>NEW YORK</b>	NYS Department of Law Investor Protection Bureau 28 Liberty Street, 21st Floor New York, NY 10005 212-416-8285	New York Secretary of State One Commerce Plaza 99 Washington Avenue, 6th Floor Albany, New York 12231 518-416-8236
<b>NORTH CAROLINA</b>	North Carolina Securities Division 2 South Salisbury Street Raleigh, NC 27601 P.O. Box 29622 Raleigh, NC 29622 919-733-3924	Secretary of State Secretary of State's Office Same
<b>NORTH DAKOTA</b>	North Dakota Insurance & Securities Department 600 East Boulevard Avenue, Dept. 401 Bismarck, ND 58505-0510 701-328-2910	Insurance Commissioner Same address Same phone
<b>OHIO</b>	Attorney General Consumer Fraud & Crime Section State Office Tower 30 East Broad Street, 14th Floor Columbus, OH 43215 614-466-8831 or 800-282-0515	Same
<b>OKLAHOMA</b>	Oklahoma Department of Securities 204 North Robinson Ave, Suite 400 Oklahoma City, OK 73102 405-280-7700	Same
<b>OREGON</b>	Division of Financial Regulation Corporate Securities Section 350 Winter St NE, 4th Floor Salem, OR 96310 P.O. Box 14480 Salem, OR 97309 888-877-4894 (toll free)	Director Same address
<b>RHODE ISLAND</b>	Rhode Island Department of Business Regulation Securities Division John O. Pastore Center – Building 68-2 1511 Pontiac Avenue Cranston, RI 02920 401-462-9527	Director, Rhode Island Department of Business Regulation Same address Same phone

<b>STATE</b>	<b>STATE ADMINISTRATOR</b>	<b>AGENT FOR SERVICE OF PROCESS</b>
<b>SOUTH CAROLINA</b>	Secretary of State P.O. Box 11350 Columbia, SC 29211 803-734-2166	Same
<b>SOUTH DAKOTA</b>	South Dakota Department of Labor & Regulation Department of Insurance - Securities Regulation 124 S. Euclid, Suite 104 Pierre, SD 57501 605-773-3563	Director of South Dakota Division of Insurance - Securities Regulation Same address Same phone
<b>TEXAS</b>	Secretary of State Registrations Unit P.O. Box 13193 Austin, TX 78711-2887 512-475-0775	Same
<b>UTAH</b>	Utah Department of Commerce Consumer Protection Division 160 East 300 South (P.O. Box 45804) Salt Lake City, UT 84145-0804 801-530-6601	Same
<b>VIRGINIA</b>	State Corporation Commission Division of Securities and Retail Franchising 1300 E. Main Street, 9th Floor Richmond, VA 23219 804-371-9051	Clerk of the State Corporation Commission 1300 East Main Street Richmond, Virginia 23219 804-371-9733
<b>WASHINGTON</b>	Department of Financial Institutions Securities Division PO Box 41200 Olympia, WA 98504-1200 360-902-8760	Department of Financial Institutions Securities Division 150 Israel Road SW Tumwater, WA 98501 360-902-8700
<b>WISCONSIN</b>	Wisconsin Dept. of Financial Institutions Division of Securities 4822 Madison Yards Way, North Tower Madison, WI 53705 608-266-9555	Administrator, Division of Securities Same address Same phone

**EXHIBIT B**  
**FRANCHISE AGREEMENT**

See attached Franchise Agreement



## FRANCHISE AGREEMENT

### SUMMARY PAGE

1. Franchisee \_\_\_\_\_
2. Initial Franchise Fee \$ \_\_\_\_\_
3. Search Area \_\_\_\_\_
4. Business Location \_\_\_\_\_
5. Territory \_\_\_\_\_
7. Principal Executive \_\_\_\_\_
8. Franchisee's Address \_\_\_\_\_

## FRANCHISE AGREEMENT

This Franchise Agreement (the “Agreement”) is made by and between Tumble Fresh Franchising, LLC, a Minnesota limited liability company (“Tumble Fresh Franchising”), and Franchisee as set forth on the Summary Page, effective as of the date signed by Tumble Fresh Franchising (the “Effective Date”).

### **Background Statement:**

A. Tumble Fresh Franchising and its affiliate have created and own a system (the “System”) for developing and operating a business providing luxurious, clean, and inviting self-service laundromats, under the trade name “Tumble Fresh Coin Laundry”.

B. The System includes: (1) methods, procedures, and standards for developing and operating a Tumble Fresh Coin Laundry business; (2) Site plans, design standards, plans, specifications, equipment, signage and trade dress for Tumble Fresh Coin Laundry businesses; (3) particular products and services; (4) the Marks; (5) training programs; (6) business knowledge; (7) marketing plans and concepts; and (8) other mandatory or optional elements as determined by Tumble Fresh Franchising from time to time.

C. The parties desire that Tumble Fresh Franchising license the Marks and the System to Franchisee for Franchisee to develop and operate a Tumble Fresh Coin Laundry business on the terms and conditions of this Agreement.

### **SECTION 1. DEFINITIONS**

**1.1 “Action”** means any action, suit, proceeding, claim, demand, governmental investigation, governmental inquiry, judgment or appeal thereof, whether formal or informal.

**1.2 “Approved Vendor”** means a supplier, vendor, or distributor of Inputs which has been approved by Tumble Fresh Franchising.

**1.3 “Business”** means the Tumble Fresh Coin Laundry business owned by Franchisee and operated under this Agreement.

**1.4 “Competitor”** means any business or other venture that offers self-service laundry services, including a business or other venture that provides the use of washers or dryers or other services traditionally provided by a laundromat.

**1.5 “Confidential Information”** means all non-public information of or about the System, Tumble Fresh Franchising, and any Tumble Fresh Coin Laundry business, including all methods for developing and operating the Business, and all non-public plans, data, financial information, processes, vendor pricing, supply systems, marketing systems, formulas, techniques, designs, layouts, operating procedures, customer data, information and know-how.

**1.6 “Gross Sales”** means the total dollar amount of all sales generated through your business for a given period, including, but not limited to, payment for any services or products sold by you, whether for cash or credit. Gross Sales shall also include, but not be limited to, commissions

generated by ATM and/or Bitcoin machines. Gross Sales does not include: (i) bona fide refunds to customers; (ii) sales taxes collected; (iii) sale of used equipment not in the ordinary course of business; or (iv) sales of prepaid cards or similar products (but the redemption of any such card or product will be included in Gross Sales).

**1.7 “Input”** means any goods, services, supplies, furniture, fixtures, equipment, inventory, computer hardware and software, technology systems, including point-of-sale, entertainment and security systems, advertising, signage, electronic applications, real estate, or similar items related to establishing or operating the Business.

**1.8 “Location”** means the location stated on the Summary Page. If no location is stated on the Summary Page, then the Location will be determined in accordance with Section 6.1.

**1.9 “Losses”** includes (but is not limited to) all losses; damages; fines; charges; expenses; lost profits; reasonable attorneys’ fees; travel expenses, expert witness fees; court costs; settlement amounts; judgments; loss of Tumble Fresh Franchising’s reputation and goodwill; costs of or resulting from delays; financing; costs of advertising material and media time/space and the costs of changing, substituting or replacing the same; and any and all expenses of recall, refunds, compensation, public notices and other such amounts incurred in connection with the matters described.

**1.10 “Manual”** means Tumble Fresh Franchising’s confidential Brand Standards Manual(s), including any supplements, additions, or revisions from time to time, which may be in any form or media.

**1.11 “Marketing Fund”** means the fund established (or which may be established) by Tumble Fresh Franchising into which Marketing Fund Contributions are deposited.

**1.12 “Marks”** means the trade name and logo contained on the Summary Page, and all other trade names, trademarks, service marks and logos specified by Tumble Fresh Franchising from time to time for use in a Tumble Fresh Coin Laundry business.

**1.13 “Owner”** means each person or entity which directly or indirectly owns or controls any equity of Franchisee. If Franchisee is an individual person, then “Owner” means Franchisee.

**1.14 “Remodel”** means a refurbishment, renovation, and remodeling of the Location to conform to the building design, exterior facade, trade dress, signage, fixtures, furnishings, equipment, decor, color schemes, presentation of the Marks, and other System Standards in a manner consistent with the image then in effect for a new Tumble Fresh Coin Laundry business.

**1.15 “Required Vendor”** means a supplier, vendor, or distributor of Inputs which Tumble Fresh Franchising requires franchisees to use.

**1.16 “System Standards”** means, as of any given time, the then-current mandatory procedures, requirements, and/or standards of the System as determined by Tumble Fresh Franchising, which may include without limitation, any procedures, requirements and/or standards for appearance, business metrics, cleanliness, customer service, design (such as construction, decoration, layout, furniture, fixtures and signs), equipment, inventory, marketing and public relations, operating

days, operating hours, presentation of Marks, product and service offerings, quality of products and services (including any guaranty and warranty programs), reporting, safety, technology (such as computers, computer peripheral equipment, smartphones, point-of-sale systems, back-office systems, information management systems, security systems, video monitors, other software, backup and archiving systems, communications systems (including email, audio, and video systems), payment acceptance systems, and internet access, as well as upgrades, supplements, and modifications thereto), uniforms, and vehicles.

**1.17 “Territory”** means the territory stated on the Summary Page. If no territory is stated on the Summary Page, then the Franchisee shall be deemed to not have been granted a Territory.

**1.18 “Transfer”** means for Franchisee (or any Owner) to voluntarily or involuntarily transfer, sell, or dispose of, in any single or series of transactions: (i) substantially all of the assets of the Business, (ii) this Agreement, (iii) any direct or indirect ownership interest in the Business, or (iv) control of the Business.

## **SECTION 2. GRANT OF LICENSE**

**2.1 Grant.** Tumble Fresh Franchising grants to Franchisee the right to operate a Tumble Fresh Coin Laundry business solely at the Location. If no Location is stated on the Summary Page when this Agreement is signed, then the parties will determine the Location in accordance with Section 6.1. Franchisee shall develop, open and operate a Tumble Fresh Coin Laundry business at the Location for the entire term of this Agreement.

**2.2 Territory.** Tumble Fresh Franchising shall not establish, nor license the establishment of, another business physically located within the Territory selling the same or similar goods or services under the Tumble Fresh Coin Laundry name. Tumble Fresh Franchising retains the right to:

- (i) establish and operate, and license others to establish and operate, Tumble Fresh Coin Laundry businesses outside the Territory, notwithstanding their proximity to the Territory or their impact on the Business;
- (ii) establish and operate, and license others to establish and operate, businesses anywhere, whether inside or outside the Territory, that do not operate under the Tumble Fresh Coin Laundry name;
- (iii) establish and operate, and license others to establish and operate, businesses inside the Territory under any of the Marks so long as the businesses are not competitive with Franchisee’s Business;
- (iv) sell and license others to sell products and services in the Territory under any of the Marks through channels of distribution (including the internet) other than Tumble Fresh Coin Laundry outlets; and
- (v) acquire businesses in the Territory that are similar to the Business or sell Tumble Fresh Franchising whether through a sale of assets or stock to anyone, regardless

whether they operate or franchise the operation of businesses similar to the Business

**2.3 Franchisee Control.** Franchisee represents that Attachment 1 (i) identifies each owner, officer and director of Franchisee, and (ii) describes the nature and extent of each owner's interest in Franchisee. If any information on Attachment 1 changes (which is not a Transfer), Franchisee shall notify Tumble Fresh Franchising within 10 days of such change and provide such updated information required by Tumble Fresh Franchising.

**2.4 Principal Executive.** Franchisee agrees that the person designated as the "Principal Executive" on the Summary Page is the executive primarily responsible for the Business and has decision-making authority on behalf of Franchisee. The Principal Executive must have at least 10% ownership interest in Franchisee. The Principal Executive does not have to serve as a day-to-day general manager of the Business, but the Principal Executive must devote substantial time and attention to the Business. If the Principal Executive dies, becomes incapacitated, transfers his/her interest in Franchisee, or otherwise ceases to be the executive primarily responsible for the Business, Franchisee shall promptly designate a new Principal Executive, subject to Tumble Fresh Franchising's reasonable approval.

**2.5 Guaranty.** If Franchisee is an entity, then Franchisee shall have each Owner sign a personal guaranty of Franchisee's obligations to Tumble Fresh Franchising, in the form of Attachment 3.

**2.6 No Conflict.** Franchisee represents to Tumble Fresh Franchising that Franchisee and each of its Owners (i) are not violating any agreement (including any confidentiality or non-competition covenant) by entering into or performing under this Agreement, (ii) are not a direct or indirect owner of any Competitor, and (iii) are not listed or "blocked" in connection with, and are not in violation under, any anti-terrorism law, regulation, or executive order.

### SECTION 3. TERM

**3.1 Term.** This Agreement commences on the Effective Date and continues for 10 years.

**3.2 Successor Agreement.** When the term of this Agreement expires, Franchisee may enter into a successor agreement for up to 2 additional periods of 5 years each, subject to the following conditions prior to each expiration:

- (i) Franchisee notifies Tumble Fresh Franchising of the election to renew between 90 and 180 days prior to the end of the term;
- (ii) Franchisee (and its affiliates) are in compliance with this Agreement and all other agreements with Tumble Fresh Franchising (or any of its affiliates) at the time of election and at the time of renewal;
- (iii) Franchisee has made or agrees to make (within a period of time acceptable to Tumble Fresh Franchising) renovations and changes to the Business as Tumble Fresh Franchising requires (including a Remodel, if applicable) to conform to the then-current System Standards;

- (iv) Franchisee and its Owners execute Tumble Fresh Franchising's then-current standard form of franchise agreement and related documents (including personal guaranty), which may be materially different than this form (including, without limitation, higher and/or different fees), except that Franchisee will not pay another initial franchise fee and will not receive more renewal or successor terms than described in this Section; and
- (v) Franchisee and each Owner executes a general release (on Tumble Fresh Franchising's then-standard form) of any and all claims against Tumble Fresh Franchising, its affiliates, and their respective owners, officers, directors, agents and employees.

## **SECTION 4. FEES**

**4.1 Initial Franchise Fee.** Upon signing this Agreement, Franchisee shall pay an initial franchise fee in the amount stated on the Summary Page. This initial franchise fee is not refundable.

**4.2 Royalty Fee.** Franchisee shall pay Tumble Fresh Franchising a monthly royalty fee (the "Royalty Fee") equal to 6% of Gross Sales. The Royalty Fee for any given month is due on or before the tenth day of each month for the prior month, unless such date is not a business day, in which case the payment date shall be the immediately following business day.

**4.3 Marketing Fund Contribution.** Franchisee shall pay Tumble Fresh Franchising a contribution to the Marketing Fund (the "Marketing Fund Contribution") equal to 2% of Gross Sales (or such lesser amount as Tumble Fresh Franchising determines), at the same time as the Royalty Fee.

**4.4 Replacement / Additional Training Fee.** If Franchisee sends an employee to Tumble Fresh Franchising's training program after opening, Tumble Fresh Franchising may charge its then-current training fee. As of the Effective Date, the training fee is \$300 per day.

**4.5 Non-Compliance Fee.** Tumble Fresh Franchising may charge Franchisee \$500 for any instance of non-compliance with the System Standards or this Agreement (other than Franchisee's non-payment of a fee owed to Tumble Fresh Franchising) which Franchisee fails to cure after 30 days' notice. Thereafter, Tumble Fresh Franchising may charge Franchisee \$250 per week until Franchisee ceases such non-compliance. This fee is a reasonable estimate of Tumble Fresh Franchising's internal cost of personnel time attributable to addressing the non-compliance, and it is not a penalty or estimate of all damages arising from Franchisee's breach. The non-compliance fee is in addition to all of Tumble Fresh Franchising's other rights and remedies (including default and termination under Section 14.2).

**4.6 Reimbursement.** Tumble Fresh Franchising may (but is never obligated to) pay on Franchisee's behalf any amount that Franchisee owes to a supplier or other third party. If Tumble Fresh Franchising does so, Franchisee shall pay to Tumble Fresh Franchising the amount paid by Tumble Fresh Franchising, plus an administrative fee equal to 10% of such amount, within 15 days after invoice by Tumble Fresh Franchising accompanied by reasonable documentation.

**4.7 Tumble Fresh/Pet Fresh App Processing Fee.** Franchisee shall pay Tumble Fresh Franchising the then-current processing fee charged by Tumble Fresh Franchising on sales transactions for the purchase of goods or services at the Franchisee's Location or otherwise at its Business, in any event made through the Tumble Fresh/Pet Fresh App. As of the Effective Date, this fee ranges from 3-8% of the amount of each sale transaction made through the Tumble Fresh/Pet Fresh App for the purchase of goods or services at the Franchisee's Location or otherwise at its Business. To the extent funds placed on the Tumble Fresh/Pet Fresh App are transferred to Franchisee's account prior to a purchase or sale of goods at the Franchisee's Location, Tumble Fresh Franchising may debit the Franchisee's business bank operating account and allocate the funds at the time the purchase or sale of goods is made to the Tumble Fresh Coin Laundry location where the purchase or sale of goods was made. Tumble Fresh Franchising shall be the sole provider of the Tumble Fresh/Pet Fresh App and the sole supplier of the processing services for transactions on the Tumble Fresh/Pet Fresh App. Franchisee shall do all things reasonably necessary to promote the App to its customers and Franchisee may use and promote only the Tumble Fresh/Pet Fresh App, and no other electronic application or other payment device for use by its customers.

**4.8 Technology Fee.** Franchisee shall pay Tumble Fresh Franchising its then-current monthly technology fee (the "Technology Fee"), which as of the Effective Date is \$400 per month. The Technology Fee is due to Tumble Fresh Franchising at the same time as the Royalty Fee. Tumble Fresh Franchising may increase the Technology Fee annually on 30 days' notice to Franchisee. This fee is subject to an annual increase of 10% of the then-current Technology Fee. Adjustments are compounded annually and are cumulative, including increases in any given year of greater than 10% to adjust for prior years when no increase, or an increase of less than the permitted percentage increase, was implemented.

#### **4.9 Payment Terms.**

(a) Method of Payment. Franchisee shall pay the Royalty Fee, Marketing Fund Contribution, Technology Fee, and any other amount owed to Tumble Fresh Franchising via automatic direct debit of Franchisee's business bank operating account or such other account as Tumble Fresh Franchising may require, or by such other methods required by Tumble Fresh Franchising. Franchisee shall comply with all procedures specified by Tumble Fresh Franchising with respect to such transactions and deliver and execute such documents as may be necessary to facilitate or accomplish payment by the method required by Tumble Fresh Franchising. Franchisee hereby authorizes Tumble Fresh Franchising to initiate debit entries and/or credit correction entries to Franchisee's business bank operating account for payments of all amounts owed to Tumble Fresh Franchising under this Agreement. Franchisee shall maintain a sufficient amount of funds in such account to cover all amounts owed to Tumble Fresh Franchising or its affiliates under this Agreement. Tumble Fresh Franchising may direct debit Franchisee's business bank operating account at any other time it may determine to pay any other fees or amounts Franchisee may owe Tumble Fresh Franchising. Tumble Fresh Franchising may change the day for payment or the payment method for any fees or other amounts owed to it by Franchisee, at any time upon notice to Franchisee.

(b) Reporting/Calculation of Fees. Franchisee shall report monthly Gross Sales to Tumble Fresh Franchising for the prior month by the fifth day of the month immediately following

the prior month, but if such day is not a business day, the reporting obligation shall be the immediately following business day. If Franchisee fails to timely report monthly Gross Sales or withholds Tumble Fresh Franchising's access to accounting or financial systems or data it requires to determine Gross Sales, then Tumble Fresh Franchising may withdraw estimated Royalty Fees, Marketing Fund Contributions and Technology Fees, equal to 125% of the last Gross Sales reported to Tumble Fresh Franchising, and the parties will true-up the actual fees after Franchisee reports Gross Sales. Franchisee acknowledges that Tumble Fresh Franchising has the right to remotely access Franchisee's point-of-sale system to calculate Gross Sales or for any other purpose Tumble Fresh Franchising may determine.

(c) Late Fees and Interest. If Franchisee does not make a payment on time, Franchisee shall pay a \$100 "late fee" plus interest on the unpaid amount at a rate equal to 1.5% per month (or, if such rate exceeds the maximum allowed by law, then interest at the highest rate allowed by law).

(d) Insufficient Funds. Tumble Fresh Franchising may charge \$30 for any payment returned for insufficient funds (or, if such amount exceeds the maximum allowed by law, then the fee allowed by law).

(e) Costs of Collection. Franchisee shall repay any costs incurred by Tumble Fresh Franchising (including reasonable attorney fees) in attempting to collect payments owed by Franchisee.

(f) Application. Tumble Fresh Franchising may apply any payment received from Franchisee to any obligation and in any order as Tumble Fresh Franchising may determine, regardless of any designation by Franchisee.

(g) Obligations Independent; No Set-Off. The obligations of Franchisee to pay to Tumble Fresh Franchising any fees or amounts described in this Agreement are not dependent on Tumble Fresh Franchising's performance and are independent covenants by Franchisee. Franchisee shall make all such payments without offset or deduction.

## SECTION 5. ASSISTANCE

**5.1 Manual.** Tumble Fresh Franchising shall make its Manual available to Franchisee.

**5.2 Assistance in Hiring Employees.** Tumble Fresh Franchising shall provide its suggested staffing levels to Franchisee. All hiring decisions and conditions of employment are Franchisee's sole responsibility.

**5.3 Assistance in Training Employees.** Tumble Fresh Franchising shall, to the extent it deems appropriate, provide programs for Franchisee to conduct training of new employees.

**5.4 Pre-Opening Assistance.**

(a) Selecting Location. Tumble Fresh Franchising shall provide its criteria for Tumble Fresh Coin Laundry locations to Franchisee. Tumble Fresh Franchising will review and advise Franchisee regarding potential locations submitted by Franchisee.

(b) Pre-Opening Plans, Specifications, and Vendors. Within a reasonable period of time after the Effective Date, Tumble Fresh Franchising shall provide Franchisee with: (i) Tumble Fresh Franchising's sample set of standard building plans and specifications and/or standard recommended floor plans; (ii) the applicable System Standards; (iii) other specifications as Tumble Fresh Franchising deems appropriate (which may include specifications regarding inventory, supplies, materials, and other matters); and (iv) Tumble Fresh Franchising's lists of Approved Vendors and/or Required Vendors.

(c) Business Plan Review. If requested by Franchisee, Tumble Fresh Franchising shall review and advise on Franchisee's pre-opening business plan and financial projections. **Franchisee acknowledges that Tumble Fresh Franchising accepts no responsibility for the performance of the Business.**

(d) Pre-Opening Training. Tumble Fresh Franchising shall make available its standard pre-opening training to the Principal Executive and up to three additional employees of Franchisee, at Tumble Fresh Franchising's headquarters and/or at a Tumble Fresh Coin Laundry business designated by Tumble Fresh Franchising. Tumble Fresh Franchising shall not charge any fee for this training. Franchisee is responsible for the travel, lodging, meal, and other out-of-pocket expenses of any attendees. Tumble Fresh Franchising reserves the right to vary the length and content of the initial training program based on the experience and skill level of any individual attending the program. Franchisee and its Principal Executive, if any, and its general manager, if any, must complete the initial training program to Tumble Fresh Franchising's satisfaction. The classroom portion of the initial training program must be completed at least four weeks before the location is scheduled to open for business. The on-the-job portion of the training program must be completed by the proposed opening date for the location. Tumble Fresh Franchising may terminate this Agreement immediately upon notice to Franchisee if Franchisee or its Principal Executive fail to complete such training within such time frame.

(e) On-Site Opening Assistance. Tumble Fresh Franchising shall have a representative support Franchisee's business opening with two to three days of onsite opening training and assistance.

## **5.5 Post-Opening Assistance.**

(a) Advice, Consulting, and Support. If Franchisee requests, Tumble Fresh Franchising will provide advice to Franchisee (by telephone or electronic communication) regarding improving and developing Franchisee's business, and resolving operating problems Franchisee encounters, to the extent Tumble Fresh Franchising deems reasonable. If Tumble Fresh Franchising provides in-person support in response to Franchisee's request, Tumble Fresh Franchising may charge its then-current fee plus any out-of-pocket expenses (such as travel, lodging, and meals for employees providing onsite support).

(b) Pricing. Upon request, Tumble Fresh Franchising will provide recommended prices for products and services offered by franchisees of the System.

(c) Procedures. Tumble Fresh Franchising will provide Franchisee with Tumble Fresh Franchising's recommended administrative, bookkeeping, accounting, and inventory control

procedures. Tumble Fresh Franchising may make any such procedures part of required (and not merely recommended) System Standards.

(d) Marketing. Tumble Fresh Franchising shall manage the Marketing Fund.

(e) Internet. Tumble Fresh Franchising shall maintain a website for Tumble Fresh Coin Laundry locations, which will include Franchisee's location (or territory) and telephone number.

(f) App. Tumble Fresh Franchising shall make the Tumble Fresh/Pet Fresh App available for download by Franchisee's customers and Tumble Fresh Franchising will provide all processing services for purchases of goods or services made through the App at Franchisee's Location or its Business. Tumble Fresh Franchising may terminate these services at any time and may contract with third parties to provide such services, in its sole and absolute discretion, and in such event, Franchisee shall make payment of all amounts charged by such third-party for the performance of such services.

## SECTION 6. LOCATION, DEVELOPMENT, AND OPENING

**6.1 Determining Location and Territory.** If the Location and Territory are not stated on the Summary Page:

(i) Franchisee shall find a potential Location within the Search Area described on the Summary Page. Franchisee shall submit its proposed Location to Tumble Fresh Franchising for acceptance, with all related information Tumble Fresh Franchising may request. If Tumble Fresh Franchising does not accept the proposed Location in writing within 30 days, then it is deemed rejected.

(ii) When Tumble Fresh Franchising accepts the Location, it will issue a Location Acceptance Letter in the form of Attachment 2 which states the Location and Territory. If no Territory is stated on the Summary Page, then Franchisee shall be deemed not to have a Territory.

(iii) **Tumble Fresh Franchising's advice regarding or acceptance of a site is not a representation or warranty that the Business will be successful, and Tumble Fresh Franchising has no liability to Franchisee with respect to the location of the Business.**

**6.2 Lease.** In connection with any lease between Franchisee and the landlord of the Location: (i) if requested by Tumble Fresh Franchising, Franchisee must submit the proposed lease to Tumble Fresh Franchising for written approval, (ii) the term of the lease (including renewal terms) must be for a period of not less than the term of this Agreement, unless otherwise approved by Tumble Fresh Franchising, and (iii) Franchisee shall obtain the landlord's signature to a rider to the lease in the form required by Tumble Fresh Franchising.

**6.3 Development.** Franchisee shall construct (or remodel) and finish the Location in conformity with Tumble Fresh Franchising's System Standards. If required by Tumble Fresh Franchising, Franchisee shall engage the services of an architect licensed in the jurisdiction of the Location. Franchisee shall not begin any construction or remodeling work without first obtaining Tumble Fresh Franchising's approval of Franchisee's plans. Tumble Fresh Franchising may, but is not required to, inspect Franchisee's construction or remodeling progress at any reasonable time.

Franchisee shall not rely upon any information provided or opinions expressed by Tumble Fresh Franchising or its representatives regarding any architectural, engineering, or legal matters (including without limitation the Americans With Disabilities Act) in the development and construction of the Business, and Tumble Fresh Franchising assumes no liability with respect thereto. Tumble Fresh Franchising's inspection and/or approval to open the Business is not a representation or a warranty that the Business has been constructed in accordance with any architectural, engineering, or legal standards.

**6.4 Conditions to Opening.** Franchisee shall notify Tumble Fresh Franchising at least 30 days before Franchisee intends to open the Business to the public. Before opening, Franchisee must satisfy all of the following conditions: (1) Franchisee is in compliance with this Agreement; (2) Franchisee has obtained all applicable governmental permits and authorizations; (3) the Business conforms to all applicable System Standards; (4) Tumble Fresh Franchising has inspected and approved the Business; (5) Franchisee has hired sufficient employees; (6) Franchisee and its Principal Executive, if any, and any general manager, have completed all of Tumble Fresh Franchising's required pre-opening training; and (7) Tumble Fresh Franchising has given its written approval to open, which will not be unreasonably withheld.

**6.5 Opening Date.** Franchisee shall open the Business to the public within two hundred seventy (270) days after Franchisee executes a lease or sublease for the Location or otherwise acquires control of the Location. However, if the Business is the second or additional business to be opened under a Multi-Unit Development Agreement between Franchisee and Tumble Fresh Franchising, Franchisee shall open the Business to the public within one (1) year of the last opening of a business under the Multi-Unit Development Agreement.

## SECTION 7. OPERATIONS

**7.1 Compliance with Manual and System Standards.** Franchisee shall at all times and at its own expense comply with all mandatory obligations contained in the Manual and with all other System Standards.

**7.2 Compliance with Law.** Franchisee and the Business shall comply with all laws and regulations. Franchisee and the Business shall obtain and keep in force all governmental permits and licenses necessary for the Business.

**7.3 Products, Services, and Methods of Sale.** Franchisee shall offer all products and services, and only those products and services, from time to time prescribed by Tumble Fresh Franchising in the Manual or otherwise in writing. Franchisee shall make sales only to retail customers, and only at the Location. Unless otherwise approved or required by Tumble Fresh Franchising, Franchisee shall not make sales by any other means, including without limitation by wholesale, by delivery, by mail order or over the internet, or at temporary or satellite locations. Franchisee shall provide all products and perform all services in a high-quality manner that meets or exceeds the customer's reasonable expectations and all applicable System Standards. Franchisee shall implement any guaranties, warranties, or similar commitments regarding products and/or services that Tumble Fresh Franchising may require.

**7.4 Prices.** Notwithstanding any provision of this Agreement or the Manual to the contrary, Franchisee retains the sole discretion to determine the prices it charges for products and services.

**7.5 Personnel.**

(a) Management. The Business must at all times be under the on-site supervision of the Principal Executive or under the on-site supervision of a general manager who has completed Tumble Fresh Franchising's training program.

(b) Service. Franchisee shall cause its personnel to render competent and courteous service to all customers and members of the public.

(c) Appearance. Franchisee shall cause its personnel to comply with any dress attire, uniform, personal appearance and hygiene standards set forth in the Manual.

(d) Qualifications. Tumble Fresh Franchising may set minimum qualifications for categories of employees employed by Franchisee.

(e) Sole Responsibility. Franchisee is solely responsible for the terms and conditions of employment of all of its personnel, including recruiting, hiring, training, scheduling, supervising, compensation, and termination. Franchisee is solely responsible for all actions of its personnel. Franchisee and Tumble Fresh Franchising are not joint employers, and no employee of Franchisee will be an agent or employee of Tumble Fresh Franchising. Within seven days of Tumble Fresh Franchising's request, Franchisee and each of its employees will sign an acknowledgment form stating that Franchisee alone (and not Tumble Fresh Franchising) is the employee's sole employer. Franchisee will use its legal name on all documents with its employees and independent contractors, including, but not limited to, employment applications, time cards, pay checks, and employment and independent contractor agreements, and Franchisee will not use the Marks on any of these documents.

**7.6 Post-Opening Training.** Tumble Fresh Franchising may at any time require that the Principal Executive and/or any other employees complete training programs, in any format and in any location determined by Tumble Fresh Franchising. Tumble Fresh Franchising may charge a reasonable fee for any training programs. Tumble Fresh Franchising may require Franchisee to provide training programs to its employees. If a training program is held at a location which requires travel by the Principal Executive or any other employee, then Franchisee shall pay all travel, living and other expenses.

**7.7 Software.** Without limiting the generality of Section 7.1 or Section 8.1, Franchisee shall acquire and use all software and related systems required by Tumble Fresh Franchising. Franchisee shall enter into any subscription and support agreements that Tumble Fresh Franchising may require. Franchisee shall upgrade, update, or replace any software from time to time as Tumble Fresh Franchising may require. Franchisee shall protect the confidentiality and security of all software systems, and Franchisee shall abide by any System Standards related thereto. Franchisee shall give Tumble Fresh Franchising unrestricted independent access to Franchisee's point of sale system and all other computer hardware, software and other technology systems used in the Business, and all information contained in any of the foregoing, all as specified by Tumble Fresh Franchising and by the means designated by Tumble Fresh Franchising.

**7.8 Customer Complaints.** Franchisee shall use its best efforts to promptly resolve any customer complaints. Tumble Fresh Franchising may take any action it deems appropriate to resolve a customer complaint regarding the Business, and Tumble Fresh Franchising may require Franchisee to reimburse Tumble Fresh Franchising for any expenses.

**7.9 Evaluation and Compliance Programs.** Franchisee shall participate at its own expense in programs required from time to time by Tumble Fresh Franchising for obtaining customer evaluations, reviewing Franchisee's compliance with the System, and/or managing customer complaints, which may include (but are not limited to) a customer feedback system, customer survey programs, and mystery shopping. Tumble Fresh Franchising shall share with Franchisee the results of these programs, as they pertain to the Business. Franchisee must meet or exceed any minimum score requirements set by Tumble Fresh Franchising for such programs. Tumble Fresh Franchising may set minimum scores that Franchisee must receive from the public on internet review sites (such as Yelp or Google).

**7.10 Payment Systems.** Franchisee shall accept payment from customers in any form or manner designated by Tumble Fresh Franchising (which may include, for example, cash, specific credit and/or debit cards, gift cards, electronic fund transfer systems, or any mobile application or mobile payment system specified by Tumble Fresh Franchising). Franchisee shall purchase or lease all equipment and enter into all business relationships necessary to accept payments as required by Tumble Fresh Franchising. Franchisee must at all times comply with payment card industry data security standards (PCI-DSS).

**7.11 Gift Cards, Loyalty Programs, and Incentive Programs.** At its own expense, Franchisee shall sell or otherwise issue gift cards, certificates, or other pre-paid systems, and participate in any customer loyalty programs, membership/subscription programs, or customer incentive programs, designated by Tumble Fresh Franchising, in the manner specified by Tumble Fresh Franchising in the Manual or otherwise in writing. Franchisee shall honor all valid gift cards and other pre-paid systems, regardless of whether issued by Franchisee or another Tumble Fresh Coin Laundry business. Franchisee shall comply with all procedures and specifications of Tumble Fresh Franchising related to gift cards, certificates, and other pre-paid systems, or related to customer loyalty, membership/subscription, or customer incentive programs.

**7.12 Maintenance and Repair.** Franchisee shall at all times keep the Business in a neat and clean condition, perform all appropriate maintenance, and keep all physical property in good repair. In addition, Franchisee shall promptly perform all work on the physical property of the Business as Tumble Fresh Franchising may prescribe from time to time, including but not limited to periodic interior and exterior painting; resurfacing of the parking lot; roof repairs; and replacement of obsolete or worn out signage, floor coverings, furnishings, equipment and décor. Franchisee acknowledges that the System Standards may include requirements for cleaning, maintenance, and repair.

**7.13 Remodeling.** In addition to Franchisee's obligations to comply with all System Standards in effect from time to time, Tumble Fresh Franchising may require Franchisee to undertake and complete a Remodel of the Location to Tumble Fresh Franchising's satisfaction. Franchisee must complete the Remodel in the time frame specified by Tumble Fresh Franchising. Tumble Fresh Franchising may require the Franchisee to submit plans for Tumble Fresh Franchising's reasonable

approval prior to commencing a required Remodel. Tumble Fresh Franchising's right to require a Remodel is limited as follows: (i) the Remodel will not be required in the first two or last two years of the term (except that a Remodel may be required as a condition to renewal of the term or a Transfer); and (ii) a Remodel will not be required more than once every five years from the date on which Franchisee was required to complete the prior Remodel. Franchisee understands and agrees that Tumble Fresh Franchising has no ability to identify with specificity the nature of the Remodel or the Remodel's expected cost and accepts the risk that the Remodel that may be imposed will require significant capital expenditures in an amount that is unknown on the Effective Date and that cannot be fully amortized over the period of time then remaining in the term of this Agreement.

**7.14 Meetings.** The Principal Executive shall use reasonable efforts to attend all in-person meetings and remote meetings (such as telephone conference calls) that Tumble Fresh Franchising requires, including any national or regional brand conventions. Franchisee shall not permit the Principal Executive to fail to attend more than three consecutive required meetings.

**7.15 Insurance.**

(a) Franchisee shall obtain and maintain insurance policies in the types and amounts as specified by Tumble Fresh Franchising in the Manual. If not specified in the Manual, Franchisee shall maintain at least the following insurance coverages:

**GENERAL LIABILITY INSURANCE**

1. General Liability coverage, including Personal and Advertising Injury, of \$1,000,000 per occurrence per location
2. \$2,000,000 General Aggregate, including Products/Completed Operations per location
3. Damage to Premises Rented to You and/or Fire Damage Legal Liability and Medical Payments must be included
4. Additional Insured, Grantor of Franchise, endorsement in the name of franchisor
5. A Waiver of Subrogation in favor of franchisor

**AUTO LIABILITY INSURANCE**

1. Hired and Non Owned Auto Liability coverage of \$1,000,000 CSL
2. Owned Auto Coverage included (as applicable) with a limit no less than \$1,000,000 CSL
3. UM/UIM coverage along with medical payments and/or PIP as applicable is required
4. Additional Insured endorsement in the name of franchisor
5. A Waiver of Subrogation in favor of franchisor

**UMBRELLA LIABILITY INSURANCE**

1. Minimum Umbrella Liability limit of:
  - a. 1-4 owned locations requires \$1,000,000 per occurrence / \$1,000,000 aggregate
  - b. 5-9 owned locations requires \$2,000,000 per occurrence / \$2,000,000 aggregate

- c. 10+ owned locations requires \$3,000,000 per occurrence / \$3,000,000 aggregate
2. Additional Insured, Grantor of Franchise in the name of franchisor
3. Waiver of Subrogation in favor of franchisor and its affiliate
4. Umbrella Liability must go over the General Liability and Auto Liability. Strongly suggested to go over Employers Liability.

#### **PROPERTY INSURANCE**

1. Business Income and Extra Expense coverage of at least twelve (12) months' income replacement
2. Business Personal Property, and Tenant Improvements and Betterments at full replacement cost
3. Special Causes of Loss form required
4. Business interruption insurance covering at least 12 months of income

#### **WORKERS COMPENSATION AND EMPLOYERS' LIABILITY INSURANCE**

1. Workers Compensation per state statutes
2. Employers Liability of at least \$500,000 each accident, \$500,000 each employee, \$500,000 policy limit
3. A Waiver of Subrogation in favor of franchisor

(b) **All franchisee insurance policies must name "Tumble Fresh Franchising, LLC" as *additional insured*.**

#### **FRANCHISOR NAME AND ADDRESS**

Tumble Fresh Franchising, LLC  
7616 Currell Boulevard  
Suite 100  
Woodbury, MN 55125-2295

(c) Franchisee's policies (other than Workers Compensation) must (1) be primary and non-contributing with any insurance carried by Tumble Fresh Franchising or its affiliates, and (2) stipulate that Tumble Fresh Franchising shall receive 30 days' prior written notice of cancellation.

(d) Franchisee shall provide Certificates of Insurance evidencing the required coverage to Tumble Fresh Franchising prior to opening and upon annual renewal of the insurance coverage, as well as at any time upon request of Tumble Fresh Franchising.

**7.16 Payments to Third Parties.** Franchisee shall pay all vendors and suppliers in a timely manner. Franchisee shall pay all taxes when due. If Franchisee borrows money, it shall comply with the terms of its loan and make all loan payments when due. If Franchisee leases the Location,

Franchisee shall comply with its lease for the Location and make all rent and other payments when due.

**7.17 Public Relations.** Franchisee shall not make any public statements (including giving interviews or issuing press releases) regarding Tumble Fresh Coin Laundry, the Business, or any particular incident or occurrence related to the Business, without Tumble Fresh Franchising's prior written approval, which will not be unreasonably withheld.

**7.18 Association with Causes.** Franchisee shall not in the name of the Business (i) donate money, products, or services to any charitable, political, religious, or other organization, or (ii) act in support of any such organization, without Tumble Fresh Franchising's prior written approval, which will not be unreasonably withheld.

**7.19 No Other Activity Associated with the Business.** Franchisee shall not engage in any business or other activity at the Location other than operation of the Tumble Fresh Coin Laundry Business. Franchisee shall not use assets of the Business for any purpose other than the Business. If Franchisee is an entity, the entity shall not own or operate any other business except Tumble Fresh Coin Laundry businesses.

**7.20 No Third-Party Management.** Franchisee shall not engage a third-party management company to manage or operate the Business without the prior written approval of Tumble Fresh Franchising, which will not be unreasonably withheld.

**7.21 Identification.** Franchisee must identify itself as the independent owner of the Business in the manner prescribed by Tumble Fresh Franchising. Franchisee must display at the Business signage prescribed by Tumble Fresh Franchising identifying the Location as an independently owned franchise.

**7.22 Business Practices.** Franchisee, in all interactions with customers, employees, vendors, governmental authorities, and other third parties, shall be honest and fair. Franchisee shall comply with any code of ethics or statement of values from Tumble Fresh Franchising. Franchisee shall not take any action which may injure the goodwill associated with the Marks.

## **SECTION 8. SUPPLIERS AND VENDORS**

**8.1 Generally.** Franchisee shall acquire all Inputs required by Tumble Fresh Franchising from time to time in accordance with System Standards. Tumble Fresh Franchising may require Franchisee to purchase or lease any Inputs from Tumble Fresh Franchising, Tumble Fresh Franchising's designee, Required Vendors, Approved Vendors, and/or under Tumble Fresh Franchising's System Standards. Tumble Fresh Franchising may change any such requirement or change the status of any vendor and may appoint sole Approved or Required Vendors, which may be itself, an affiliate or a third party. Tumble Fresh Franchising intends to make a profit on any goods, services or other items it sells to Tumble Fresh Coin Laundry franchisees and may mark-up any such items as it sees fit in its sole discretion and shall retain all such revenue from any goods, services or other items sold by it or its affiliates to Tumble Fresh Coin Laundry franchisees, or which it receives on account of purchases by Tumble Fresh Coin Laundry franchisees.

**8.2 Alternate Vendor Approval.** If Tumble Fresh Franchising does not require that an Input be purchased from a single or sole Approved Vendor or Required Vendor, and Franchisee desires to purchase the Input from another vendor, then Franchisee must submit a written request for approval and any information, specifications and/or samples requested by Tumble Fresh Franchising. Tumble Fresh Franchising may condition its approval on such criteria as Tumble Fresh Franchising deems appropriate, which may include evaluations of the vendor's capacity, quality, financial stability, reputation, and reliability; inspections; product testing, and performance reviews. Tumble Fresh Franchising will provide Franchisee with written notification of the approval or disapproval of any proposed new vendor within 8 weeks after receipt of Franchisee's request. Tumble Fresh Franchising may have single or sole Approved Vendors or Required Vendors, which may be Tumble Fresh Franchising, an affiliate or a third party. In this case, Tumble Fresh Franchising shall have no obligation to approve other vendors.

**8.3 Alternate Input Approval.** If Tumble Fresh Franchising requires Franchisee to purchase a particular Input, and Franchisee desires to purchase an alternate to the Input, then Franchisee must submit a written request for approval and any information, specifications and/or samples requested by Tumble Fresh Franchising. Tumble Fresh Franchising will provide Franchisee with written notification of the approval or disapproval of any proposed alternate Input within 8 weeks after receipt of Franchisee's request.

**8.4 Purchasing.** Tumble Fresh Franchising may negotiate prices and terms with vendors on behalf of the System. Tumble Fresh Franchising may implement pricing policies, such as minimum or maximum price policies, minimum advertised price policies and unilateral minimum price policies, and you must abide by these policies. Tumble Fresh Franchising may receive rebates, payments or other consideration from vendors or others in connection with purchases by Tumble Fresh Coin Laundry franchisees. Tumble Fresh Franchising may retain any rebates, payments or other consideration received from vendors or others in connection with these purchases and has no obligation to share any of such amounts with Tumble Fresh Coin Laundry franchisees. Tumble Fresh Franchising has the right (but not the obligation) to collect payments from Franchisee on behalf of a vendor and remit the payments to the vendor and to impose a markup or charge for administering the payment program. Tumble Fresh Franchising may implement a centralized purchasing system. Tumble Fresh Franchising may establish a purchasing cooperative and require Franchisee to join and participate in the purchasing cooperative on such terms and conditions as Tumble Fresh Franchising may determine.

**8.5 No Liability.** Tumble Fresh Franchising shall not have any liability to Franchisee for any claim or loss related to any product provided or service performed by any Approved Vendor or Required Vendor, including without limitation defects, delays, or unavailability of products or services.

**8.6 Product Recalls.** If Tumble Fresh Franchising or any vendor, supplier, or manufacturer of an item used or sold in Franchisee's Business issues a recall of such item or otherwise notifies Franchisee that such item is defective or dangerous, Franchisee shall immediately cease using or selling such item, and Franchisee shall at its own expense comply with all instructions from Tumble Fresh Franchising or the vendor, supplier, or manufacturer of such item with respect to such item, including without limitation the recall, repair, and/or replacement of such item.

## SECTION 9. MARKETING

**9.1 Approval and Implementation.** Franchisee shall not conduct any marketing, advertising, or public relations activities (including in-store marketing materials, websites, online advertising, social media marketing or presence, and sponsorships) that have not been approved by Tumble Fresh Franchising. Franchisee shall submit to Tumble Fresh Franchising for its review all such materials at least 14 days prior to use. If Tumble Fresh Franchising does not respond within such 14 day period, the materials shall be deemed rejected. Tumble Fresh Franchising may (but is not obligated to) operate all “social media” accounts on behalf of the System, or it may, but is not obligated to, permit franchisees to operate one or more accounts. Franchisee must comply with any System Standards regarding marketing, advertising, and public relations, including any social media policy that Tumble Fresh Franchising may prescribe. Franchisee shall implement any marketing plans or campaigns determined by Tumble Fresh Franchising.

**9.2 Use by Tumble Fresh Franchising.** Tumble Fresh Franchising may use any marketing materials or campaigns developed by or on behalf of Franchisee, and Franchisee hereby grants an unlimited, perpetual, royalty-free license to Tumble Fresh Franchising for such purpose.

**9.3 Marketing Fund.** Disbursements from the Marketing Fund may be made for the payment of expenses incurred by Tumble Fresh Franchising in connection with the general promotion of the Marks, including: (1) development and production of advertising, marketing, and promotional materials; (2) the cost of formulating, developing, and implementing advertising and marketing campaigns, including Internet advertising and Internet search engine campaigns, direct email marketing, and the cost to maintain and update Tumble Fresh Franchising’s websites, web pages, social media and social networking sites, profiles and accounts, and search engine optimization, and the costs to create and maintain any applications, whether web-based or otherwise; (3) the cost of formulating, developing, and implementing promotional and public relations programs, including advertising in trade publications; (4) market research; and (5) the reasonable cost of administering the Marketing Fund, including professional fees, the cost of salaries and fringe benefits paid to Tumble Fresh Franchising’s employees engaged in administration of the Marketing Fund and creative services, and overhead allocated to advertising activities. Notwithstanding the foregoing, Tumble Fresh Franchising has no obligation to conduct marketing or advertising and Tumble Fresh Franchising has sole discretion to determine how, if any, monies in the Marketing Fund will be spent. Tumble Fresh Franchising is not required to use monies in the Marketing Fund to benefit Franchisee, any individual market or any other franchisee of the Tumble Fresh Coin Laundry franchise system. Methods, media employed, contents of advertising, and terms and conditions of advertising campaigns and promotional programs shall be within the sole discretion of Tumble Fresh Franchising. Tumble Fresh Franchising reserves the right to engage the professional services of an advertising agency owned by, or affiliated with, it or any of its principals, to assist in developing and/or placing advertising, and to compensate that agency.

(a) Separate Account. Tumble Fresh Franchising shall hold the Marketing Fund Contributions from all franchisees in one or more bank accounts separate from Tumble Fresh Franchising’s other accounts.

(b) Use. Tumble Fresh Franchising shall use the Marketing Fund for the purposes described above. The foregoing includes such activities and expenses as Tumble Fresh Franchising

reasonably determines, and may include, without limitation: development and placement of advertising and promotions; sponsorships; contests and sweepstakes; development of décor, trade dress, Marks, and/or branding; development and maintenance of brand websites; social media; internet activities; e-commerce programs; search engine optimization; market research; public relations, media or agency costs; trade shows and other events; printing and mailing; and administrative and overhead expenses related to the Marketing Fund (including the compensation of Tumble Fresh Franchising's employees working on marketing and for accounting, bookkeeping, reporting, legal and other expenses related to the Marketing Fund).

(c) Discretion. Franchisee agrees that expenditures from the Marketing Fund need not be proportionate to contributions made by Franchisee or provide any direct or indirect benefit to Franchisee. The Marketing Fund will be spent at Tumble Fresh Franchising's sole discretion, and Tumble Fresh Franchising has no fiduciary duty with regard to the Marketing Fund.

(d) Contribution by Other Outlets. Tumble Fresh Franchising is not obligated to (i) have all other Tumble Fresh Coin Laundry businesses (whether owned by other franchisees or by Tumble Fresh Franchising or its affiliates) contribute to the Marketing Fund, or (ii) have other Tumble Fresh Coin Laundry businesses that do contribute to the Marketing Fund contribute the same amount or at the same rate as Franchisee.

(e) Surplus or Deficit. Tumble Fresh Franchising may accumulate funds in the Marketing Fund and carry the balance over to subsequent years. If the Marketing Fund operates at a deficit or requires additional funds at any time, Tumble Fresh Franchising may loan such funds to the Marketing Fund on reasonable terms.

(f) Financial Statement. Tumble Fresh Franchising will prepare an unaudited annual financial statement of the Marketing Fund within 120 days of the close of Tumble Fresh Franchising's fiscal year and will provide the financial statement to Franchisee upon request.

**9.4 Required Spending.** Unless otherwise approved by Tumble Fresh Franchising, Franchisee shall spend at least 1% of Gross Sales each month on marketing the Business. This obligation is separate from Franchisee's obligation to make Marketing Fund contributions. Upon request of Tumble Fresh Franchising, Franchisee shall furnish proof of its compliance with this Section. Tumble Fresh Franchising has the sole discretion to determine what activities constitute "marketing" under this Section and must approve all such marketing. If Franchisee fails to spend the required amount in any given month Franchisee, unless otherwise approved by Tumble Fresh Franchising Franchisee, shall pay Tumble Fresh Franchising the unspent amount, and Tumble Fresh Franchising may spend it in Franchisee's market area at such time as Tumble Fresh Franchising reasonably determines.

**9.5 Market Introduction Plan.** Franchisee must develop a market introduction plan and obtain Tumble Fresh Franchising's approval of the market introduction plan at least 30 days before the projected opening date of the Business.

**9.6 Advertising Cooperative.** At such time as Tumble Fresh Franchising in its sole discretion may determine, Franchisee shall join an advertising cooperative made up of other Tumble Fresh coin laundromats (the "Local Cooperative"). In such event, Franchisee shall be required to

participate in the Local Cooperative on the terms and conditions required by Tumble Fresh Franchising and Franchisee shall contribute to the cooperative such amounts as required by Tumble Fresh Franchising. Any amounts contributed by Franchisee to the cooperative will be credited towards any local advertising spend requirement, as determined by Tumble Fresh Franchising. Tumble Fresh Franchising shall have the right to modify or dissolve any Local Cooperative at any time.

## **SECTION 10. RECORDS AND REPORTS**

**10.1 Systems.** Franchisee shall use such customer data management, sales data management, administrative, bookkeeping, accounting, and inventory control procedures and systems as Tumble Fresh Franchising may specify in the Manual or otherwise in writing.

### **10.2 Reports.**

(a) Financial Reports. Franchisee shall provide such periodic financial reports as Tumble Fresh Franchising may require in the Manual or otherwise in writing, including:

- (i) a monthly profit and loss statement and balance sheet for the Business within 30 days after the end of each calendar month;
- (ii) an annual financial statement (including profit and loss statement, cash flow statement, and balance sheet) for the Business within 90 days after the end of Tumble Fresh Franchising's fiscal year; and
- (iii) any information Tumble Fresh Franchising requests in order to prepare a financial performance representation for Tumble Fresh Franchising's franchise disclosure document.

(b) Legal Actions and Investigations. Franchisee shall promptly notify Tumble Fresh Franchising of any Action or threatened Action by any customer, governmental authority, or other third party against Franchisee or the Business, or otherwise involving the Franchisee or the Business. Franchisee shall provide such documents and information related to any such Action as Tumble Fresh Franchising may request.

(c) Government Inspections. Franchisee shall give Tumble Fresh Franchising copies of all inspection reports, warnings, certificates, and ratings issued by any governmental entity with respect to the Business, within three days of Franchisee's receipt thereof.

(d) Other Information. Franchisee shall submit to Tumble Fresh Franchising such other financial statements, budgets, forecasts, reports, records, copies of contracts, documents related to litigation, tax returns, copies of governmental permits, and other documents and information related to the Business as specified in the Manual or that Tumble Fresh Franchising may reasonably request.

**10.3 Initial Investment Report.** Within 120 days after opening for business, Franchisee shall submit to Tumble Fresh Franchising a report detailing Franchisee's investment costs to develop and open the Business, with costs allocated to the categories described in Item 7 of Tumble Fresh

Franchising's Franchise Disclosure Document and with such other information as Tumble Fresh Franchising may request.

**10.4 Business Records.** Franchisee shall keep complete and accurate books and records reflecting all expenditures and receipts of the Business, with supporting documents (including, but not limited to, payroll records, payroll tax returns, register receipts, production reports, sales invoices, bank statements, deposit receipts, cancelled checks and paid invoices) for at least three years. Franchisee shall keep such other business records as Tumble Fresh Franchising may specify in the Manual or otherwise in writing.

**10.5 Records Audit.** Tumble Fresh Franchising may examine and audit all books and records related to the Business, and supporting documentation, at any reasonable time. Tumble Fresh Franchising may conduct the audit at the Location and/or require Franchisee to deliver copies of books, records and supporting documentation to a location designated by Tumble Fresh Franchising. Franchisee shall also reimburse Tumble Fresh Franchising for all costs and expenses of the examination or audit if (i) Tumble Fresh Franchising conducted the audit because Franchisee failed to submit required reports or was otherwise not in compliance with the System, or (ii) the audit reveals that Franchisee understated Gross Sales by 3% or more for any 4-week period.

## SECTION 11. FRANCHISOR RIGHTS

**11.1 Manual; Modification.** The Manual, and any part of the Manual, may be in any form or media determined by Tumble Fresh Franchising. Tumble Fresh Franchising may supplement, revise, or modify the Manual, and Tumble Fresh Franchising may change, add or delete System Standards at any time in its discretion. Tumble Fresh Franchising may inform Franchisee thereof by any method that Tumble Fresh Franchising deems appropriate (which need not qualify as "notice" under [Section 18.9](#)). In the event of any dispute as to the contents of the Manual, Tumble Fresh Franchising's master copy will control.

**11.2 Inspections.** Tumble Fresh Franchising may enter the premises of the Business from time to time during normal business hours and conduct an inspection. Franchisee shall cooperate with Tumble Fresh Franchising's inspectors. The inspection may include, but is not limited to, observing operations, conducting a physical inventory, evaluating physical conditions, monitoring sales activity, speaking with employees and customers, and removing samples of products, supplies and materials. Tumble Fresh Franchising may videotape and/or take photographs of the inspection and the Business. Tumble Fresh Franchising may set a minimum score requirement for inspections, and Franchisee's failure to meet or exceed the minimum score will be a default under this Agreement. Without limiting Tumble Fresh Franchising's other rights under this Agreement, Franchisee will, as soon as reasonably practical, correct any deficiencies noted during an inspection. If Tumble Fresh Franchising conducts an inspection because of a governmental report, customer complaint or other customer feedback, or a default or non-compliance with any System Standard by Franchisee (including following up a previous failed inspection), then Tumble Fresh Franchising may charge all out-of-pocket expenses plus its then-current inspection fee to Franchisee.

**11.3 Tumble Fresh Franchising's Right to Cure.** If Franchisee breaches or defaults under any provision of this Agreement, Tumble Fresh Franchising may (but has no obligation to) take any

action to cure the default on behalf of Franchisee, without any liability to Franchisee. Franchisee shall reimburse Tumble Fresh Franchising for its costs and expenses (including the allocation of any internal costs) for such action, plus 10% of such amount as an administrative fee.

**11.4 Right to Discontinue Supplies Upon Default.** While Franchisee is in default or breach of this Agreement, Tumble Fresh Franchising may (i) require that Franchisee pay cash on delivery for products or services supplied by Tumble Fresh Franchising, (ii) stop selling or providing any products and services to Franchisee, and/or (iii) request any third-party vendors to not sell or provide products or services to Franchisee. No such action by Tumble Fresh Franchising shall be a breach or constructive termination of this Agreement, change in competitive circumstances or similarly characterized, and Franchisee shall not be relieved of any obligations under this Agreement because of any such action. Such rights of Tumble Fresh Franchising are in addition to any other right or remedy available to Tumble Fresh Franchising.

**11.5 Business Data.** All customer data and other non-public data generated by the Business is Confidential Information and is exclusively owned by Tumble Fresh Franchising. Tumble Fresh Franchising hereby licenses such data back to Franchisee without charge solely for Franchisee's use in connection with the Business for the term of this Agreement.

**11.6 Innovations.** Franchisee shall disclose to Tumble Fresh Franchising all ideas, plans, improvements, concepts, methods and techniques relating to the Business conceived or developed by Franchisee, its employees, agents or contractors, or if Franchisee has any suggestions, comments, or other feedback with respect to the System (collectively, "Innovations"). Tumble Fresh Franchising will automatically own all Innovations and Tumble Fresh Franchising will have the right to use and incorporate any Innovations into the System, without any liability to Franchisee or obligation to pay Franchisee royalties or other compensation. Franchisee shall execute any documents reasonably requested by Tumble Fresh Franchising to document Tumble Fresh Franchising's ownership of Innovations.

**11.7 Communication Systems.** If Tumble Fresh Franchising provides email accounts and/or other communication systems to Franchisee, then Franchisee acknowledges that it has no expectation of privacy in the assigned email accounts and other communications systems, and Franchisee authorizes Tumble Fresh Franchising to access such communications.

**11.8 Delegation.** Tumble Fresh Franchising may delegate any duty or obligation of Tumble Fresh Franchising under this Agreement to an affiliate or to a third party.

**11.9 System Variations.** Tumble Fresh Franchising may vary or waive any System Standard for any one or more Tumble Fresh Coin Laundry franchises due to the peculiarities of the particular site or circumstances, density of population, business potential, population of trade area, existing business practices, applicable laws or regulations, or any other condition relevant to the performance of a franchise or group of franchises. Franchisee is not entitled to the same variation or waiver.

**11.10 Temporary Public Safety Closure.** If Tumble Fresh Franchising discovers or becomes aware of any aspect of the Business which, in Tumble Fresh Franchising's opinion, constitutes an imminent danger to the health or safety of any person, then immediately upon Tumble Fresh

Franchising's order, Franchisee must temporarily cease operations of the Business and remedy the dangerous condition. Tumble Fresh Franchising shall have no liability to Franchisee or any other person for action or failure to act with respect to a dangerous condition.

## SECTION 12. MARKS

**12.1 Authorized Marks.** Franchisee shall use no trademarks, service marks or logos in connection with the Business other than the Marks. Franchisee shall use all Marks specified by Tumble Fresh Franchising, and only in the manner as Tumble Fresh Franchising may require. Franchisee has no rights in the Marks other than the right to use them in the operation of the Business in compliance with this Agreement. All use of the Marks by Franchisee and any goodwill associated with the Marks, including any goodwill arising due to Franchisee's operation of the Business, will inure to the exclusive benefit of Tumble Fresh Franchising.

**12.2 Change of Marks.** Tumble Fresh Franchising may add, modify, or discontinue any Marks to be used under the System. Within a reasonable time after Tumble Fresh Franchising makes any such change, Franchisee must comply with the change, at Franchisee's expense.

### 12.3 Infringement.

(a) Defense of Franchisee. If Franchisee has used the Marks in accordance with this Agreement, then (i) Tumble Fresh Franchising shall defend Franchisee (at Tumble Fresh Franchising's expense) against any Action by a third-party alleging infringement by Franchisee's use of a Mark, and (ii) Tumble Fresh Franchising will indemnify Franchisee for expenses and damages if the Action is resolved unfavorably to Franchisee.

(b) Infringement by Third Party. Franchisee shall promptly notify Tumble Fresh Franchising if Franchisee becomes aware of any possible infringement of a Mark by a third party. Tumble Fresh Franchising may, in its sole discretion, commence or join any claim against the infringing party.

(c) Control. Tumble Fresh Franchising shall have the exclusive right to control any prosecution or defense of any Action related to possible infringement of or by the Marks.

**12.4 Name.** If Franchisee is an entity, it shall not use the words "Tumble Fresh Coin Laundry" or any confusingly similar words in its legal name.

## SECTION 13. COVENANTS

**13.1 Confidential Information.** With respect to all Confidential Information, Franchisee shall: (a) adhere to all procedures prescribed by Tumble Fresh Franchising for maintaining confidentiality; (b) disclose such information to its employees only to the extent necessary for the operation of the Business; (c) not use any such information in any other business or in any manner not specifically authorized in writing by Tumble Fresh Franchising; (d) exercise the highest degree of diligence and effort to maintain the confidentiality of all such information during and after the term of this Agreement; (e) not copy or otherwise reproduce any Confidential Information; and (f) promptly report any unauthorized disclosure or use of Confidential Information. Franchisee acknowledges that all Confidential Information is owned by Tumble Fresh Franchising (except for

Confidential Information which Tumble Fresh Franchising licenses from another person or entity). This Section will survive the termination or expiration of this Agreement indefinitely. For the avoidance of any doubt, the confidentiality obligations shall not restrict Franchisee's ability to communicate with the Federal Trade Commission, or any other state or federal law enforcement or regulatory body, about potential violations of the law.

Franchisee may not use Confidential Information for the purpose of machine learning, augmented human intelligence development, training any artificial intelligence (“AI”) model, algorithm improvement, or similar data aggregation activities without the express written consent of Tumble Fresh Franchising. Such uses shall not be deemed related to the performance of this Agreement and are expressly prohibited. Franchisee shall not, without prior written consent by Tumble Fresh Franchising, input any Confidential Information into any generative AI platform, or disclose such information to any provider or source of generative AI services. Franchisee shall opt out of allowing any provider or source of generative AI to utilize Confidential Information for training of any AI model or for other purposes.

### **13.2 Covenants Not to Compete.**

(a) Restriction – In Term. During the term of this Agreement, neither Franchisee, any Owner, nor any spouse of an Owner (each a “Restricted Party” and, collectively, the “Restricted Parties”) shall directly or indirectly have any ownership interest in, lend money or provide financial assistance to, provide any services to, or be employed by, any Competitor or any business or other venture that is offering or selling franchises or licenses for the operation of a Competitor.

(b) Restriction – Post Term. For two years after this Agreement expires or is terminated for any reason (or, if applicable, for two years after a Transfer), no Restricted Party shall directly or indirectly have any ownership interest in, lend money or provide financial assistance to, provide any services to, or be employed by: (a) any Competitor located or doing business in the Territory, including at the Location, within a 15 mile radius of Franchisee's Territory or the territory of any other Tumble Fresh Coin Laundry business operating on the date of expiration, termination or Transfer, as applicable (the “Restricted Area”); or (b) any business or other venture located in the Restricted Area that is offering or selling franchises or licenses for a Competitor, or that is located outside the Restricted Area but is offering or selling franchises or licenses for a Competitor located or to be located in the Restricted Area. If this Agreement is terminated before the Territory is determined, then the Restricted Area will be the Search Area, a radius of 15 miles from the Search Area, and the territory of any other Tumble Fresh Coin Laundry business operating on the date of termination.

(c) Interpretation. The parties agree that each of the foregoing covenants is independent of any other covenant or provision of this Agreement. If all or any portion of the covenants in this Section is held to be unenforceable or unreasonable by any arbitrator or court, then the parties intend that the arbitrator or court modify such restriction to the extent reasonably necessary to protect the legitimate business interests of Tumble Fresh Franchising. Franchisee agrees that the existence of any claim it may have against Tumble Fresh Franchising shall not constitute a defense to the enforcement by Tumble Fresh Franchising of the covenants of this Section. If a Restricted Party fails to comply with the obligations under this Section during the restrictive period, then the restrictive period will be extended an additional day for each day of noncompliance.

**13.3 General Manager and Key Employees.** Franchisee will cause its general manager and other key employees to sign a confidentiality and non-compete agreement which contains substantially the same restrictions as set forth in this Agreement (unless prohibited by applicable law).

## **SECTION 14. DEFAULT AND TERMINATION**

**14.1 Termination by Franchisee.** Franchisee may terminate this Agreement only if Tumble Fresh Franchising violates a material provision of this Agreement and fails to cure or to make substantial progress toward curing the violation within 30 days after receiving written notice from Franchisee detailing the alleged default. Termination by Franchisee is effective 10 days after Tumble Fresh Franchising receives written notice of termination if Franchisor fails to respond to notice of termination and take corrective action.

### **14.2 Termination by Tumble Fresh Franchising.**

(a) Subject to 10-Day Cure Period. Tumble Fresh Franchising may terminate this Agreement if Franchisee does not make any payment to Tumble Fresh Franchising when due, or if Franchisee does not have sufficient funds in its account when Tumble Fresh Franchising attempts a direct debit to Franchisee's business bank operating account, and Franchisee fails to cure such payment default within 10 days after Tumble Fresh Franchising gives notice to Franchisee of such breach.

(b) Subject to 30-Day Cure Period. If Franchisee breaches this Agreement in any manner not described in subsections (a) or (c), and Franchisee fails to cure such breach to Tumble Fresh Franchising's satisfaction within 30 days after Tumble Fresh Franchising gives notice to Franchisee of such breach, then Tumble Fresh Franchising may terminate this Agreement.

(c) Without Cure Period. Tumble Fresh Franchising may terminate this Agreement by giving notice to Franchisee, without opportunity to cure, if any of the following occur:

- (i) Franchisee misrepresented or omitted material facts when applying to be a franchisee, or breaches any representation in this Agreement;
- (ii) Franchisee knowingly submits any false report or knowingly provides any other false information to Tumble Fresh Franchising;
- (iii) A receiver or trustee for the Business or all or substantially all of Franchisee's property is appointed by any court, or Franchisee makes a general assignment for the benefit of Franchisee's creditors, or Franchisee is unable to pay its debts as they become due, or a levy or execution is made against the Business, or an attachment or lien remains on the Business for 30 days unless the attachment or lien is being duly contested in good faith by Franchisee, or a petition in bankruptcy is filed by Franchisee, or such a petition is filed against or consented to by Franchisee and the petition is not dismissed within 45 days, or Franchisee is adjudicated as bankrupt;
- (iv) Unless an extension is granted by Tumble Fresh Franchising, Franchisee fails to open for business within the time specified in Section 6.5 or no Location has been

approved by Tumble Fresh Franchising within 90 days of the date of this Agreement;

- (v) Franchisee loses possession of the Location;
- (vi) Franchisee or any Owner commits a material violation of Section 7.2 (compliance with law) or Section 13.1 (confidentiality), violates Section 13.2 (non-compete) or Section 15 (transfer), or commits any other violation of this Agreement which by its nature cannot be cured;
- (vii) Franchisee abandons or ceases operation of the Business for more than five consecutive days;
- (viii) Franchisee or any Owner slanders or libels Tumble Fresh Franchising or any of its employees, directors, or officers;
- (ix) Franchisee refuses to cooperate with or permit any audit or inspection by Tumble Fresh Franchising or its agents or contractors, or otherwise fails to comply with Section 10.5 or Section 11.2;
- (x) the Business is operated in a manner which, in Tumble Fresh Franchising's reasonable judgment, constitutes a significant danger to the health or safety of any person, and Franchisee fails to cure such danger within 48 hours after becoming aware of the danger (due to notice from Tumble Fresh Franchising or otherwise);
- (xi) Franchisee has received two or more notices of default and Franchisee commits another breach of this Agreement, all in the same 12-month period;
- (xii) Tumble Fresh Franchising (or any affiliate) terminates any other agreement with Franchisee (or any affiliate) due to the breach of such other agreement by Franchisee (or its affiliate) (provided that termination of a Multi-Unit Development Agreement with Franchisee or its affiliate shall not give Tumble Fresh Franchising the right to terminate this Agreement);
- (xiii) Franchisee or any Owner is charged with, pleads guilty or no-contest to, or is convicted of a felony;
- (xiv) Franchisee or any Owner is accused by any governmental authority or third party of any act, or if Franchisee or any Owner commits any act or series of acts, that in Tumble Fresh Franchising's opinion is reasonably likely to materially and unfavorably affect the Tumble Fresh Coin Laundry brand; or
- (xv) Franchisee fails to report Gross Sales within the time or as otherwise required by Tumble Fresh Franchising. Franchisee withholds or otherwise terminates Tumble Fresh Franchising's access to accounting, financial systems or data it needs to determine Gross Sales, or it terminates Tumble Fresh Franchising's ability to direct debit Franchisee's business bank operating account to pay amounts owed under this Agreement.

**14.3 Effect of Termination.** Upon termination or expiration of this Agreement, all obligations that by their terms or by reasonable implication survive termination, including those pertaining to non-competition, confidentiality, indemnity, and dispute resolution, will remain in effect, and Franchisee must immediately:

- (i) pay all amounts owed to Tumble Fresh Franchising based on the operation of the Business through the effective date of termination or expiration;
- (ii) return to Tumble Fresh Franchising all copies of the Manual, Confidential Information and any and all other materials provided by Tumble Fresh Franchising to Franchisee or created by a third party for Franchisee relating to the operation of the Business, and all items containing any Marks, copyrights, and other proprietary items; and delete all Confidential Information and proprietary materials from electronic devices;
- (iii) notify the telephone, internet, email, electronic network, directory, and listing entities of the termination or expiration of Franchisee's right to use any numbers, addresses, domain names, locators, directories and listings associated with any of the Marks, and authorize their transfer to Tumble Fresh Franchising or any new franchisee as may be directed by Tumble Fresh Franchising, and Franchisee hereby irrevocably appoints Tumble Fresh Franchising, with full power of substitution, as its true and lawful attorney-in-fact, which appointment is coupled with an interest; to execute such directions and authorizations as may be necessary or appropriate to accomplish the foregoing; and
- (iv) cease doing business under any of the Marks.

**14.4 Remove Identification.** Within 30 days after termination or expiration, Franchisee shall at its own expense "de-identify" the Location so that it no longer contains the Marks, signage, or any trade dress of a Tumble Fresh Coin Laundry business, to the reasonable satisfaction of Tumble Fresh Franchising. Franchisee shall comply with any reasonable instructions and procedures of Tumble Fresh Franchising for de-identification. If Franchisee fails to do so within 30 days after this Agreement expires or is terminated, Tumble Fresh Franchising may enter the Location to remove the Marks and de-identify the Location and shall charge any and all costs to de-identify the Location back to the Franchisee, which amount shall be paid immediately by Franchisee to Tumble Fresh Franchising. In this event, Tumble Fresh Franchising will not be charged with trespass nor be accountable or required to pay for any assets removed or altered, or for any damage caused by Tumble Fresh Franchising.

**14.5 Purchase Option.** When this Agreement expires or is terminated, Tumble Fresh Franchising will have the right (but not the obligation) to purchase any or all of the assets related to the Business, and/or to require Franchisee to assign its lease or sublease to Tumble Fresh Franchising or require Franchisee to promptly enter into a lease with Tumble Fresh Franchising or its designee on commercially reasonable terms, including a 10 year lease term, at then-current market rates, if the real estate is owned by Franchisee or an affiliate. To exercise this option, Tumble Fresh Franchising must notify Franchisee no later than 30 days after this Agreement expires or is terminated. The purchase price for all assets that Tumble Fresh Franchising elects to

purchase will be the lower of (i) the book value of such assets as declared on Franchisee's last filed tax returns or (ii) the fair market value of the assets. If the parties cannot agree on fair market value within 30 days after the exercise notice, the fair market value will be determined by an independent appraiser reasonably acceptable to both parties. The parties will equally share the cost of the appraisal. Tumble Fresh Franchising's purchase will be of assets only (free and clear of all liens), and the purchase will not include any liabilities of Franchisee. The purchase price for assets will not include any factor or increment for any trademark or other commercial symbol used in the business, the value of any intangible assets, or any goodwill or "going concern" value for the Business. Tumble Fresh Franchising may withdraw its exercise of the purchase option at any time before it pays for the assets. Franchisee will sign a bill of sale for the purchased assets and any other transfer documents reasonably requested by Tumble Fresh Franchising. If Tumble Fresh Franchising exercises the purchase option, Tumble Fresh Franchising may deduct from the purchase price: (a) all amounts due from Franchisee; (b) Franchisee's portion of the cost of any appraisal conducted hereunder; and (c) amounts paid or to be paid by Tumble Fresh Franchising to cure defaults under Franchisee's lease and/or amounts owed by Franchisee to third parties. If any of the assets are subject to a lien, Tumble Fresh Franchising may pay a portion of the purchase price directly to the lienholder to pay off such lien. Tumble Fresh Franchising may withhold 25% of the purchase price for 90 days to ensure that all of Franchisee's taxes and other liabilities are paid. Tumble Fresh Franchising may assign this purchase option to another party.

## **SECTION 15. TRANSFERS**

**15.1 By Tumble Fresh Franchising.** Tumble Fresh Franchising may transfer or assign this Agreement, or any of its rights or obligations under this Agreement, to any person or entity, and Tumble Fresh Franchising may undergo a change in ownership and/or control, without the consent of Franchisee.

**15.2 By Franchisee.** Franchisee acknowledges that the rights and duties set forth in this Agreement are personal to Franchisee and that Tumble Fresh Franchising entered into this Agreement in reliance on Franchisee's business skill, financial capacity, personal character, experience, and business ability. Accordingly, Franchisee shall not conduct or undergo a Transfer without providing Tumble Fresh Franchising at least 60 days prior notice of the proposed Transfer, and without obtaining Tumble Fresh Franchising's consent. In granting any such consent, Tumble Fresh Franchising may impose conditions, including, without limitation, the following:

- (i) Tumble Fresh Franchising receives a transfer fee equal to \$10,000 plus any broker fees and other out-of-pocket costs incurred by Tumble Fresh Franchising;
- (ii) the proposed assignee and its owners have completed Tumble Fresh Franchising's franchise application processes, meet Tumble Fresh Franchising's then-applicable standards for new franchisees, and have been approved by Tumble Fresh Franchising as franchisees;
- (iii) the proposed assignee is not a Competitor;
- (iv) the proposed assignee executes Tumble Fresh Franchising's then-current form of franchise agreement and any related documents, which form may contain

materially different provisions than this Agreement (provided, however, that the proposed assignee will not be required to pay an initial franchise fee);

- (v) all owners of the proposed assignee provide a guaranty in accordance with Section 2.5;
- (vi) Franchisee has paid all monetary obligations to Tumble Fresh Franchising and its affiliates, and to any lessor, vendor, supplier, or lender to the Business, and Franchisee is not otherwise in default or breach of this Agreement or of any other obligation owed to Tumble Fresh Franchising or its affiliates;
- (vii) the proposed assignee and its owners and employees undergo such training as Tumble Fresh Franchising may require;
- (viii) Franchisee, its Owners, and the transferee and its owners execute a general release of Tumble Fresh Franchising in a form satisfactory to Tumble Fresh Franchising; and
- (ix) the Business fully complies with all of Tumble Fresh Franchising's most recent System Standards.

**15.3 Transfer for Convenience of Ownership.** If Franchisee is an individual, Franchisee may Transfer this Agreement to a corporation or limited liability company formed for the convenience of ownership after at least 15 days' notice to Tumble Fresh Franchising, if, prior to the Transfer: (1) the transferee provides the information required by Section 2.3; (2) Franchisee provides copies of the entity's charter documents, by-laws (or operating agreement) and similar documents, if requested by Tumble Fresh Franchising; (3) Franchisee owns all voting securities of the corporation or limited liability company; and (4) Franchisee provides a guaranty in accordance with Section 2.5.

**15.4 Transfer upon Death or Incapacity.** Upon the death or incapacity of Franchisee (or, if Franchisee is an entity, the Owner with the largest ownership interest in Franchisee), the executor, administrator, or personal representative of that person must Transfer the Business to a third party approved by Tumble Fresh Franchising (or to another person who was an Owner at the time of death or incapacity of the largest Owner) within nine months after death or incapacity. Such transfer must comply with Section 15.2.

**15.5 Tumble Fresh Franchising's Right of First Refusal.** Before Franchisee (or any Owner) engages in a Transfer (except under Section 15.3, to a co-Owner, or to a spouse, sibling, or child of an Owner), Tumble Fresh Franchising will have a right of first refusal, as set forth in this Section. Franchisee (or its Owners) shall provide to Tumble Fresh Franchising a copy of the terms and conditions of any Transfer. For a period of 30 days from the date of Tumble Fresh Franchising's receipt of such copy, Tumble Fresh Franchising will have the right, exercisable by notice to Franchisee, to purchase the assets subject of the proposed Transfer for the same price and on the same terms and conditions (except that Tumble Fresh Franchising may substitute cash for any other form of payment). If Tumble Fresh Franchising does not exercise its right of first refusal, Franchisee may proceed with the Transfer, subject to the other terms and conditions of this Section.

**15.6 No Sublicense.** Franchisee has no right to sublicense the Marks or any of Franchisee's rights under this Agreement.

**15.7 No Lien on Agreement.** Franchisee shall not grant a security interest in this Agreement to any person or entity. If Franchisee grants an "all assets" security interest to any lender or other secured party, Franchisee shall cause the secured party to expressly exempt this Agreement from the security interest.

## SECTION 16. INDEMNITY

**16.1 Indemnity.** Franchisee shall indemnify and defend (with counsel reasonably acceptable to Tumble Fresh Franchising) Tumble Fresh Franchising, its parent entities, subsidiaries and affiliates, and their respective owners, directors, officers, employees, agents, successors and assignees (individually, an "Indemnitee" and, collectively, the "Indemnitees") against all Losses in any Action by or against Tumble Fresh Franchising and/or any Indemnitee directly or indirectly related to, or alleged to arise out of, the operation of the Business. Notwithstanding the foregoing, Franchisee shall not be obligated to indemnify an Indemnitee from Actions arising as a result of any Indemnitee's intentional misconduct or negligence. Any delay or failure by an Indemnitee to notify Franchisee of an Action shall not relieve Franchisee of its indemnity obligation except to the extent (if any) that such delay or failure materially prejudices Franchisee. Franchisee shall not settle an Action without the consent of the Indemnitee. This indemnity will continue in effect after this Agreement ends.

**16.2 Assumption.** An Indemnitee may elect to assume the defense of any Action subject to this indemnification, and control all aspects of defending the Action, including negotiations and settlement, at Franchisee's expense. Such an undertaking shall not diminish Franchisee's obligation to indemnify the Indemnitees.

## SECTION 17. DISPUTE RESOLUTION

### 17.1 Arbitration.

(a) Disputes Subject to Arbitration. Except as expressly provided in subsections (c) and (d), any controversy or claim between the parties (including any controversy or claim arising out of or relating to this Agreement or its formation and including any question of arbitrability) shall be resolved by arbitration administered by the American Arbitration Association in accordance with its Commercial Arbitration Rules, including the Optional Rules for Emergency Measures of Protection. Judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction.

(b) Location. The place of arbitration shall be the city and state where Tumble Fresh Franchising's headquarters are located.

(c) Injunctive Relief. Either party may apply to the arbitrator seeking injunctive relief until the arbitration award is rendered or the controversy is otherwise resolved. Either party also may, without waiving any remedy or right to arbitrate under this Agreement, seek from any court having jurisdiction any interim or provisional injunctive relief.

(d) Intellectual Property Claims. Either party may bring a claim involving an alleged infringement of any of Tumble Fresh Franchising's intellectual property rights in a court authorized to hear such claims under Section 17.5 below.

(e) Confidentiality. All documents, information, and results pertaining to any arbitration or lawsuit will be confidential, except as required by law or as required for Tumble Fresh Franchising to comply with laws and regulations applicable to the sale of franchises.

(f) Performance During Arbitration or Litigation. Unless this Agreement has been terminated, Tumble Fresh Franchising and Franchisee will comply with this Agreement and perform their respective obligations under this Agreement during the arbitration or litigation process.

**17.2 Damages.** In any controversy or claim arising out of or relating to this Agreement, each party waives any right to punitive or other monetary damages not measured by the prevailing party's actual damages, except damages expressly authorized by federal statute and damages expressly authorized by this Agreement.

**17.3 Waiver of Class Actions.** The parties agree that any claims will be arbitrated, litigated, or otherwise resolved on an individual basis, and waive any right to act on a class-wide basis.

**17.4 Time Limitation.** Any arbitration or other legal action arising from or related to this Agreement must be instituted within two years from the date such party discovers the conduct or event that forms the basis of the arbitration or other legal action. The foregoing time limit does not apply to claims (i) by one party related to non-payment under this Agreement by the other party, (ii) for indemnity under Section 16, or (iii) related to unauthorized use of Confidential Information or the Marks.

**17.5 Venue Other Than Arbitration.** For any legal proceeding not required to be submitted to arbitration, the parties agree that any such legal proceeding will be brought in the United States District Court where Tumble Fresh Franchising's headquarters is then located. If there is no federal jurisdiction over the dispute, the parties agree that any such legal proceeding will be brought in the court of record of the state and county where Tumble Fresh Franchising's headquarters is then located. Each party consents to the jurisdiction of such courts and waives any objection that it, he or she may have to the laying of venue of any proceeding in any of these courts.

**17.6 Legal Costs.** In any legal proceeding (including arbitration) related to this Agreement or any guaranty, the non-prevailing party shall pay the prevailing party's attorney fees, costs and other expenses of the legal proceeding. "Prevailing party" means the party, if any, which prevailed upon the central litigated issues and obtained substantial relief.

## SECTION 18. MISCELLANEOUS

**18.1 Relationship of the Parties.** The parties are independent contractors, and neither is the agent, partner, joint venturer, or employee of the other. Tumble Fresh Franchising is not a fiduciary of Franchisee. Tumble Fresh Franchising does not control or have the right to control Franchisee or its Business. Any required specifications and standards in this Agreement and in the System Standards exist to protect Tumble Fresh Franchising's interest in the System and the Marks, and

the goodwill established in them, and not for the purpose of establishing any control, or duty to take control, over the Business. Tumble Fresh Franchising has no liability for Franchisee's obligations to any third party whatsoever.

**18.2 No Third-Party Beneficiaries.** This Agreement does not confer any rights or remedies upon any person or entity other than Franchisee, Tumble Fresh Franchising, and Tumble Fresh Franchising's affiliates.

**18.3 Entire Agreement.** This Agreement constitutes the entire agreement of the parties and supersedes all prior negotiations and representations. Nothing in this Agreement or in any related agreement is intended to disclaim the representations made by Tumble Fresh Franchising in its franchise disclosure document.

**18.4 Modification.** No modification or amendment of this Agreement will be effective unless it is in writing and signed by both parties. This provision does not limit Tumble Fresh Franchising's rights to modify the Manual or System Standards.

**18.5 Consent; Waiver.** No consent under this Agreement, and no waiver of satisfaction of a condition or nonperformance of an obligation under this Agreement will be effective unless it is in writing and signed by the party granting the consent or waiver. No waiver by a party of any right will affect the party's rights as to any subsequent exercise of that right or any other right. No delay, forbearance or omission by a party to exercise any right will constitute a waiver of such right.

**18.6 Cumulative Remedies.** Rights and remedies under this Agreement are cumulative. No enforcement of a right or remedy precludes the enforcement of any other right or remedy.

**18.7 Severability.** The parties intend that (i) if any provision of this Agreement is held by an arbitrator or court to be unenforceable, then that provision be modified to the minimum extent necessary to make it enforceable, unless that modification is not permitted by law, in which case that provision will be disregarded, and (ii) if an unenforceable provision is modified or disregarded, then the rest of this Agreement will remain in effect as written.

**18.8 Governing Law.** The laws of the state of Minnesota (without giving effect to its principles of conflicts of law) govern all adversarial proceedings between the parties. The parties agree that any Minnesota law for the protection of franchisees or business opportunity purchasers will not apply unless its jurisdictional requirements are met independently without reference to this Section.

**18.9 Notices.** Except as described below, any notice will be effective under this Agreement only if made in writing and delivered as set forth in this Section to: (A) if to Franchisee, addressed to Franchisee at the notice address set forth in the Summary Page; and (B) if to Tumble Fresh Franchising, addressed to 7616 Currell Boulevard, Suite 100, Woodbury, MN 55125-2295. Any party may designate a new address for notices by giving notice of the new address pursuant to this Section. Notices will be effective upon receipt (or first rejection) and must be: (1) delivered personally; (2) sent by registered or certified U.S. mail with return receipt requested; or (3) sent via overnight courier. Notwithstanding the foregoing, Tumble Fresh Franchising may amend the

Manual, give binding notice of changes to System Standards, and deliver notices of default by electronic mail or other electronic communication.

**18.10 Holdover.** If Franchisee continues operating the Business after the expiration of the term without a renewal agreement or successor franchise agreement executed by the parties in accordance with Section 3.2, then at any time (regardless of any course of dealing by the parties), Tumble Fresh Franchising may by giving written notice to Franchisee (the “Holdover Notice”) either (i) require Franchisee to cease operating the Business and comply with all post-closing obligations effective immediately upon giving notice or effective on such other date as Tumble Fresh Franchising specifies, or (ii) bind Franchisee to a renewal term of 5 years, and deem Franchisee and its Owners to have made the general release of liability described in Section 3.2(v).

**18.11 Joint and Several Liability.** If two or more parties sign this Agreement as “Franchisee”, each will have joint and several liability.

**18.12 No Offer and Acceptance.** Delivery of a draft of this Agreement to Franchisee by Tumble Fresh Franchising does not constitute an offer. This Agreement shall not be effective unless and until it is executed by both Franchisee and Tumble Fresh Franchising.

## SECTION 19. CERTIFICATION OF FRANCHISOR’S COMPLIANCE

By signing this Agreement, Franchisee acknowledges the following:

- (1) Franchisee understands all the information in Tumble Fresh Franchising’s Disclosure Document.
- (2) Franchisee understands the success or failure of the Business will depend in large part upon Franchisee’s skills, abilities and efforts and those of the persons Franchisee employs, as well as many factors beyond Franchisee’s control such as weather, competition, interest rates, the economy, inflation, labor and supply costs, lease terms, and the marketplace.
- (3) That no person acting on Tumble Fresh Franchising’s behalf made any statement or promise regarding the costs involved in operating a Tumble Fresh Coin Laundry franchise that is not in the Disclosure Document or that is contrary to, or different from, the information in the Disclosure Document.
- (4) That no person acting on Tumble Fresh Franchising’s behalf made any claim or representation to Franchisee, orally, visually, or in writing, that contradicted the information in the Disclosure Document.
- (5) That no person acting on Tumble Fresh Franchising’s behalf made any statement or promise regarding the actual, average or projected profits or earnings, the likelihood of success, the amount of money Franchisee may earn, or the total amount of revenue a Tumble Fresh Coin Laundry franchise will generate, that is not in the Disclosure Document or that is contrary to, or different from, the information in the Disclosure Document.

- (6) That no person acting on Tumble Fresh Franchising's behalf made any statement or promise or agreement, other than those matters addressed in this Agreement, concerning advertising, marketing, media support, market penetration, training, support service, or assistance that is contrary to, or different from, the information contained in the Disclosure Document.
- (7) Franchisee understands that this Agreement contains the entire agreement between Tumble Fresh Franchising and Franchisee concerning the Tumble Fresh Coin Laundry franchise, which means that any oral or written statements not set out in this Agreement will not be binding. In deciding to enter into this Agreement, Franchisee is not relying on any statement, promise, claim, or representation not expressly set forth in this Agreement or in the Disclosure Document.

*[Signatures on next page]*

Agreed to by:

FRANCHISOR:  
TUMBLE FRESH FRANCHISING, LLC

FRANCHISEE:  
*[if an individual]*

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

\_\_\_\_\_  
Name: \_\_\_\_\_  
Date: \_\_\_\_\_

*[if an entity]:*  
\_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**Attachment 1 to Franchise Agreement**

**OWNERSHIP INFORMATION**

**1. Form of Ownership.** Franchisee is a (check one):

- \_\_\_\_\_ *Sole Proprietorship*
- \_\_\_\_\_ *Partnership*
- \_\_\_\_\_ *Limited Liability Company*
- \_\_\_\_\_ *Corporation*

State: \_\_\_\_\_

**2. Owners.** If Franchisee is a partnership, limited liability company or corporation:

Name	Shares or Percentage of Ownership

**3. Officers.** If Franchisee is a limited liability company or corporation:

Name	Title

**Attachment 2 to Franchise Agreement**

**LOCATION ACCEPTANCE LETTER**

To: \_\_\_\_\_

This Location Acceptance Letter is issued by Tumble Fresh Franchising, LLC for your Tumble Fresh Coin Laundry franchise in accordance with Section 6.1 of the Franchise Agreement.

1. The Location of the Business is:

\_\_\_\_\_

2. The Territory of the Business is:

\_\_\_\_\_

TUMBLE FRESH FRANCHISING, LLC

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**Attachment 3 to Franchise Agreement**

**GUARANTY AND NON-COMPETE AGREEMENT**

This Guaranty and Non-Compete Agreement (this “Guaranty”) is executed by the undersigned person(s) (each, a “Guarantor”) in favor of Tumble Fresh Franchising, LLC, a Minnesota limited liability company (“Tumble Fresh Franchising”).

**Background Statement:**

- A. \_\_\_\_\_ (“Franchisee”) desires to enter into a Franchise Agreement with Tumble Fresh Franchising for the franchise of a Tumble Fresh Coin Laundry business, as amended (collectively, the “Franchise Agreement”).
- B. Guarantor owns an equity interest in Franchisee.
- C. Tumble Fresh Franchising is unwilling to execute the Franchise Agreement and grant the rights therein without Guarantor’s execution of this Guaranty and compliance with the terms hereof.
- D. Guarantor is executing this Guaranty and has agreed to comply with the terms hereof in order to induce Tumble Fresh Franchising to enter into the Franchise Agreement and all related agreements (collectively, the “Franchise Documents”).

Guarantor agrees as follows:

**1. Guaranty.** Guarantor hereby unconditionally guarantees to Tumble Fresh Franchising and its successors and assigns that Franchisee shall pay and perform every undertaking, agreement and covenant set forth in the Franchise Agreement and further guarantees every other liability and obligation of Franchisee to Tumble Fresh Franchising, whether or not contained in the Franchise Agreement. Guarantor shall render any payment or performance required under the Franchise Documents or any other agreement between Franchisee and Tumble Fresh Franchising upon demand from Tumble Fresh Franchising. Guarantor waives: (a) acceptance and notice of acceptance by Tumble Fresh Franchising of this Guaranty; (b) notice of demand for payment of any indebtedness or nonperformance of any obligations of Franchisee; (c) protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed; (d) any right Guarantor may have to require that an action be brought against Franchisee or any other person or entity as a condition of liability hereunder; (e) all rights to payments and claims for reimbursement or subrogation which any of the undersigned may have against Franchisee arising as a result of the execution of and performance under this Guaranty by the undersigned; (f) any law which requires that Tumble Fresh Franchising make demand upon, assert claims against or collect from Franchisee or any other person or entity (including any other guarantor), foreclose any security interest, sell collateral, exhaust any remedies or take any other action against Franchisee or any other person or entity (including any other guarantor) prior to making any demand upon, collecting from or taking any action against the undersigned with respect to this Guaranty; and (g) any and all other notices and legal or equitable defenses to which Guarantor may be entitled.

**2. Confidential Information.** With respect to all Confidential Information, Guarantor shall: (a) adhere to all security procedures prescribed by Tumble Fresh Franchising for maintaining confidentiality; (b) disclose such information to its employees only to the extent necessary for the

operation of the Business; (c) not use any such information in any other business or in any manner not specifically authorized or approved in writing by Tumble Fresh Franchising; (d) exercise the highest degree of diligence and make every effort to maintain the confidentiality of all such information during and after the term of the Franchise Agreement (e) not copy or otherwise reproduce any Confidential Information; and (f) promptly report any unauthorized disclosure or use of Confidential Information. Guarantor acknowledges that all Confidential Information is owned by Tumble Fresh Franchising or its affiliates (except for Confidential Information which Tumble Fresh Franchising licenses from another person or entity). Guarantor acknowledges that all customer data generated or obtained by Guarantor is Confidential Information belonging to Tumble Fresh Franchising. Neither Guarantor, nor any spouse of Guarantor, may use Confidential Information for the purpose of machine learning, augmented human intelligence development, training any artificial intelligence (“AI”) model, algorithm improvement, or similar data aggregation activities without the express written consent of Tumble Fresh Franchising. Such uses are expressly prohibited. Neither Guarantor, nor any spouse of Guarantor, may without prior written consent by Tumble Fresh Franchising, input any Confidential Information into any generative AI platform, or disclose such information to any provider or source of generative AI services. Guarantor, and any spouse of Guarantor, shall opt out of allowing any provider or source of generative AI to utilize Confidential Information for training of any AI model or for other purposes. This Section will survive the termination or expiration of the Franchise Agreement indefinitely.

### **3. Covenants Not to Compete.**

(a) Restriction - In Term. During the term of the Franchise Agreement, neither Guarantor nor any spouse of Guarantor (each a “Restricted Party” and, collectively, the “Restricted Parties”) shall directly or indirectly have any ownership interest in, lend money or provide financial assistance to, provide any services to, or be employed by, any Competitor or any business or other venture offering or selling franchises or licenses for the operation of a Competitor.

(b) Restriction – Post Term. For two years after the Franchise Agreement expires or is terminated for any reason (or, if applicable, for two years after a Transfer), no Restricted Party shall directly or indirectly have any ownership interest in, lend money or provide financial assistance to, provide any services to, or be employed by: (a) any Competitor located or doing business within a fifteen mile radius of Franchisee’s Territory or the territory of any other Tumble Fresh Coin Laundry business operating on the date of expiration, termination or Transfer, as applicable (the “Restricted Area”); or (b) any business or other venture located in the Restricted Area that is offering or selling franchises or license for a Competitor, or that is located outside the Restricted Area but is offering or selling franchises or licenses for a Competitor located in or to be located in the Restricted Area. If the Franchise Agreement is terminated before the Territory is determined, then the area of non-competition will be the Development Area and the territory of any other Tumble Fresh Coin Laundry business operating on the date of termination.

(c) Interpretation. Guarantor agrees that each of the foregoing covenants is independent of any other covenant or provision of this Guaranty or the Franchise Agreement. If all or any portion of the covenants in this Section is held to be unenforceable or unreasonable by any court or arbitrator, then the parties intend that the court or arbitrator modify such restriction to the extent reasonably necessary to protect the legitimate business interests of Tumble Fresh Franchising. Guarantor agrees that the existence of any claim it or Franchisee may have against Tumble Fresh Franchising shall not constitute a defense to the enforcement by Tumble Fresh

Franchising of the covenants of this Section. If Guarantor fails to comply with the obligations under this Section during the restrictive period, then the restrictive period will be extended an additional day for each day of noncompliance. Any terms set forth herein that are not defined herein shall have the same meaning as set forth in the Franchise Agreement.

**4. Modification.** Guarantor agrees that Guarantor’s liability hereunder shall not be diminished, relieved or otherwise affected by (a) any amendment of the Franchise Documents, (b) any extension of time, credit or other indulgence which Tumble Fresh Franchising may from time-to-time grant to Franchisee or to any other person or entity, or (c) the acceptance of any partial payment or performance or the compromise or release of any claims.

**5. Governing Law; Dispute Resolution.** This Guaranty shall be governed by and construed in accordance with the laws of the state of Minnesota (without giving effect to its principles of conflicts of law). The provisions of Section 17 (Dispute Resolution) of the Franchise Agreement apply to and are incorporated into this Guaranty as if fully set forth herein. Guarantor shall pay to Tumble Fresh Franchising all costs incurred by Tumble Fresh Franchising (including reasonable attorney fees) in enforcing this Guaranty. The liability of each Guarantor hereunder shall be joint and several in each and every respect.

Agreed to by:

GUARANTORS:

\_\_\_\_\_  
Name: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
Date: \_\_\_\_\_

\_\_\_\_\_  
Name: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
Date: \_\_\_\_\_

\_\_\_\_\_  
Name: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
Date: \_\_\_\_\_

## Attachment 4 to Franchise Agreement

### PET FRESH AMENDMENT

This Pet Fresh Amendment to Franchise Agreement (the "Amendment") is made effective \_\_\_\_\_, (the "Effective Date") by and between Tumble Fresh Franchising, LLC, a Minnesota limited liability company ("Tumble Fresh Franchising") and \_\_\_\_\_, a \_\_\_\_\_ ("Franchisee").

#### **Background Statement:**

A. Tumble Fresh Franchising and Franchisee have entered into that certain Franchise Agreement of even date herewith (referred to herein collectively, along with all applicable amendments and addenda as the "Agreement"), under which Franchisee has been granted the right to operate a Tumble Fresh Coin Laundry business at the Location, as defined in the Agreement.

B. Tumble Fresh Franchising offers franchisees who are opening a Tumble Fresh franchise the right to offer at their Tumble Fresh location self-service pet washing bay(s) for use by customers to wash their pets, and/or pet grooming services, all under the Pet Fresh Dog Wash name and any related trademarks.

C. Franchisee has requested, and Tumble Fresh Franchising has agreed to grant Franchisee, the right to develop and operate one or more self-service pet washing bays and provide optional pet grooming services under the Pet Fresh Dog Wash mark and any other related marks within the Location. The parties have further agreed to amend the Agreement to permit Franchisee to also operate self-service pet washing bays and provide pet grooming services within the Location pursuant to the terms of this Amendment.

**NOW, THEREFORE**, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties agree as follows:

**1. Definitions.** Sections 1.3, 1.4, 1.5, 1.10, 1.12, 1.14, and 1.16 of the Agreement are hereby deleted and replaced with the following:

**"1.3. "Business"** means a self-service laundromat business that also provides one or more self-service pet washing bays and may provide pet grooming services, all of which are to be operated from the Location under the Marks and in accordance with the System Standards."

**"1.4 "Competitor"** means any business or other venture that offers: (a) self-service laundry services, including a business or other venture that provides the use of washers, dryers, or other services traditionally provided by a laundromat; and/or (b) pet washing services, which shall include pet grooming services if Franchisee provides such services at any time during the term of this Agreement."

**"1.5 "Confidential Information"** means all non-public information of or about the System, Tumble Fresh Franchising, any business or other venture operated under the Marks, including information related to the operation of any self-service

pet washing bays and the provision of pet grooming services, all methods for developing and operating such a business, and all non-public plans, data, financial information, processes, vendor pricing, supply systems, marketing systems, formulas, techniques, designs, layouts, operating procedures, customer data, information and know-how.”

“**1.10 “Manual”** means Tumble Fresh Franchising’s confidential Brand Standards Manual(s), including any supplements, additions, or revisions from time to time, which may be in any form or media, along with any other manuals or materials provided by Tumble Fresh Franchising related to the development and operation of the self-service pet washing bays and/or pet grooming services.”

“**1.12 “Marks”** means all trade names, trademarks, service marks, logos and other commercial symbols specified by Tumble Fresh Franchising from time to time for use by Franchisee in the Business.”

“**1.14 “Remodel”** means a refurbishment, renovation, and remodeling of the Location to conform to the building design, exterior facade, entryways or access points, trade dress, signage, fixtures, furnishings, equipment, decor, color schemes, presentation of the Marks, and other System Standards in a manner consistent with the image then in effect for a new Tumble Fresh Coin Laundry business offering self-service pet washing bays and pet grooming services, or other services approved by Tumble Fresh Franchising.”

“**1.16 “System Standards”** means, as of any given time, the then-current mandatory procedures, requirements, and/or standards of the System as determined by Tumble Fresh Franchising, which may include without limitation, any procedures, requirements and/or standards for appearance, business metrics, cleanliness, customer service, design (such as construction, decoration, layout, entryways or access points, furniture, fixtures and signs), equipment, including pet washing bays and pet grooming service equipment, inventory, marketing and public relations, operating days, operating hours, presentation of Marks, product and service offerings, quality of products and services (including any guaranty and warranty programs), reporting, safety, technology (such as computers, computer peripheral equipment, smartphones, point-of-sale systems, back-office systems, information management systems, security systems, video monitors, other software, backup and archiving systems, communications systems (including email, audio, and video systems), payment acceptance systems, and internet access, as well as upgrades, supplements, and modifications thereto), uniforms, and vehicles.”

**2. System Definition.** Section 1 of the Agreement is hereby amended with the addition of Section 1.19 immediately after Section 1.18:

“**1.19 “System”** means the methods, procedures, and standards for developing and operating self-service laundromat businesses that also provide self-service pet washing bays and pet grooming services as approved by Tumble Fresh Franchising, which may include: (a) site plans, design standards, plans, specifications,

equipment, signage and trade dress; (b) products and services; (c) standards for use of the Marks, including any limitations on use of the Marks; (d) training programs; (e) business knowledge; (f) marketing plans and concepts; and (g) other mandatory or optional elements as determined by Tumble Fresh Franchising from time to time.

**3. Grant.** Section 2.1 of the Agreement is hereby deleted and replaced with the following:

“**2.1 Grant.** Tumble Fresh Franchising grants to Franchisee the personal right to operate a self-service laundromat business that also provides one or more self-service pet washing bays and may provide pet grooming services, all of which shall be operated and/or provided under the Marks from the Location in accordance with the System Standards. Franchisee shall develop, open and operate the Business from the Location for the entire term of this Agreement.”

**4. Additional Training Obligations.** In addition to the training requirement set forth in Section 5.4(d) of the Franchise Agreement, Franchisee, its Principal Executive, if different from Franchisee, and Franchisee’s general manager, if any, must attend and successfully complete the “Pet Fresh Training Program” and/or the “Pet Fresh Grooming Program” as a condition to the providing dog washing or grooming services at Franchisee’s Location. Such Program(s) must be completed within the times required by Tumble Fresh Franchising. If any of Franchisee’s required attendees fail to complete such Program(s) to Tumble Fresh Franchising’s satisfaction within such time or times as Tumble Fresh Franchising may require, Tumble Fresh Franchising may terminate the Franchise Agreement and retain all funds paid to it as of the date of termination.

**5. Post-Opening Assistance.** Section 5.5(e) of the Agreement is hereby deleted and replaced with the following:

“(e) Internet. Tumble Fresh Franchising shall maintain a website for Tumble Fresh Coin Laundry locations, which will include Franchisee’s location and telephone number and indicate that Franchisee’s Location also provides Pet Fresh Dog Wash self-service pet washing bays and pet grooming services, if applicable.”

**6. Development.** Sections 6.2 and 6.3 of the Agreement are hereby deleted and replaced with the following:

“**6.2 Lease.** In connection with any lease between Franchisee and the landlord of the Location: (i) if requested by Tumble Fresh Franchising, Franchisee must submit the proposed lease to Tumble Fresh Franchising for written approval, (ii) the term of the lease (including renewal terms) must be for a period of not less than the term of this Agreement, unless otherwise approved by Tumble Fresh Franchising, and (iii) Franchisee shall obtain the landlord’s signature to a rider to the lease and a declaration of restrictions in the forms required by Tumble Fresh Franchising, which shall: (a) during the term of this Agreement restrict the use of the Location to the operation from the Location of a self-service laundromat business that also provides one or more self-service pet washing bays and pet grooming services, all of which must be operated only under the trademarks of Franchisor; and (b) for a period of two (2) years after this Agreement has expired or been terminated,

prohibit the Location to be used as a laundromat business, or other business that provides pet grooming or pet washing services. Once Tumble Fresh Franchising approves the lease, the lease shall not be modified without the prior written approval of Tumble Fresh Franchising.”

**“6.3 Development.** Franchisee shall construct and finish the Location in conformity with Tumble Fresh Franchising’s System Standards. The Location must include a separate entryway or access point to the self-service pet washing bays and pet grooming services meeting the requirements of Tumble Fresh Franchising and any System Standards. The Location must also contain interior and exterior signage approved by Tumble Fresh Franchising promoting the different aspects of Franchisee’s Business. If required by Tumble Fresh Franchising, Franchisee shall engage the services of an architect licensed in the jurisdiction of the Location. Franchisee shall not begin any construction or remodeling work without first obtaining Tumble Fresh Franchising’s approval of Franchisee’s plans. Tumble Fresh Franchising may, but is not required to, inspect Franchisee’s construction or remodeling progress at any reasonable time. Franchisee shall not rely upon any information provided or opinions expressed by Tumble Fresh Franchising or its representatives regarding any architectural, engineering, or legal matters (including without limitation the Americans With Disabilities Act) in the development and construction of the Business, and Tumble Fresh Franchising assumes no liability with respect thereto. Tumble Fresh Franchising’s inspection and/or approval to open the Business is not a representation or a warranty that the Business has been constructed in accordance with any architectural, engineering, or legal standards.”

**7. Conditions to Opening.** For the avoidance of any doubt in Section 6.4 the Agreement, all portions of the Business, including the self-service pet washing bays and any pet grooming services, must be opened simultaneously unless otherwise approved by Tumble Fresh Franchising.

**8. Operations.** Sections 7.11 and 7.12 of the Agreement are hereby deleted and replaced with the following:

**“7.11 Gift Cards, Loyalty Programs, and Incentive Programs.** At its own expense, Franchisee shall sell or otherwise issue gift cards, certificates, or other pre-paid systems, and participate in any customer loyalty programs, membership/subscription programs, or customer incentive programs, designated by Tumble Fresh Franchising, in the manner specified by Tumble Fresh Franchising in the Manual or otherwise in writing. Franchisee shall honor all valid gift cards and other pre-paid systems, regardless of whether issued by Tumble Fresh Franchising, an affiliate or another franchisee. Franchisee shall comply with all procedures and specifications of Tumble Fresh Franchising related to gift cards, certificates, and other pre-paid systems, or related to customer loyalty, membership/subscription, or customer incentive programs.”

**“7.12 Maintenance and Repair.** Franchisee shall at all times keep the Business in a neat and clean condition, perform all appropriate maintenance, and keep all personal property in good repair, including all pet washing bays and pet grooming

equipment and any equipment, accessories or supplies related thereto. In addition, Franchisee shall promptly perform all work on the physical property of the Business as Tumble Fresh Franchising may prescribe from time to time, including but not limited to periodic interior and exterior painting; resurfacing of the parking lot; roof repairs; and replacement of obsolete or worn-out signage, floor coverings, furnishings, equipment and décor. Franchisee acknowledges that the System Standards may include requirements for cleaning, maintenance, repair and replacement of worn out or obsolete equipment, supplies or other items used in the Business.”

“**7.19 No Other Activity Associated with the Business.** Franchisee shall not engage in any business or other activity at the Location other than operation of the Business. Franchisee shall not use assets of the Business for any purpose other than the Business. If Franchisee is an entity, the entity shall not own or operate any other business except the Business, unless otherwise approved by Tumble Fresh Franchising.”

“**7.20 No Third-Party Management.** Franchisee shall not engage a third-party management company to manage or operate the Business or any service offered therein without the prior written approval of Tumble Fresh Franchising, which will not be unreasonably withheld.”

**9. Marketing Fund.** Notwithstanding anything set forth in Section 9.3 of the Agreement to the contrary, Tumble Fresh Franchising reserves the right to allocate the use of, and to use, Marketing Fund Contributions and any other Marketing Fund amounts among some or all of the Marks and for the purposes it determines, in its sole and absolute discretion, which may include for costs and expenses related to the advertising, marketing and promotion of some of the Marks and the services offered thereunder to the exclusion of others, or in such a way that does not benefit proportionately or at all, certain of the Marks. Franchisee agrees and acknowledges that Marketing Fund expenditures may promote one or more of the Marks without reference to the others, or the services associated therewith.

**10. Marketing.** Section 9.5 of the Agreement is hereby deleted and replaced with the following:

“**9.5 Market Introduction Plan.** Franchisee must develop a market introduction plan that reflects all of the services to be provided by the Business and the marketing of the potential customers related thereto, and obtain Tumble Fresh Franchising’s approval of the market introduction plan at least 30 days before the projected opening date of the Business.”

**11. Reports.** Section 10.2(a) of the Agreement is hereby amended with the addition of the following after Section 10.2(a)(iii):

“(iv) financial reports in such form as is specified by Tumble Fresh Franchising substantiating and documenting the actual Gross Sales and the results of operations of the self-service laundromat portion of the Business separate

from the self-service pet washing bays and pet grooming services portion of the Business.”

**12. Records and Report.** Sections 10.3 and 10.4 of the Agreement are hereby deleted and replaced with the following:

“**10.3 Initial Investment Report.** Within 120 days after opening for business, Franchisee shall submit to Tumble Fresh Franchising a report detailing Franchisee’s investment costs to develop and open the Business, with costs allocated to the categories described in Item 7 of Tumble Fresh Franchising’s Franchise Disclosure Document and then separated between those attributable to the laundromat portion of its business, those costs attributable to the pet washing bays and pet grooming services portion of its business, and those common to each of the foregoing, and with such other information as Tumble Fresh Franchising may request.”

“**10.4 Business Records.** Franchisee shall keep complete and accurate books and records reflecting all expenditures and receipts of the Business, with supporting documents (including, but not limited to, payroll records, payroll tax returns, register receipts, production reports, sales invoices, bank statements, deposit receipts, cancelled checks and paid invoices) for at least three years. Franchisee shall maintain its books and records in such a way to segregate the business operations of laundromat from those of the pet washing bays and pet grooming services portion of the Business, and shall keep such other business records as Tumble Fresh Franchising may specify in the Manual or otherwise in writing.”

**13. Marks.** Section 12.4 of the Agreement is hereby deleted and replaced with the following:

“**12.4 Name.** If Franchisee is an entity, it shall not use the words “Tumble Fresh Coin Laundry” or “Pet Fresh Dog Wash” or any confusingly similar words or phrases in its legal name.”

**14. Default and Termination.** Section 14.2(c)(vii) of the Agreement is hereby deleted and replaced with the following:

“(vii) Franchisee abandons or ceases operation of: (a) the self-service laundromat portion of the Business for more than five consecutive days; or (ii) the pet washing and pet grooming portion of the Business for more than five consecutive days prior to expiration of the sixty (60) day period set forth in Section 15.6 below;”

**15. No Separation.** Section 15. 6 of the Agreement is deleted and replaced with the following:

“**15.6 No Sublicense/Diversion.** Franchisee has no right to sublicense the Marks or any of Franchisee’s rights under this Agreement. Franchisee may not transfer a portion of its rights or obligations hereunder or a portion of the Business, if such transfer would result in the division of the Business. However, Franchisee may

discontinue offering pet washing and grooming services, if any, at the Location upon at least sixty (60) days prior written notice to Tumble Fresh Franchising.”

**16. Attachment 3 to the Agreement.** The Guaranty and Non-Compete Agreement attached to the Agreement as Attachment 3 are hereby deleted and replaced with the Guaranty and Non-Compete Agreement attached to this Amendment as Exhibit A, and shall be executed by the parties upon execution of this Amendment.

**17. Confidentiality.** Franchisee shall keep the terms of this Amendment strictly confidential and shall not disclose the fact of the Amendment or any of its terms to any party other than its accountants and lawyers.

**18. Effect.** In the event of a conflict between the terms and provisions of this Amendment and the Agreement, this Amendment shall control. Except as amended hereby, the Agreement shall continue in full force and effect.

**19. Governing Law; Venue.** Any disputes arising out of this Amendment shall be resolved pursuant to the dispute resolution provisions set forth in the Agreement, including, but not limited to, the governing law and venue provisions set forth therein.

**20. Defined Terms.** Any terms set forth herein that are not defined herein shall have the same meaning as set forth in the Agreement.

**21. Counterparts.** This Amendment may be executed in one or more counterparts, each of which shall be deemed to be an original and all of which taken together shall constitute one instrument.

**22. Authority.** Franchisee has full corporate or limited liability company, as applicable, power and authority to enter into the Agreement and any other agreements or other documents executed in connection therewith, including this Amendment (collectively, the “Franchise Documents”), and to carry out its obligations under the Franchise Documents. The execution and delivery by Franchisee of the Franchise Documents and the performance by Franchisee of its obligations thereunder have been duly authorized by all requisite corporate or limited liability action, as applicable, on the part of Franchisee and does not constitute a breach by Franchisee under the lease for the Location. Franchisee represents and warrants that the individual signing the Franchise Documents on behalf of Franchisee is duly authorized to sign the Franchise Documents and has all necessary authority to bind the Franchisee to the Franchise Documents.

*[Signature Page Follows]*

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date.

Agreed to by:

FRANCHISOR:  
TUMBLE FRESH FRANCHISING, LLC

FRANCHISEE:  
*[if an individual]*

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

\_\_\_\_\_  
Name: \_\_\_\_\_  
Date: \_\_\_\_\_

*[if an entity]:*  
\_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

## **Exhibit A to Attachment 4**

### **GUARANTY AND NON-COMPETE AGREEMENT**

This Guaranty and Non-Compete Agreement (this “Guaranty”) is executed by the undersigned person(s) (each, a “Guarantor”) in favor of Tumble Fresh Franchising, LLC, a Minnesota limited liability company (“Tumble Fresh Franchising”).

#### **Background Statement:**

- A. \_\_\_\_\_ (“Franchisee”) desires to enter into a Franchise Agreement with Tumble Fresh Franchising of even date herewith, for the franchise of a Tumble Fresh Coin Laundry business, which may also be offering self-service pet washing bay(s) for use by customers to wash their pets, and/or pet grooming services, all under the Pet Fresh Dog Wash name and any related trademarks pursuant to an amendment to the Franchise Agreement (collectively, the “Franchise Agreement”).
- B. Guarantor owns an equity interest in Franchisee.
- C. Tumble Fresh Franchising is unwilling to execute the Franchise Agreement and grant the rights therein without Guarantor’s execution of this Guaranty and compliance with the terms hereof.
- D. Guarantor is executing this Guaranty and has agreed to comply with the terms hereof in order to induce Tumble Fresh Franchising to enter into the Franchise Agreement and all related agreements (collectively, the “Franchise Documents”).

Guarantor agrees as follows:

- 1. Guaranty.** Guarantor hereby unconditionally guarantees to Tumble Fresh Franchising and its successors and assigns that Franchisee shall pay and perform every undertaking, agreement and covenant set forth in the Franchise Documents and further guarantees every other liability and obligation of Franchisee to Tumble Fresh Franchising, whether or not contained in the Franchise Agreement. Guarantor shall render any payment or performance required under the Franchise Documents or any other agreement between Franchisee and Tumble Fresh Franchising upon demand from Tumble Fresh Franchising. Guarantor waives: (a) acceptance and notice of acceptance by Tumble Fresh Franchising of this Guaranty; (b) notice of demand for payment of any indebtedness or nonperformance of any obligations of Franchisee; (c) protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed; (d) any right Guarantor may have to require that an action be brought against Franchisee or any other person or entity as a condition of liability hereunder; (e) all rights to payments and claims for reimbursement or subrogation which any of the undersigned may have against Franchisee arising as a result of the execution of and performance under this Guaranty by the undersigned; (f) any law which requires that Tumble Fresh Franchising make demand upon, assert claims against or collect from Franchisee or any other person or entity (including any other guarantor), foreclose any security interest, sell collateral, exhaust any remedies or take any other action against Franchisee or any other person or entity (including any other guarantor) prior to making any demand upon, collecting from or taking any action against the undersigned with respect to this Guaranty; and (g) any and all other notices and legal or equitable defenses to which Guarantor may be entitled.

**2. Confidential Information.** With respect to all Confidential Information, Guarantor shall: (a) adhere to all security procedures prescribed by Tumble Fresh Franchising for maintaining confidentiality; (b) disclose such information to its employees only to the extent necessary for the operation of the Business; (c) not use any such information in any other business or in any manner not specifically authorized or approved in writing by Tumble Fresh Franchising; (d) exercise the highest degree of diligence and make every effort to maintain the confidentiality of all such information during and after the term of the Franchise Documents; (e) not copy or otherwise reproduce any Confidential Information; and (f) promptly report any unauthorized disclosure or use of Confidential Information. Guarantor acknowledges that all Confidential Information is owned by Tumble Fresh Franchising or its affiliates (except for Confidential Information which Tumble Fresh Franchising licenses from another person or entity). Guarantor acknowledges that all customer data generated or obtained by Guarantor is Confidential Information belonging to Tumble Fresh Franchising. Neither Guarantor, nor any spouse of Guarantor, may use Confidential Information for the purpose of machine learning, augmented human intelligence development, training any artificial intelligence (“AI”) model, algorithm improvement, or similar data aggregation activities without the express written consent of Tumble Fresh Franchising. Such uses are expressly prohibited. Neither Guarantor, nor any spouse of Guarantor, may without prior written consent by Tumble Fresh Franchising, input any Confidential Information into any generative AI platform, or disclose such information to any provider or source of generative AI services. Guarantor, and any spouse of Guarantor, shall opt out of allowing any provider or source of generative AI to utilize Confidential Information for training of any AI model or for other purposes. This Section will survive the termination or expiration of the Franchise Documents indefinitely.

**3. Covenants Not to Compete.**

(a) Restriction – In Term. During the term of the Franchise Agreement, neither Guarantor nor any spouse of Guarantor (each a “Restricted Party” and, collectively, the “Restricted Parties”) shall directly or indirectly have any ownership interest in, lend money or provide financial assistance to, provide any services to, or be employed by, any Competitor or any business or other venture offering or selling franchises or licenses for the operation of a Competitor.

(b) Restriction – Post Term. For two years after the Franchise Agreement expires or is terminated for any reason (or, if applicable, for two years after a Transfer), no Restricted Party shall directly or indirectly have any ownership interest in, lend money or provide financial assistance to, provide any services to, or be employed by: (a) any Competitor located or doing business within a fifteen mile radius of Franchisee’s Territory or the territory of any other Tumble Fresh Coin Laundry business operating on the date of expiration, termination or Transfer, as applicable (the “Restricted Area”); or (b) any business or other venture located in the Restricted Area that is offering or selling franchises or license for a Competitor, or that is located outside the Restricted Area but is offering or selling franchises or licenses for a Competitor located in or to be located in the Restricted Area. If the Franchise Agreement is terminated before the Territory is determined, then the area of non-competition will be the Development Area and the territory of any other Tumble Fresh Coin Laundry business operating on the date of termination.

(c) Interpretation. Guarantor agrees that each of the foregoing covenants is independent of any other covenant or provision of this Guaranty or the Franchise Documents. If all or any portion of the covenants in this Section are held to be unenforceable or unreasonable by any court or arbitrator, then the parties intend that the court or arbitrator modify such restriction to

the extent reasonably necessary to protect the legitimate business interests of Tumble Fresh Franchising. Guarantor agrees that the existence of any claim it or Franchisee may have against Tumble Fresh Franchising shall not constitute a defense to the enforcement by Tumble Fresh Franchising of the covenants of this Section. If Guarantor fails to comply with the obligations under this Section during the restrictive period, then the restrictive period will be extended an additional day for each day of noncompliance. Any terms set forth herein that are not defined herein shall have the same meaning as set forth in the Franchise Agreement.

**4. Modification.** Guarantor agrees that Guarantor’s liability hereunder shall not be diminished, relieved or otherwise affected by (a) any amendment of the Franchise Documents, (b) any extension of time, credit or other indulgence which Tumble Fresh Franchising may from time-to-time grant to Franchisee or to any other person or entity, or (c) the acceptance of any partial payment or performance or the compromise or release of any claims.

**5. Governing Law; Dispute Resolution.** This Guaranty shall be governed by and construed in accordance with the laws of the state of Minnesota (without giving effect to its principles of conflicts of law). The provisions of Section 17 (Dispute Resolution) of the Franchise Agreement apply to and are incorporated into this Guaranty as if fully set forth herein. Guarantor shall pay to Tumble Fresh Franchising all costs incurred by Tumble Fresh Franchising (including reasonable attorney fees) in enforcing this Guaranty. The liability of each Guarantor hereunder shall be joint and several in each and every aspect.

Agreed to by:

GUARANTORS:

\_\_\_\_\_  
Name: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
Date: \_\_\_\_\_

\_\_\_\_\_  
Name: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
Date: \_\_\_\_\_

\_\_\_\_\_  
Name: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
Date: \_\_\_\_\_

## EXHIBIT C

### MULTI-UNIT DEVELOPMENT AGREEMENT

This Multi-Unit Development Agreement (this “MUDA”) is made between Tumble Fresh Franchising, LLC, a Minnesota limited liability company (“Tumble Fresh Franchising”) and \_\_\_\_\_, a \_\_\_\_\_ (“Franchisee”) on the Effective Date.

**Background Statement:** On the same day as they execute this MUDA, Tumble Fresh Franchising and Franchisee have entered into a Franchise Agreement for the franchise of a Tumble Fresh Coin Laundry business (the “Franchise Agreement”); capitalized terms used but not defined in this MUDA have the meanings given in the Franchise Agreement). Tumble Fresh Franchising and Franchisee desire that Franchisee develop multiple Tumble Fresh Coin Laundry businesses.

#### 1. Multi-Unit Commitment.

(a) Development Schedule; Fee. Franchisee shall develop and open Tumble Fresh Coin Laundry locations on the following schedule. Unless otherwise provided below none of such locations are required to include Pet Fresh Dog Wash pet washing bays or offer grooming services:

Location #	Deadline for Opening	Total # of Locations to be Open and Operating on Deadline	Initial Franchise Fee
1		1	
2		2	
3		3	
4		4	
5		5	
Total Initial Franchise Fee:			

(b) Payment. Upon execution of this MUDA, Franchisee shall pay the total Initial Franchise Fee to Tumble Fresh Franchising. The Initial Franchise Fee is non-refundable.

**2. Form of Agreement.** For Location #1, Franchisee and Tumble Fresh Franchising have executed the Franchise Agreement simultaneously with this MUDA. For each additional Tumble Fresh Coin Laundry franchise, Franchisee shall execute Tumble Fresh Franchising’s then-current standard form of franchise agreement at the time Franchisee leases or acquires a location. This MUDA does not give Franchisee the right to construct, open, or operate a Tumble Fresh Coin Laundry business, and Franchisee acknowledges that Franchisee may construct, open, and operate

each Tumble Fresh Coin Laundry business only pursuant to a separate franchise agreement executed pursuant to this MUDA for each such Tumble Fresh Coin Laundry business.

**3. Development Area.** Franchisee shall locate each Tumble Fresh Coin Laundry business it develops under this MUDA within the following area: \_\_\_\_\_ (the “Development Area”). Franchisee acknowledges that it does not have exclusive rights to develop, open or operate Tumble Fresh Coin Laundry businesses in the Development Area.

**4. Default and Termination.** Tumble Fresh Franchising may terminate this MUDA by giving notice to Franchisee, without opportunity to cure, if any of the following occur:

- (i) Franchisee fails to satisfy the development schedule; or
- (ii) Tumble Fresh Franchising has the right to terminate any franchise agreement between Tumble Fresh Franchising and Franchisee (or any affiliate thereof) due to Franchisee’s default thereunder (whether or not Tumble Fresh Franchising actually terminates such franchise agreement).

**5. Limitation of Liability.** Franchisee’s commitment to develop Tumble Fresh Coin Laundry businesses is in the nature of an option only. If Tumble Fresh Franchising terminates this MUDA for Franchisee’s default, Franchisee shall not be liable to Tumble Fresh Franchising for lost future revenues or profits from the unopened Tumble Fresh Coin Laundry businesses. Franchisee may terminate this MUDA at any time.

**6. Conditions.** Franchisee’s right to develop each Tumble Fresh Coin Laundry franchise after the Location #1 is subject to the following:

- (i) Franchisee must possess sufficient financial and organizational capacity to develop, open, operate, and manage each additional Tumble Fresh Coin Laundry business, in the reasonable judgment of Tumble Fresh Franchising, and
- (ii) Franchisee must be in full compliance with all requirements of Tumble Fresh Franchising at the time it opens each Tumble Fresh Coin Laundry location, and not in default under any Franchise Agreement or any other agreement with Tumble Fresh Franchising.

**7. Dispute Resolution; Miscellaneous.** The laws of the State of Minnesota (without giving effect to its principles of conflicts of law) govern all adversarial proceedings between the parties. The parties agree that any Minnesota law for the protection of franchisees or business opportunity purchasers will not apply unless its jurisdictional requirements are met independently without reference to this Section 7. Franchisee shall not Transfer this MUDA without the prior written consent of Tumble Fresh Franchising, and any Transfer without Tumble Fresh Franchising’s prior written consent shall be void. The provisions of Section 17 (Dispute Resolution) and Section 18 (Miscellaneous) of the Franchise Agreement apply to and are incorporated into this MUDA as if fully set forth herein.

*[Signatures on Next Page]*

Agreed to by:

FRANCHISOR:  
TUMBLE FRESH FRANCHISING, LLC

FRANCHISEE:  
*[if an individual]*

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

\_\_\_\_\_  
Name: \_\_\_\_\_  
Date: \_\_\_\_\_

*[if an entity]:*  
\_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**EXHIBIT D**

**RIDER TO LEASE AGREEMENT**

Landlord: \_\_\_\_\_  
Notice Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Telephone: \_\_\_\_\_

Franchisor: Tumble Fresh Franchising, LLC  
Notice Address: 7616 Currell Boulevard,  
Suite 100, Woodbury, MN 55125-2295  
Telephone: 651-731-0515

Tenant: \_\_\_\_\_

Leased Premises: \_\_\_\_\_

**1. Use.** Tenant is a franchisee of Franchisor. The Leased Premises shall be used only for the operation of (select one):

\_\_\_\_\_ a Tumble Fresh Coin Laundry business (or any name authorized by Franchisor).

\_\_\_\_\_ a Tumble Fresh Coin Laundry business offering self-service pet washing bay(s) for use by customers to wash their pets and optional pet grooming services under the Pet Fresh Dog Wash name and trademark (or any names authorized by Franchisor) .

**2. Notice of Default and Opportunity to Cure.** Landlord shall provide Franchisor with copies of any written notice of default (“Default”) given to Tenant under the Lease, and Landlord grants to Franchisor the option (but not the obligation) to cure any Default under the Lease (should Tenant fail to do so) within 10 days after the expiration of the period in which Tenant may cure the Default.

**3. Termination of Lease.** Landlord shall copy Franchisor on any notice of termination of the Lease. If Landlord terminates the Lease for Tenant’s Default, Franchisor shall have the option to enter into a new Lease with Landlord on the same terms and conditions as the terminated Lease. To exercise this option, Franchisor must notify Landlord within 15 days after Franchisor receives notice of the termination of the Lease.

**4. Termination of Franchise Agreement.** If the Franchise Agreement between Franchisor and Tenant is terminated during the term of the Lease, then upon the written request of Franchisor, Tenant shall assign the Lease to Franchisor. Landlord hereby consents to the assignment of the Lease to Franchisor.

**5. Assignment and Subletting.** Notwithstanding any provision of the Lease to the contrary, Tenant shall have the right to assign or sublet the Lease to Franchisor, provided that no such assignment or sublease shall relieve Tenant or any guarantor of liability under the Lease. If Franchisor becomes the lessee of the Leased Premises, then Franchisor shall have the right to assign or sublease its lease to a franchisee of the Tumble Fresh Coin Laundry brand. Any provision

of the Lease which limits Tenant's right to own or operate other Tumble Fresh Coin Laundry outlets in proximity to the Leased Premises shall not apply to Franchisor.

**6. Authorization.** Tenant authorizes Landlord and Franchisor to communicate directly with each other about Tenant and Tenant's business.

**7. Right to Enter.** Upon the expiration or termination of the Franchise Agreement or the Lease, or the termination of Tenant's right of possession of the Leased Premises, Franchisor or its designee may, after giving reasonable prior notice to Landlord, enter the Leased Premises to remove signs and other material bearing Franchisor's brand name, trademarks, and commercial symbols, provided that Franchisor will be liable to Landlord for any damage Franchisor or its designee causes by such removal.

**8. No Liability.** By executing this Rider, Franchisor does not assume any liability with respect to the Leased Premises or any obligation as Tenant under the Lease.

**9. Entire Agreement.** Insofar as the matters relating to the Landlord and the Leased Premises are concerned, this Rider sets forth the complete agreement with Landlord and Franchisor.

**10. Third Party Beneficiary.** Landlord and Tenant acknowledge that Franchisor is an intended third-party beneficiary to the Lease, and as such, the Lease may not be amended without the prior written consent of the Franchisor.

**11. Counterparts.** This Rider may be executed in one or more counterparts, each of which shall be deemed to be an original and all of which taken together shall constitute one instrument.

Executed by:

LANDLORD:

\_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

FRANCHISOR:

TUMBLE FRESH FRANCHISING, LLC

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

TENANT:

\_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

## EXHIBIT E

### FORM OF GENERAL RELEASE

*[This is our current standard form of General Release. This document is not signed when you purchase a franchise. In circumstances such as a renewal of your franchise or as a condition of our approval of a sale of your franchise, we may require you to sign a general release.]*

This General Release (“Release”) is executed by the undersigned (“Releasor”) in favor of Tumble Fresh Franchising, LLC, a Minnesota limited liability company (“Tumble Fresh Franchising”).

**Background Statement:** *[describe circumstances of Release]*

Releasor agrees as follows:

**1. Release.** Releasor (on behalf of itself and its parents, subsidiaries and affiliates and their respective past and present officers, directors, shareholders, managers, members, partners, agents, and employees (each a “Releasing Party” and, collectively, the “Releasing Parties”)) hereby releases Tumble Fresh Franchising, its affiliates, and their respective directors, officers, shareholders, employees, and agents (each a “Released Party” and, collectively, the “Released Parties”) from any and all claims, causes of action, suits, debts, agreements, promises, demands, liabilities, contractual rights and/or obligations, of whatever nature, known or unknown, which any Releasing Party now has or ever had against any Released Party based upon and/or arising out of events that occurred through the date hereof, including without limitation, anything arising out of the Franchise Agreement (each a “Claim” and, collectively, the “Claims”).

**2. Covenant Not to Sue.** Releasor (on behalf of all Releasing Parties) covenants not to initiate, prosecute, encourage, assist, or (except as required by law) participate in any civil, criminal, or administrative proceeding or investigation in any court, agency, or other forum, either affirmatively or by way of cross-claim, defense, or counterclaim, against any Released Party with respect to any Claim.

**3. Representations and Acknowledgments.** Releasor represents and warrants that: (i) Releasor is the sole owner of all Claims, and that no Releasing Party has assigned or transferred, or purported to assign or transfer, to any person or entity, any Claim; (ii) Releasor has full power and authority to sign this Release; and (iii) this Release has been voluntarily and knowingly signed after Releasor has had the opportunity to consult with counsel of Releasor’s choice. Releasor acknowledges that the release in Section 1 is a complete defense to any Claim.

**4. Miscellaneous.** If any of the provisions of this Release are held invalid for any reason, the remainder of this Release will not be affected and will remain in full force and effect. In the event of any dispute concerning this Release, the dispute resolution, governing law, and venue provisions of the Franchise Agreement shall apply. Releasor agrees to take any actions and sign any documents that Tumble Fresh Franchising reasonably requests to effectuate the purposes of this Release. This Release contains the entire agreement of the parties concerning the subject matter

hereof. This Release shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

Agreed to by:

RELEASOR:

\_\_\_\_\_  
Name: \_\_\_\_\_

Date: \_\_\_\_\_

**EXHIBIT F**  
**FINANCIAL STATEMENTS**

**TUMBLE FRESH FRANCHISING, LLC**

FINANCIAL STATEMENTS

December 31, 2025, 2024 and 2023

**TUMBLE FRESH FRANCHISING, LLC**  
**TABLE OF CONTENTS**

---

	<u>Page Number</u>
Independent Auditor's Report	1
<b>FINANCIAL STATEMENTS</b>	
Balance Sheets	Statement 1 4
Statements of Income	Statement 2 5
Statements of Members' Equity	Statement 3 6
Statements of Cash Flows	Statement 4 7
Notes to Financial Statements	8

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and Members  
Tumble Fresh Franchising, LLC  
Woodbury, Minnesota

### **Opinion**

We have audited the accompanying financial statements of Tumble Fresh Franchising, LLC, which comprise the balance sheets as of December 31, 2025, 2024 and 2023, and the related statements of income, members' equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Tumble Fresh Franchising, LLC as of December 31, 2025, 2024 and 2023, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

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

### **Responsibilities of Management for the Financial Statements**

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

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



## **Auditor's Responsibilities for the Audit of the Financial Statements**

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

In performing an audit in accordance with generally accepted auditing standards, we:

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

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



REDPATH AND COMPANY, LLC  
St. Paul, Minnesota

March 23, 2026

## **FINANCIAL STATEMENTS**

**TUMBLE FRESH FRANCHISING, LLC**  
**BALANCE SHEETS**  
December 31, 2025, 2024 and 2023

**Statement 1**

Assets	2025	2024	2023
<b>Current assets:</b>			
Cash	\$10,238	\$35,901	\$33,842
Accounts receivable	1,769	957	1,868
Due from related parties	1,115	-	396
Prepaid insurance	-	9,103	-
Total assets	\$13,122	\$45,961	\$36,106
<b>Liabilities and Members' Equity</b>			
<b>Current liabilities:</b>			
Accounts payable	\$ -	\$1,149	\$3,283
Due to related party	-	10,794	-
Total liabilities	0	11,943	3,283
Members' equity	13,122	34,018	32,823
Total liabilities and members' equity	\$13,122	\$45,961	\$36,106

The accompanying notes are an integral part of these financial statements.

**TUMBLE FRESH FRANCHISING, LLC**  
STATEMENTS OF INCOME  
For the Years Ended December 31, 2025, 2024 and 2023

**Statement 2**

---

	<u>2025</u>	<u>2024</u>	<u>2023</u>
Revenues	\$90,093	\$46,627	\$17,542
Operating expenses	<u>99,322</u>	<u>47,989</u>	<u>57,894</u>
Loss from operations	(9,229)	(1,362)	(40,352)
Other income	<u>1,061</u>	<u>2,557</u>	<u>-</u>
Net (loss) income	<u><u>(\$8,168)</u></u>	<u><u>\$1,195</u></u>	<u><u>(\$40,352)</u></u>

The accompanying notes are an integral part of these financial statements.

**TUMBLE FRESH FRANCHISING, LLC**  
STATEMENTS OF MEMBERS' EQUITY  
For the Years Ended December 31, 2025, 2024 and 2023

**Statement 3**

---

	<u>Members' Equity</u>
Balance - December 31, 2022	\$28,175
Contributions	45,000
Net loss	<u>(40,352)</u>
Balance - December 31, 2023	32,823
Net income	<u>1,195</u>
Balance - December 31, 2024	34,018
Equity impact from merger of Pet Fresh Franchising, LLC	(12,728)
Net loss	<u>(8,168)</u>
Balance - December 31, 2025	<u><u>\$13,122</u></u>

The accompanying notes are an integral part of these financial statements.

**TUMBLE FRESH FRANCHISING, LLC**  
**STATEMENTS OF CASH FLOWS**  
For the Years Ended December 31, 2025, 2024 and 2023

**Statement 4**

	<u>2025</u>	<u>2024</u>	<u>2023</u>
Cash flows from operating activities:			
Net (loss) income	(\$8,168)	\$1,195	(\$40,352)
Changes in operating assets and liabilities:			
Accounts receivable	(812)	911	(1,868)
Due from related party	(1,115)	396	(396)
Prepaid insurance	9,103	(9,103)	9,132
Accounts payable	(1,149)	(2,134)	2,059
Due to related party	(30,794)	10,794	-
Net cash flows (used in) provided by operating activities	<u>(32,935)</u>	<u>2,059</u>	<u>(31,425)</u>
Cash flows from investing activities:			
Contributions	<u>7,272</u>	<u>-</u>	<u>45,000</u>
Net (decrease) increase in cash	(25,663)	2,059	13,575
Cash - beginning of year	<u>35,901</u>	<u>33,842</u>	<u>20,267</u>
Cash - end of year	<u><u>\$10,238</u></u>	<u><u>\$35,901</u></u>	<u><u>\$33,842</u></u>

The accompanying notes are an integral part of these financial statements.

**TUMBLE FRESH FRANCHISING, LLC**  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2025, 2024 and 2023

---

**Note 1 ORGANIZATION AND NATURE OF ACTIVITIES**

Tumble Fresh Franchising, LLC (the "Company") was incorporated under the laws of the State of Minnesota for the purpose of offering franchise opportunities to entrepreneurs who want to own their own "Tumble Fresh" location, as a franchise, providing luxurious, clean, and inviting self-service laundromats. During 2026, the Company also started offering franchise opportunities to entrepreneurs who want to own their own "Pet Fresh" location, as a franchise, providing self-service pet washing bay(s) or providing self-service pet washing bay(s) together with pet grooming services within an enclosed, retail environment. Except as otherwise noted, the members' liability is limited to their investment in the Company

**Note 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**BASIS OF PRESENTATION**

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("US GAAP").

**USE OF ESTIMATES**

The preparation of financial statements, in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the disclosures of contingent assets and liabilities and other items, as well as the reported revenues and expenses. Actual results could differ from those estimates.

**CASH**

Cash and any cash equivalents include all cash balances, and highly liquid investments with maturities of three months or less when purchased.

**ACCOUNTS RECEIVABLE**

Accounts receivable are recorded at net realizable value, consisting of the carrying amount less an allowance for doubtful accounts, as needed. The Company evaluates its accounts receivable on an ongoing basis and may establish an allowance for doubtful accounts based on a combination of historical experience, aging analysis, information related to specific accounts, as well as reasonable and supportable forward-looking information. Account balances are written off against the allowance after all means of collection have been exhausted and it is determined that further collection efforts will be unsuccessful. Recoveries of receivables previously written off are recorded as income when received. Historically, the Company has not had a significant write-offs.

The Company has elected the practical expedient permitted under U.S. GAAP to estimate expected credit losses on trade accounts receivable based on remaining contractual term, adjusted for current conditions. Management also considers subsequent cash collections on accounts receivable through the date the financial statements are available to be issued in evaluating the adequacy of the allowance.

Based on these factors, management determined that an allowance for expected credit losses of \$0 was appropriate as of December 31, 2025, 2024 and 2023.

## FRANCHISE AGREEMENTS

The Company is obligated under its franchise agreements to provide training, an operations manual, and other initial and continuing services to its franchisees. Franchisees pay an initial franchise fee as well as continuing royalty fees based on cash receipts. Marketing fees are charged to franchisees. Additional fees are assessed upon renewal or transferring franchise interests.

As of December 31, 2025, there were 17 laundromats in operation, of which 2 were franchised and 15 of the locations were owned by Linn Retail Centers, Inc. As of December 31, 2024, there were 15 laundromats in operation, of which 2 were franchised and 13 of the locations were owned by Linn Retail Centers, Inc. As of December 31, 2023, there were 12 laundromats in operation, of which 1 was franchised and 11 of the locations were owned by Linn Retail Centers, Inc. There were no new franchise agreements awarded during fiscal year 2025. 1 new franchise agreement was awarded during fiscal year 2024. 1 new franchise agreement was awarded during fiscal year 2023.

As of December 31, 2025, there were 10 pet washes in operation, of which 1 was franchised and 9 of the locations were owned by Linn Retail Centers, Inc. As of December 31, 2024, there were 8 pet washes in operation, of which 1 was franchised and 7 of the locations were owned by Linn Retail Centers, Inc. As of December 31, 2023, there were 4 pet washes in operation, of which 4 of the locations were owned by Linn Retail Centers, Inc. There were no new franchise agreements awarded during fiscal year 2025. 1 new franchise agreement was awarded during fiscal year 2024. There were no new franchise agreements awarded during fiscal year 2023.

## REVENUE RECOGNITION

Under ASC Topic 606, the Company applies a principles-based five step model to recognize revenue upon the transfer of control of promised goods and services to customers in an amount that reflects the consideration that the Company expects to be entitled to in exchange for those goods. The principles-based five step model includes: (1) identifying the contract(s) with a customer; (2) identifying the performance obligations in the contract; (3) determining the transaction price; (4) allocating the transaction price to the performance obligations in the contract; and (5) recognizing revenue when (or as) a performance obligation is satisfied.

### *Royalty fees*

Royalty fees are based on a percentage of the franchisees' revenue. The royalty fees are 6% of the franchisees' revenue for such period and the payment is remitted to the Company monthly. Franchise agreement royalties represent sales-based royalties that are related entirely to the Company's performance obligations under the applicable franchise agreement and are recognized in the period the franchisees' revenue occurs.

### *Marketing fund fees*

Marketing fund ("MF") fees are based on a percentage of the franchisees' revenue. The MF fees are 2% of the franchisees' revenue for such period and the payment is remitted to the Company monthly and recognized in the period the franchisees' revenue occurs.

### *Initial franchise fees*

Initial franchise fees consist of franchise fees due at the inception of the franchise agreement. The Company, as a private company franchiser, considers pre-opening services, including site evaluation and selection, store

**TUMBLE FRESH FRANCHISING, LLC**  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2025, 2024 and 2023

---

architectural/design and development, and operational training, to be performance obligations that are separate to operate under the Tumble Fresh brand. These services provide distinct value to our franchisees, including business and industry insight and knowledge. Initial franchise fees are recognized when a location opens, which is the point in time when those performance obligations under the franchise agreement are deemed satisfied.

Initial franchise fees received from franchisees that have yet to open and unamortized portion of franchise fees related to resales and renewals are recorded in deferred revenue on the balance sheets. Franchise fees related to resales and renewals are recognized ratably over the term of the underlying franchise agreement, which is generally 10 years.

#### ADVERTISING EXPENSE

Advertising costs are expensed as incurred. Advertising costs totaled \$24,363, \$13,730 and \$11,347 for the years ended December 31, 2025, 2024 and 2023, respectively.

#### INCOME TAXES

The Company, with the consent of its members, has elected under the Internal Revenue Code to be taxed as a partnership. In lieu of corporate income taxes, the members of a partnership are taxed on their proportionate share of the Company's taxable income. The Company has evaluated its tax positions and related income tax under FASB's authoritative guidance regarding Accounting for Income Taxes and management has concluded that it has taken no uncertain tax positions that would require adjustment to these financial statements. Therefore, these financial statements do not include any provision for corporate income taxes, except for state minimum fees.

The Company is not currently under examination by any taxing jurisdiction. In the event of any future penalties or interest, the Company has elected to record interest and penalties as income tax expense on the Company's statements of income.

#### COMMITMENTS AND CONTINGENCIES

The Company may be subject to pending legal proceedings and regulatory actions in the ordinary course of business. The results of such proceedings cannot be predicted with certainty, but the Company does not anticipate that the final outcome, if any, arising out of any such matter will have a material adverse effect on its business, financial condition or results of operations.

#### RECENTLY ADOPTED ACCOUNTING PRINCIPLES

The Company has elected the practical expedient available under ASU 2025-05, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets*. This expedient allows the Company to assume that current conditions as of the balance sheet date will remain unchanged for the remaining life of the assets. ASU 2025-05 also provides for a policy election available to privately-held companies that elect the practical expedient. This accounting policy election permits the Company to consider collection activity after the balance sheet date when estimating expected credit losses. ASU 2025-05 is effective for annual periods beginning after December 15, 2025, with early adoption permitted.

The Company has elected to adopt both the practical expedient and the accounting policy election under this guidance during the year ended December 31, 2025. These elections were applied prospectively to current accounts receivable and current contract assets arising from transactions accounted for under ASC 606.

**TUMBLE FRESH FRANCHISING, LLC**  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2025, 2024 and 2023

---

SUBSEQUENT EVENTS

Management has evaluated subsequent events through March 23, 2026, the date on which the financial statements were available to be issued.

**Note 3 CONCENTRATIONS OF RISK**

Financial instruments that potentially subject the Company to credit risk consist of cash. The Company places its cash with a high-quality financial institution and do not exceed the amount of insurance provided on such deposits.

**Note 4 RELATED PARTY TRANSACTIONS**

Certain administrative expenses of the Company are paid by Linn Retail Centers, Inc., a related party through common ownership. Expenses paid by on behalf of the Company are expensed in the period incurred and included as amounts due to related party on the balance sheet. Amounts due to Linn Retail Centers, Inc. was \$0, \$10,725 and \$0 as of December 31, 2025, 2024 and 2023, respectively.

Amounts due from Linn Retail Centers, Inc. as of December 31, 2025, 2024 and 2023 were \$1,115, \$0 and \$396, respectively.

Amounts due to Pet Fresh Franchising, LLC, a related party through common ownership were \$69 and \$0 as of December 31, 2024 and 2023, respectively. Pet Fresh Franchising, LLC was dissolved during 2025, see note 5.

**Note 5 CONTRIBUTION OF PET FRESH FRANCHISING, LLC ASSETS**

Effective December 31, 2025, the members of the Company contributed the net assets of Pet Fresh Franchising, LLC to the Company. Below is a table of the net assets contributed:

Cash	\$7,272
Due to related party	<u>(20,000)</u>
	<u><u>(\$12,728)</u></u>

**EXHIBIT G**

**BRAND STANDARDS MANUALS TABLE OF CONTENTS**

**TUMBLE FRESH COIN LAUNDRY MANUAL TABLE OF CONTENTS**



<b>Manual Section</b>	<b>Number of Pages</b>
Preface & Introduction	31
Establishing The Business	56
Personnel	39
Administrative Procedures	33
Daily Procedures	22
Selling & Marketing	22
Store Operations Manual	63
Vending Operations Manual	32
<b>Total Number of Pages</b>	<b>298</b>

# PET FRESH DOG WASH MANUAL

## TABLE OF CONTENTS



<b>Manual Section</b>	<b>Pages</b>
Preface, Introduction & Pre-Opening Procedures	1-35
Establishing My Franchise Business	36-58
Personnel	59-104
Financial & Administrative Procedures	105-114
Marketing	115-135
Daily Operations	136-145
<b>Total Number of Pages</b>	<b>145</b>

# PET FRESH GROOMING MANUAL

## TABLE OF CONTENTS



<b>Manual Section</b>	<b>Pages</b>
Index & Customer Service	1-6
Visual and Cleaning Standards	7-10
Self-Serve Expectations	11
Groomer Expectations & Procedures	12
Policies & Procedures	13- 23
Vagaro How To	24-35
Monthly Order Guide	36
Equipment Maintenance	37-38
Store Security	39
Safety Sheets	40-55
Groomer Forms	56-57
<b>Total Number of Pages</b>	<b>57</b>

## EXHIBIT H

### CURRENT AND FORMER FRANCHISEES

#### Current Franchisees

Names of all current franchisees (as of the end of our last fiscal year) and the address and telephone number of each of their outlets:

<b>Franchisee</b>	<b>Address/Telephone Number</b>	<b>City</b>	<b>State</b>	<b>Zip Code</b>
MPG Group, LLC	201 57 <sup>th</sup> Avenue NE, Unit 4 (763) 432-7952	Fridley	MN	55432
TF Companies, LLC	2237 13 <sup>th</sup> Avenue South (701) 532-1275	Fargo	ND	58103

Note: We did not have any multi-unit developers at the close of our last fiscal year.

#### Former Franchisees

Name, city and state, and current business telephone number, or if unknown, the last known home telephone number of every franchisee who had an outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during the most recently completed fiscal year or who have not communicated with us within 10 weeks of the disclosure document issuance date:

None.

**EXHIBIT I**

**STATE ADDENDA TO DISCLOSURE DOCUMENT**

See attached Addenda.

## **ILLINOIS ADDENDUM TO DISCLOSURE DOCUMENT**

In recognition of the requirements of the Illinois Franchise Disclosure Act of 1987, as amended (the "Act"), this Disclosure Document is amended as follows:

Illinois law governs the agreements between the parties to this franchise.

Section 4 of the Act provides that any provision in a franchise agreement that designates jurisdiction of venue outside the State of Illinois is void. However, a franchise agreement may provide for arbitration outside of Illinois.

Section 41 of the Act provides that any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with the Act or any other law of Illinois is void.

Your rights upon termination and non-renewal of a franchise agreement are set forth in sections 19 and 20 of the Act.

## MINNESOTA ADDENDUM TO DISCLOSURE DOCUMENT

Notwithstanding anything to the contrary set forth in the Tumble Fresh Franchising, LLC Franchise Disclosure Document, the following provisions shall supersede and apply to all Tumble Fresh franchises offered and sold in the state of Minnesota:

The Minnesota Addendum is only applicable if you are a resident of Minnesota or if your business will be located in Minnesota.

- All Franchise Fees are deferred until all initial obligations owed to franchisee under the franchise agreement or other documents have been fulfilled by the franchisor and the franchisee has commenced doing business pursuant to the franchise agreement.
- Minnesota Statutes, Section 80C.21 and Minnesota Rules 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.
- With respect to franchises governed by Minnesota law, the franchisor will comply with Minnesota Statutes, Section 80C.14, Subd. 3-5, which require (except in certain specified cases) (1) that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the franchise agreement and (2) that consent to the transfer of the franchise will not be unreasonably withheld.
- To the extent required by the Minnesota Franchise Act, the franchisor will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name.
- Minnesota considers it unfair to not protect the franchisee's right to use the trademarks. Refer to Minnesota Statutes, Section 80C.12, Subd. 1(g).
- Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.
- The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rules 2860.4400J. Also, a court will determine if a bond is required.
- The Limitations of Claims section must comply with Minnesota Statutes, Section 80C.17, Subd. 5, which states "No action may be commenced pursuant to this Section more than three years after the cause of action accrues."
- NSF checks are governed by Minnesota Statute 60A.113, which puts a cap of \$30 on service charges.

- 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 a 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.

**THESE FRANCHISES HAVE BEEN REGISTERED UNDER THE MINNESOTA FRANCHISE ACT. REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF COMMERCE OF MINNESOTA OR A FINDING BY THE COMMISSIONER THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.**

**THE MINNESOTA FRANCHISE ACT MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WHICH IS SUBJECT TO REGISTRATION WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, AT LEAST 7 DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST 7 DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION, BY THE FRANCHISEE, WHICHEVER OCCURS FIRST, A COPY OF THIS PUBLIC OFFERING STATEMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE FRANCHISE. THIS PUBLIC OFFERING STATEMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR AN UNDERSTANDING OF ALL RIGHTS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.**

## NORTH DAKOTA ADDENDUM TO DISCLOSURE DOCUMENT

Notwithstanding anything to the contrary set forth in the Tumble Fresh Franchising, LLC Franchise Disclosure Document, the following provisions shall supersede and apply to all Tumble Fresh franchises offered and sold in the state of North Dakota:

The North Dakota Addendum is only applicable if you are a resident of North Dakota or if your business will be located in North Dakota.

THE SECURITIES COMMISSIONER HAS HELD THE FOLLOWING TO BE UNFAIR, UNJUST OR INEQUITABLE TO NORTH DAKOTA FRANCHISEES (NDCC SECTION 51-19-09):

1. Restrictive Covenants: Franchise disclosure documents that disclose the existence of covenants restricting competition contrary to NDCC Section 9-08-06, without further disclosing that such covenants will be subject to the statute.
2. Situs of Arbitration Proceedings: Franchise agreements providing that the parties must agree to the arbitration of disputes at a location that is remote from the site of the franchisee's business.
3. Restrictions on Forum: Requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota.
4. Liquidated Damages and Termination Penalties: Requiring North Dakota franchisees to consent to liquidated damages or termination penalties.
5. Applicable Laws: Franchise agreements that specify that they are to be governed by the laws of a state other than North Dakota.
6. Waiver of Trial by Jury: Requiring North Dakota Franchises to consent to the waiver of a trial by jury.
7. Waiver of Exemplary and Punitive Damages: Requiring North Dakota Franchisees to consent to a waiver of exemplary and punitive damage.
8. General Release: Franchise Agreements that require the franchisee to sign a general release upon renewal of the franchise agreement.
9. Limitation of Claims: Franchise Agreements that require the franchisee to consent to a limitation of claims. The statute of limitations under North Dakota law applies.
10. Enforcement of Agreement: Franchise Agreements that require the franchisee to pay all costs and expenses incurred by the franchisor in enforcing the agreement. The prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney's fees.
11. Fee Deferral: All Franchise Fees are deferred until all initial obligations owed to franchisee under the franchise agreement or other documents have been fulfilled by the franchisor and the franchisee has commenced doing business pursuant to the franchise agreement.

12. 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 a 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.

**EXHIBIT J**

**STATE ADDENDA TO AGREEMENTS**

See attached Addenda

**ILLINOIS RIDER TO FRANCHISE AND MULTI-UNIT DEVELOPMENT  
AGREEMENT**

This Rider amends the Franchise and Multi-Unit Development Agreement dated \_\_\_\_\_ (the “Agreement”), between Tumble Fresh Franchising, LLC, a Minnesota limited liability company (“Tumble Fresh Franchising”) and \_\_\_\_\_, a \_\_\_\_\_ (“Franchisee”).

- 1. Definitions.** Capitalized terms used but not defined in this Rider have the meanings given in the Agreement. The “Illinois Act” means the Illinois Franchise Disclosure Act of 1987.
- 2. Governing Law and Jurisdiction.** Notwithstanding any provision of the Agreement to the contrary, the Agreement is governed by Illinois law. The parties irrevocably submit to the jurisdiction and venue of the federal and state courts in Illinois, except for matters which the Agreement provides will be resolved by arbitration.
- 3. Limitation of Claims.** No action can be maintained to enforce any liability created by the Illinois Act unless brought before the expiration of 3 years from the act or transaction constituting the violation upon which it is based, the expiration of 1 year after Franchisee become aware of facts or circumstances reasonably indicating that Franchisee may have a claim for relief in respect to conduct governed by the Illinois Act, or 90 days after delivery to the Franchisee of a written notice disclosing the violation, whichever shall first expire.
- 4. Waivers Void.** Notwithstanding any provision of the Agreement to the contrary, any condition, stipulation, or provision purporting to bind Franchisee to waive compliance with any provision of the Illinois Act or any other law of the State of Illinois is void. This Section shall not prevent Franchisee from entering into a settlement agreement or executing a general release regarding a potential or actual lawsuit filed under any of the provisions of this Act, nor shall it prevent the arbitration of any claim pursuant to the provisions of Title 9 of the United States Code.
- 5. Effective Date.** This Rider is effective as of the Effective Date.

Agreed to by:

FRANCHISOR:

FRANCHISEE:

TUMBLE FRESH FRANCHISING, LLC

\_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

## MINNESOTA RIDER TO FRANCHISE AND MULTI-UNIT DEVELOPMENT AGREEMENT

This Rider amends the Franchise and Multi-Unit Development Agreement dated \_\_\_\_\_ (the “Agreement”), between Tumble Fresh Franchising, LLC, a Minnesota limited liability company (“Tumble Fresh Franchising”) and \_\_\_\_\_, a \_\_\_\_\_ (“Franchisee”).

**1. Definitions.** Capitalized terms used but not defined in this Rider have the meanings given in the Agreement. The “Minnesota Act” means Minnesota Statutes, Sections 80C.01 to 80C.22.

**2. Amendments.** The Agreement is amended to comply with the following:

All Franchise Fees are deferred until all initial obligations owed to franchisee under the franchise agreement or other documents have been fulfilled by the franchisor and the franchisee has commenced doing business pursuant to the franchise agreement.

Minnesota Statutes, Section 80C.21 and Minnesota Rules 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce (1) any of the franchisee’s rights as provided for in Minnesota Statutes, Chapter 80C or (2) franchisee’s rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

With respect to franchises governed by Minnesota law, the franchisor will comply with Minnesota Statutes, Section 80C.14, Subd. 3-5, which require (except in certain specified cases) (1) that a franchisee be given 90 days’ notice of termination (with 60 days to cure) and 180 days’ notice for non-renewal of the franchise agreement and (2) that consent to the transfer of the franchise will not be unreasonably withheld.

The franchisor will protect the franchisee’s rights to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name. Minnesota considers it unfair to not protect the franchisee’s right to use the trademarks. Refer to Minnesota Statutes, Section 80C.12, Subd. 1(g).

Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.

The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rules 2860.4400J. Also, a court will determine if a bond is required.

The Limitations of Claims section must comply with Minnesota Statutes, Section 80C.17, Subd. 5, and therefore the applicable provision of the Agreement is amended to state “No action may be commenced pursuant to Minnesota Statutes, Section 80C.17 more than three years after the cause of action accrues.”

NSF checks are governed by Minnesota Statute 604.113, which puts a cap of \$30 on service charges.

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 a 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.

**THESE FRANCHISES HAVE BEEN REGISTERED UNDER THE MINNESOTA FRANCHISE ACT. REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF COMMERCE OF MINNESOTA OR A FINDING BY THE COMMISSIONER THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.**

**THE MINNESOTA FRANCHISE ACT MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WHICH IS SUBJECT TO REGISTRATION WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, AT LEAST 7 DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST 7 DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION, BY THE FRANCHISEE, WHICHEVER OCCURS FIRST, A COPY OF THIS PUBLIC OFFERING STATEMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE FRANCHISE. THIS PUBLIC OFFERING STATEMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR AN UNDERSTANDING OF ALL RIGHTS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.**

**3. Effective Date.** This Rider is effective as of the Effective Date.

Agreed to by:

FRANCHISOR:

FRANCHISEE:

TUMBLE FRESH FRANCHISING, LLC

\_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

## NORTH DAKOTA RIDER TO FRANCHISE AND MULTI-UNIT DEVELOPMENT AGREEMENT

This Rider amends the Franchise and Multi-Unit Development Agreement dated \_\_\_\_\_ (the “Agreement”), between Tumble Fresh Franchising, LLC, a Minnesota limited liability company (“Tumble Fresh Franchising”) and \_\_\_\_\_, a \_\_\_\_\_ (“Franchisee”).

**1. Definitions.** Capitalized terms used but not defined in this Rider have the meanings given in the Agreement.

**2. Amendments.** The Agreement (and any Guaranty Agreement) is amended to comply with the following:

- (1) Restrictive Covenants: Every contract by which Franchisee, any Guarantor, or any other person is restrained from exercising a lawful profession, trade, or business of any kind is subject to NDCC Section 9-08-06.
- (2) Situs of Arbitration Proceedings: Franchisee and any Guarantor are not required to agree to the arbitration of disputes at a location that is remote from the site of Franchisee’s business.
- (3) Restrictions on Forum: Franchisee and any Guarantor are not required to consent to the jurisdiction of courts outside of North Dakota.
- (4) Liquidated Damages and Termination Penalties: Franchisee is not required to consent to liquidated damages or termination penalties.
- (5) Applicable Laws: The Agreement (and any Guaranty Agreement) is governed by the laws of the State of North Dakota.
- (6) Waiver of Trial by Jury: Franchisee and any Guarantor do not waive a trial by jury.
- (7) Waiver of Exemplary and Punitive Damages: The parties do not waive exemplary and punitive damages.
- (8) General Release: Franchisee and any Guarantor are not required to sign a general release upon renewal of the Agreement.
- (9) Limitation of Claims: Franchisee is not required to consent to a limitation of claims. The statute of limitations under North Dakota law applies.
- (10) Enforcement of Agreement: The prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney’s fees.
- (11) Fee Deferral: All Franchise Fees are deferred until all initial obligations owed to franchisee under the franchise agreement or other documents have been fulfilled by the franchisor and the franchisee has commenced doing business pursuant to the franchise agreement.

(12) 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 a 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.

**3. Effective Date.** This Rider is effective as of the Effective Date.

Agreed to by:

FRANCHISOR:

FRANCHISEE:

TUMBLE FRESH FRANCHISING, LLC

\_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**EXHIBIT K**

**ELECTRONIC TRANSFER OF FUNDS AUTHORIZATION**

The undersigned (“Franchisee”) acknowledges that on or about \_\_\_\_\_, 202\_\_, Franchisee and Tumble Fresh Franchising, LLC (“Franchisor”) entered into a Franchise Agreement (the “Agreement”) for the operation of a Tumble Fresh Coin Laundry franchise.

To enable the Franchisor to receive automatic payments pursuant to the Agreement, Franchisee authorizes (this “Authorization”) Franchisor to withdraw funds from and otherwise initiate debit entries to Franchisee’s bank account, indicated below, and the depository named below (the “Depository”), to debit the same to such account.

Depository Name: \_\_\_\_\_  
 Branch: \_\_\_\_\_  
 City State and Zip: \_\_\_\_\_  
 \_\_\_\_\_  
 Transit/ABA#: \_\_\_\_\_  
 Bank Account Name: \_\_\_\_\_  
 Bank Account Number: \_\_\_\_\_  
 Tax ID for Account: \_\_\_\_\_

This Authorization is to remain in full force and effect until the underlying obligations of the Agreement have been satisfied in full or expressly released in writing by Franchisor. Franchisee expressly agrees that this Authorization will apply to any and all depositories and bank accounts that Franchisee opens during the term of the Agreement and any renewal terms. Without limiting the above, Franchisee acknowledges and agrees that if Franchisee closes any bank account, Franchisee will:

- 1) immediately notify Franchisor in writing;
- 2) open or otherwise establish another bank account;
- 3) execute and deliver to Franchisor all documents necessary for Franchisor to begin and continue making withdrawals from such bank account/depository by ACH debiting or other electronic means.

Franchisee expressly acknowledges and agrees that this Authorization will be the only written authorization needed from Franchisee in order to initiate debit entries/ACH debit originations to Franchisee’s bank account(s) established with any depository in the future.

Name of Franchisee(s): \_\_\_\_\_  
\_\_\_\_\_

Signature: Sample - Not for Execution  
 Print Name: \_\_\_\_\_  
 Title: \_\_\_\_\_  
 Date: \_\_\_\_\_

## STATE EFFECTIVE DATES

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

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

<b>State</b>	<b>Effective Date</b>
Minnesota	[Pending]
North Dakota	[Pending]
South Dakota	[Pending]
Wisconsin	March 26, 2026

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

**RECEIPT**

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

If Tumble Fresh Franchising, 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.

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

The franchisor is Tumble Fresh Franchising, LLC, 7616 Currell Boulevard, Suite 100, Woodbury, MN, 55125. Its telephone number is 651-731-0515.

The name, principal business address, and telephone number of each franchise seller offering the franchise is:

Name	Address	Phone
<input type="checkbox"/> Stephen Linn	7616 Currell Boulevard, Suite 100, Woodbury, MN 55125-2295	651-731-0515
<input type="checkbox"/> William Wallace	7616 Currell Boulevard, Suite 100, Woodbury, MN 55125-2295	651-731-0515
<input type="checkbox"/> Amanda Knuuttila	7616 Currell Boulevard, Suite 100, Woodbury, MN 55125-2295	651-731-0515
<input type="checkbox"/> Krista Phillips	7616 Currell Boulevard, Suite 100, Woodbury, MN 55125-2295	651-731-0515
<input type="checkbox"/> Blake Martin	7616 Currell Boulevard, Suite 100, Woodbury, MN 55125-2295	651-731-0515

**Issuance Date:** March 26, 2026

I received a disclosure document with an issuance date of March 26, 2026, that included the following Exhibits:

- A. State Administrators and Agents for Service of Process
- B. Franchise Agreement (with Guaranty and Non-Compete Agreement, and Pet Fresh Amendment)
- C. Multi-Unit Development Agreement
- D. Rider to Lease Agreement
- E. Form of General Release
- F. Financial Statements
- G. Brand Standards Manuals Table of Contents
- H. Current and Former Franchisees
- I. State Addenda to Disclosure Document
- J. State Addenda to Agreements
- K. Electronic Transfer of Funds Authorization

Please indicate the date on which you received this Disclosure Document, and then sign and print your name below, indicate the date you sign this receipt, and promptly return one completed copy of the Receipt to Tumble Fresh Franchising, LLC, 7616 Currell Boulevard, Suite 100, Woodbury, MN 55125-2295. This copy of the Receipt is for your records.

Signature: \_\_\_\_\_ Date Disclosure Document Received: \_\_\_\_\_

Print Name: \_\_\_\_\_ Date Receipt Signed: \_\_\_\_\_

**Keep This Copy For Your Records**

## 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 Tumble Fresh Franchising, 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.

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

The franchisor is Tumble Fresh Franchising, LLC, 7616 Currell Boulevard, Suite 100, Woodbury, MN, 55125. Its telephone number is 651-731-0515.

The name, principal business address, and telephone number of each franchise seller offering the franchise is:

Name	Address	Phone
<input type="checkbox"/> Stephen Linn	7616 Currell Boulevard, Suite 100, Woodbury, MN 55125-2295	651-731-0515
<input type="checkbox"/> William Wallace	7616 Currell Boulevard, Suite 100, Woodbury, MN 55125-2295	651-731-0515
<input type="checkbox"/> Amanda Knuuttila	7616 Currell Boulevard, Suite 100, Woodbury, MN 55125-2295	651-731-0515
<input type="checkbox"/> Krista Phillips	7616 Currell Boulevard, Suite 100, Woodbury, MN 55125-2295	651-731-0515
<input type="checkbox"/> Blake Martin	7616 Currell Boulevard, Suite 100, Woodbury, MN 55125-2295	651-731-0515

**Issuance Date:** March 26, 2026

I have received a disclosure document with an issuance date of March 26, 2026, that included the following Exhibits:

- A. State Administrators and Agents for Service of Process
- B. Franchise Agreement (with Guaranty and Non-Compete Agreement, and Pet Fresh Amendment)
- C. Multi-Unit Development Agreement
- D. Rider to Lease Agreement
- E. Form of General Release
- F. Financial Statements
- G. Brand Standards Manuals Table of Contents
- H. Current and Former Franchisees
- I. State Addenda to Disclosure Document
- J. State Addenda to Agreements
- K. Electronic Transfer of Funds Authorization

Please indicate the date on which you received this Disclosure Document, and then sign and print your name below, indicate the date you sign this receipt, and promptly return one completed copy of the Receipt to Tumble Fresh Franchising, LLC, 7616 Currell Boulevard, Suite 100, Woodbury, MN 55125-2295. This copy of the Receipt is for our records.

Signature: \_\_\_\_\_ Date Disclosure Document Received: \_\_\_\_\_

Print Name: \_\_\_\_\_ Date Receipt Signed: \_\_\_\_\_

**Return This Copy To Tumble Fresh Franchising, LLC**

4926-4125-0182, v. 9