

FRANCHISE DISCLOSURE DOCUMENT

CMY FRANCHISING, LLC
a Delaware limited liability company
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The franchise described in this Disclosure Document is for a yard greeting business utilizing the “Card My Yard” concept and our business operating system to provide yard greeting services and related products.

The total investment necessary to begin operation of a Card My Yard franchise ranges from \$10,350 to \$18,550. This includes \$8,500 that must be paid to us or our affiliates.

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

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Joshua Arnold at 761 W. 1200 N., Suite 300, Springville, Utah 84663 or (512) 943-2693.

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 for additional information. Call your state agency or visit your public library for other sources of information on franchising.

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

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

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 D.

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

Special Risks to Consider About *This Franchise*

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

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

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

NOTICE REQUIRED BY
THE STATE OF MICHIGAN

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

1. A prohibition on the right of a franchisee to join an association of franchisees.
2. A requirement that a franchisee assent to a release, assignment, novation, waiver or estoppel which deprives a franchisee of rights and protections provided in this Act. This will not preclude a franchisee, after entering into a franchise agreement, from settling any claims.
3. A provision that permits a Franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause will include the failure of the franchisee to comply with any lawful provision of the Franchise Agreement and to cure this failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure this failure.
4. 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 franchised 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 of 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 license.
5. 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.
6. A provision requiring that mediation or litigation be conducted outside this state. This will not preclude the franchisee from entering into an agreement, at the time of mediation, to conduct mediation at a location outside this state.
7. 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 will include, but is not limited to:
 - a. The failure of the proposed transferee to meet the Franchisor's then current reasonable qualifications or standards.

- b. The fact that the proposed transferee is a competitor of the Franchisor.
 - c. The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.
 - d. 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.
8. 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 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 the 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).
9. 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 service.

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 THE OFFICE OF THE ATTORNEY GENERAL, CONSUMER PROTECTION DIVISION, ATTN: FRANCHISE DEPARTMENT, 670 WILLIAMS BLDG., LANSING, MICHIGAN 48913, (517) 373-7117.

THE MICHIGAN NOTICE APPLIES ONLY TO FRANCHISEES WHO ARE RESIDENTS OF MICHIGAN OR LOCATE THEIR FRANCHISES IN MICHIGAN.

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EXHIBITS

- A. Franchise Agreement**
- B. State Specific Addenda**
- C. Table of Contents of Confidential Operations Manual**
- D. List of State Administrators and Agents for Service of Process**
- E. Financial Statements**
- F. General Release**
- G. List of Current Franchisees**
- H. List of Former Franchisees**
- I. Receipts**

ITEM 1. THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS AND AFFILIATES

The franchisor is CMY Franchising, LLC, referred to in this Disclosure Document as “we,” “us” or “our.” We refer to the person interested in buying a franchise as “you” or “your”. If you are a corporation, partnership, limited liability company, or other entity, certain provisions of the Franchise Agreement will apply to your owners. These will be addressed in this Disclosure Document where appropriate.

The Franchisor and any Parents, Predecessors and Affiliates

We are a limited liability company formed under the laws of the State of Delaware on September 3, 2020. Our principal business address is 761 W. 1200 N., Suite 300, Springville, Utah 84663. We do business under our legal name and the name “Card My Yard”. Our registered agents for service of process are listed in Exhibit D to this Disclosure Document. We do not engage in any other business activities besides offering and supporting franchises for Card My Yard businesses, and we have never offered franchises in any other lines of business.

We are a wholly owned subsidiary of our parent company, CMY Holdco, LLC, a Delaware limited liability company (our “Parent”), which has its principal business address at 2601 Olive Street, Suite 1400, Dallas, Texas 75201. On October 1, 2020, our Parent acquired all or substantially all of the assets, including all franchise agreements, trademarks, service marks and other intellectual property that comprise the Card My Yard franchise system and the Card My Yard brand, from our predecessor entity, Card My Yard Franchising, LLC, a Texas limited liability company, and Card My Yard, LLC, a Texas limited liability company (collectively, our “Predecessor”), which maintained their principal business address at 3917 Double Dome Road, Austin, Texas 78734. In conjunction with the purchase and sale of our Predecessor’s assets, we were established and granted the right to offer and sell franchises for Card My Yard businesses. Our Parent, Predecessor and affiliates do not guarantee any of our obligations to you and do not commit to performing any of our pre-sale or post-sale obligations.

Each Card My Yard franchise location conducts business under the trade name and trademark “Card My Yard”. We do not own or operate any Card My Yard businesses, but our affiliate and Predecessor, Card My Yard, LLC, operated a Card My Yard business in Austin, Texas from September 2014 through September 2020, and our Parent began operating the “company-owned” Card My Yard business in Austin as of October 1, 2020. Effective October 1, 2020, Card My Yard, LLC changed its name to Joy Works, LLC. Joy Works, LLC does not currently operate any Card My Yard businesses, does not offer franchises of any kind, and does not conduct other business activities.

We began offering franchises for Card My Yard businesses in October 2020, and our Predecessor offered Card My Yard franchises from June 2017 to September 2020 under its own disclosure document. Our Predecessor has not engaged in any other business activities besides offering and supporting franchises for Card My Yard businesses, and it has never offered franchises in any other lines of business.

In March 2024, we had a change of ownership and our Parent was acquired by FS PEP Holdco, LLC. This created additional affiliations through other companies under the same ownership of FS PEP Holdco, LLC. As a result of this transaction, we are under common control with the entities named below. BBC Holdings, LLC has offered premium boutique fitness franchises offering high-intensity interval training workouts since 1998, from its principal address of 2214 NW 1st Pl, Miami, Florida 33127. As of December 31,

2025, it had 28 franchised locations.

Five Star Bath, L.L.C. has offered bathroom renovation franchises since 2015, from its principal business address of 761 W. Spring Creek Pl., Springville, Utah 84663. As of December 31, 2025, it had 348 franchises in operation.

Gotcha Covered Franchising, LLC has offered window covering and treatment franchises since 2009, from its principal business address of 6251 Greenwood Plaza Blvd Suite 170, Greenwood Village, CO 80111. As of December 31, 2025, it had 163 franchises in operation.

Ringside Development Company has offered hazardous material cleaning service franchises since 2010, from its principal business address of 761 W. Spring Creek Pl., Springville, Utah 84663. As of December 31, 2025, it had 127 franchises in operation.

1-800-Packouts Franchise LLC has offered contents restoration service franchises since 2015, from its principal business address of 761 W. Spring Creek Pl., Springville, Utah 84663. As of December 31, 2025, it had 57 franchises in operation.

Mosquito Shield Franchise, LLC has offered mosquito treatment service franchises since 2013, from its principal business address of 500 E. Washington St. #24, North Attleboro, Massachusetts 02760. As of December 31, 2025, it had 407 franchises in operation.

Five Star Connect, Inc. has been in the business of delivering support services to franchise systems since 2015, including to us and some of our affiliates; these services include call center, software, and marketing services. The principal business address of Five Star Connect, Inc. is 761 W. Spring Creek Pl., Springville, Utah 84663.

SB Oil Change Franchising, LLC has offered Strickland Brothers 10 Minute Oil Change franchises since 2019, from its principal business address of 301 North Main Street, Suite 1600, Winston Salem, North Carolina 27101. As of December 31, 2025, it had 57 franchises in operation.

CMY Franchising, LLC has offered yard greeting franchises since 2017, from its principal business address of 3917 Double Dome Road, Austin, Texas 78734. As of December 31, 2025, it had 507 franchises in operation.

D1 Sports Franchise LLC, has offered athletic performance training facility franchises since 2015, from its principal address of 7115 S. Springs Drive, Franklin, Tennessee 37067. As of December 31, 2025, it had 157 franchises in operation.

Stretch Zone Franchising LLC has offered Stretch Zone franchises since 2016, from its principal business address of 6700 North Andrews Avenue, # 210, Fort Lauderdale, Florida 33309. As of December 31, 2025, it had 414 franchises in operation.

Pirtek USA LLC has offered hydraulic and industrial hose replacement franchises since 1997, from its principal business address of 300 Gus Hipp Boulevard, Rockledge, Florida 32955. As of December 31, 2025, it had 194 franchises in operation.

Ellie Fam LLC has offered outpatient counseling and therapy clinic franchises since 2021, from its principal business address of 1345 Mendota Heights Road, Suite 800, Mendota Heights, Minnesota 55120. As of December 31, 2025, it had 227 franchises in operation.

KidStrong Franchising LLC has offered "whole child" development program franchises focused on physical fitness, leadership, and confidence building since 2019, from its principal business address of 3801 Parkwood Boulevard, Suite 301, Frisco, Texas 75034. As of December 31, 2025, it had 165 franchises in operation.

Amped Fitness 1, LLC has operated high-value, low-price fitness clubs since 2016, from its principal business address of 2001 N Federal HWY Unit 309 Pompano Beach, Florida 33062. As of December 31, 2025, it had 0 franchises in operation.

Five Star Flooring Franchise, LLC has offered flooring replacement, installation, and repair service franchises beginning in 2026, from its principal business address of 761 W. Spring Creek Pl. #300, Springville, Utah 84663. As of December 31, 2025, it had 0 franchises in operation.

Decorate With Lights Corp. has offered holiday and permanent lighting and decorative service franchises beginning in 2021, from its principal business address of 761 W. Spring Creek Pl. #300, Springville, Utah 84663. As of December 31, 2025, it had 15 franchises in operation.

Except as described above, we have no predecessors or parent entities, and none of our affiliates provide products or services to our franchisees or offer franchises in any line of business.

Card My Yard Franchise

We sell franchises to qualified applicants for the establishment and operation of yard greeting businesses utilizing the “Card My Yard” concept and our business operating system to provide yard greeting services and related products (each a “Card My Yard business”). Card My Yard businesses offer services for the set-up and display of festive yard signs and customized messages designed for temporary display in front of customers’ homes and businesses to commemorate and celebrate events and occasions of all kinds. The Franchise Agreement (Exhibit A to this Disclosure Document) gives you the right to establish and operate one Card My Yard business at a specified location within a Protected Area. (See Item 12)

Card My Yard businesses operate in compliance with the “Card My Yard” concept and our business operating system to provide yard greeting services and related products (hereinafter referred to as the “Card My Yard Concept”). The Card My Yard Concept uses our business operating system (the “Business System”) and uses

the mark “Card My Yard” and the other trade names, service marks, trademarks, logos, emblems and other indicia of origin that we designate in writing for use by Card My Yard businesses operating under the System (collectively, the “Marks”).

The Business System includes our methods and procedures for the establishment, management and operation of Card My Yard businesses, including our confidential information, our manuals, and other business standards, specifications and policies. The distinguishing characteristics of the Business System include distinctive signage designs and color schemes; unique services and techniques; uniform standards, specifications, policies and procedures for operations; quality and uniformity of the products and services offered; procedures for inventory, management and financial control; training and assistance; and advertising and promotional programs, all of which we may change, improve, further develop or otherwise modify from time to time.

The Franchise Agreement requires you to designate a “Principal Owner.” Your Principal Owner is the main individual responsible for your business. Your Principal Owner must meet our qualifications and must be approved by us. Your current and future owners, including your Principal Owner, must sign a Guaranty and Assumption Agreement (“Guaranty”), guaranteeing your performance and binding themselves individually to certain provisions of the Franchise Agreement, including the covenants against competition and disclosure of confidential information, restrictions on transfer and dispute resolution procedures.

Under our franchise agreement, we will grant you the right (and you will accept the obligation) to operate one Card My Yard business providing yard greeting services and related products. We may periodically make changes to the systems, service menu, standards, facility, signage, equipment and fixture requirements for your franchised business. All Card My Yard businesses must be developed and operated in accordance with our specifications, standards, policies and procedures, which will be communicated to you via our confidential Operations Manual or otherwise in writing. Card My Yard businesses are typically operated from a home office and require a garage or other dry storage space that includes at least 18 feet of wall space with walls at least 8 feet tall.

General Market and Competition

Card My Yard businesses cater to all homeowners/renters and businesses that have yards. The market for yard greeting services is still developing and competition is growing. Businesses offering yard greeting services generally compete on the basis of factors such as price, quality and variety of services and products, and customer service. You must expect to compete with other businesses specializing in yard greeting services that may already exist in your area. Yard greeting services are a luxury lifestyle purchase and may be affected by other factors, such as changes in consumer taste, economic conditions, population, and travel patterns.

Industry-Specific Regulations

You must comply with all local, state, and federal laws that apply to your operations, including health, sanitation, smoking, EEOC, OSHA, discrimination, employment, and sexual harassment laws. The Americans with Disabilities Act of 1990 (“ADA”) requires readily accessible accommodations for disabled people. You must also obtain any applicable real estate permits, licenses, and operational licenses for your business.

You are solely responsible for investigating, and complying with, the license/permit requirements and other

laws in your state.

You must comply with all payment card infrastructure (“PCI”) industry and government security standards and requirements designed to protect cardholder data. PCI standards apply to both technical and operational aspects of credit card and other payment card transactions and apply to all organizations which store, process or transmit cardholder data.

We recommend that you consult with legal counsel or other professional advisors to help you investigate and understand these laws before you purchase a franchise. It is your sole responsibility to thoroughly investigate which regulations and/or licensing requirements are imposed by your state and local government authorities.

ITEM 2: BUSINESS EXPERIENCE

Chief Executive Officer and Chief Growth Officer: Joshua Arnold

Joshua Arnold has served as our Chief Executive Officer since July 2023 and as our Chief Growth Officer since October 2022, and prior to that he served as our Chief Strategy Officer from our inception in September 2020 through October 2022. Mr. Arnold served as a Managing Member of our predecessor entity, Card My Yard Franchising, LLC, from May 2017 to September 2020, and he served as a Managing Member of Card My Yard, LLC, from October 2014 to September 2020. From June 2017 to January 2020, Mr. Arnold served as the Enterprise Account Executive at Oseberg based in Oklahoma City, Oklahoma. From June 2010 to June 2017, Mr. Arnold served as Global Sales Director at ADAO Global, LLC, located in Austin, Texas.

Co-Founder and Chief Brand Officer: Amy Arnold

Amy Arnold is a co-founder of the Card My Yard concept and has served as our Chief Brand Officer since our inception in September 2020. From May 2017 to September 2020, Ms. Arnold served as a Managing Member of our predecessor entity, Card My Yard Franchising, LLC. She also served as a Managing Member of Card My Yard, LLC from October 2014 to September 2020.

Senior Vice President of Franchise Development - Colt Florence

Colt Florence is our Senior Vice President of Franchise Development, working from our Springville, Utah office, and has held such role since July 2024. He was previously Vice President of Franchise Development for Authority Brands, working from the greater Salt Lake City, Utah area, from April 2021 through July 2024, and previously was Franchise Development Manager for Authority Brands from June 2020 through April 2021. He had a prior role as Vice President of Sales/Development with Better Way Franchise Group, in the greater Salt Lake City, Utah area, from June 2018 through June 2020.

ITEM 3: LITIGATION

No litigation is required to be disclosed in this Item.

ITEM 4: BANKRUPTCY

No bankruptcy is required to be disclosed in this Item.

ITEM 5: INITIAL FEES

Initial Franchise Fee

Upon signing the Franchise Agreement, you must pay us an Initial Franchise Fee in the amount of Eight Thousand Five hundred Dollars (\$8,500). This amount is payable in one lump sum payment, is considered fully earned and nonrefundable upon receipt, and is imposed uniformly on all franchisees.

Pre-Opening Termination Fees

If you execute a Franchise Agreement with us and encounter an unforeseen health or personal issue prior to beginning operations that prevents you from undertaking the operation of your Card My Yard business, we may, at our option, permit you to terminate your Franchise Agreement by mutual written agreement in a form acceptable to us, which will, among other things, include your payment of a termination fee equal to \$1,000, plus any out-of-pocket expenses incurred by us.

If you fail to successfully complete our initial training program to our satisfaction within 60 days after signing your franchise agreement, then we may, at our option, terminate your franchise agreement and retain 50% of your initial franchise fee. The other 50% of your initial franchise fee will be returned to you.

ITEM 6: OTHER FEES

Fees ⁽¹⁾	Amount	Due Date	Remarks
Royalty Fee	An amount equal to 25% of your Gross Sales during the first seven months following the Effective Date of your Franchise Agreement. Beginning in your eighth month after the Effective Date, an amount equal to the greater of: (a) 25% of your Gross Sales, or (b) the applicable minimum monthly amounts shown in Note 3 following this table. Renewing franchisees will be subject to the 5 th year minimum royalty requirements throughout the term of any renewal franchise agreement.	We directly collect all payments from your customers through our website, deduct royalties and all other amounts that you owe to us, deduct amounts paid for sales tax, and then distribute the remaining funds electronically to your designated bank account on a weekly basis (currently every Friday, subject to delay for bank holidays). If your royalty payments during any applicable month fall below the minimum royalty amount for that month, you must pay us the difference immediately upon our request, and we will be entitled, at our option, to deduct the difference from your designated account via ACH/EFT.	See Note 2 for the definition of Gross Sales. Our system is designed so that your customers pay all fees directly to us through our website. The website then calculates and distributes the “Net Proceeds” (defined below) of those funds to you weekly. Currently, we distribute Net Proceeds to our franchisees every Friday (subject to delay for bank holidays), but the distribution date schedule may change from time to time, at our option, upon written notice to you. The term “Net Proceeds” shall mean the total amount paid by your customers, calculated on a weekly basis, less (i) your applicable royalty fees, Marketing Fund contributions (if applicable) and other fees or amounts owed to us under this Agreement, (ii) amounts paid by your customers for sales taxes, and (iii) any other amounts you may otherwise owe to us or our affiliates. If you receive any revenues or other consideration directly from your customers, rather than as Net Proceeds we remit to you, then you must send all such revenues or other consideration directly to us within five (5) days of your receipt.

Local Marketing and Cooperatives	You must complete at least 24 promotional yard greeting services (worth a total of approximately \$2,400) during each 12-month period under your agreement, and you must also spend at least the following amounts on local advertising: (a) \$300 in the first 12 months of your agreement, (ii) \$500 in months 13 through 24 of your agreement, and (iii) \$800 in each 12-month period thereafter. No advertising cooperatives have been established as of the date of this disclosure document, but if established by us for your market, you will be required to contribute to such Cooperative.	On demand	These fees are typically paid directly to the local marketing service providers, but if you fail to spend the required minimum amount on local marketing (or fail to complete the minimum number of promotional yard greetings services) then we may require you to pay the corresponding amounts to us so that we may purchase local marketing services for your Protected Area. Expenses considered to be local marketing include, but are not limited to, promotional yard set-ups, local coupons, Internet/social media ads, sponsorships, and/or PTA/PTO events. We may increase the minimum local advertising requirements upon 30 days' written notice to you. In addition to local spending requirements, you must post at least 5 promotional messages on both Facebook and Instagram each week. We have not done so yet, but we have the right to designate any geographic area in which two or more company-owned or franchised Card My Yard businesses are located as a region for purposes of establishing an advertising cooperative ("Cooperative"). Any Cooperative may be terminated by us, in our sole discretion, upon written notice to you. If we establish a Cooperative that includes your Card My Yard business, you will be required to contribute an amount set forth in the Cooperative's governing documents. Amounts you contribute to a Cooperative will not be applied to satisfy any portion of your individual local advertising requirements. If we have company-owned Card My Yard
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			businesses that are located in your Cooperative territory, such company-owned Card My Yard businesses will NOT have voting power to increase your required Cooperative contributions. All or a portion of your contributions to a Cooperative may be used to establish and/or maintain a website(s) focused on promoting the Card My Yard Concept in and around your market area.
Marketing Fund	Currently \$100/month. An amount equal to the greater of: (a) one-half of one percent (0.5%) of the Card My Yard business' monthly Gross Sales or (b) \$50 per month in the first 12 months of your agreement and \$100 per month in each 12-month period thereafter.	If implemented, we will withhold these funds in the same manner as the royalty payments described above in this Item 6.	See Note 2 for the definition of Gross Sales. The Marketing Fund contribution is in addition to the local advertising requirement. We may increase the required contribution amount on not less than 30 days' written notice to you (up to a maximum of 2% of Gross Sales, subject to the monthly minimum payments). We may, in our sole discretion, change the frequency of the Marketing Fund Contributions (e.g. change to monthly payments) upon written notice to you.
Interest and Late Fees	Interest of 18% per annum or the maximum rate allowed by applicable law, or, at our option, \$100 for each failure to timely pay an amount owed under the Franchise Agreement	On demand	We may charge interest or a late fee for any delinquent amounts due under the Franchise Agreement.
Additional Training at our offices	At our option, a per diem rate of \$150 a day for each trainer.	Before additional training	See Item 11. In addition to our fees, you must also pay all of the costs and expenses of your personnel attending training

On-site Remedial Training	The then-current per diem fee for remedial training, plus all of our costs and expenses related to providing such training. Our current per diem rate is \$200 per trainer.	When billed.	If you ask or if we believe it is appropriate, we will (subject to our trainers' availability) provide trained representatives to conduct on-site remedial training at your Card My Yard business.
Zip Code Change Fee	\$1,000 each time you change a zip code(s) in your Protected Area.	Prior to our preparation of the applicable zip code change addendum.	We have the right, in our sole discretion, to approve or disapprove your request to change any zip code(s) in your Protected Area. If we approve your request, you must pay us the zip code change fee prior to our preparation of a zip code change addendum.
Transfer Fee	An amount equal to the greater of: (a) \$3,000, or (b) 5% of the applicable sale/transfer price (whether for cash or other consideration).	With transfer application.	You must pay us a transfer fee upon any transfer, provided that if you are an individual transferring all of your rights and obligations to an entity wholly owned by you in accordance with Section XV.C. of the franchise agreement, then your transfer fee will be limited to an amount equal to our out-of-pocket costs and expenses (including legal and accounting fees and costs) related to such transfer. The transfer fee requirement is triggered by a transfer of any direct or indirect interest in you (i.e. the franchisee entity), the Franchise Agreement (including transfer of any zip codes or other partial territorial rights under the Franchise Agreement) or the assets of the franchised business.
Renewal Fee	\$3,000	Upon renewal of the Franchise Agreement	In order to renew your franchise agreement you must, among other things, pay us the renewal fee in a lump sum payment.
Indemnification	Varies according to loss	On demand	You must indemnify us when certain of your actions result in loss to us.

Liquidated Damages (Termination)	An amount equal to the greater of: (a) \$6,600 or (b) the total royalties paid by you during the previous 12 months multiplied by two. If your Card My Yard business has not been open for at least 12 months, then your liquidated damages amount will be \$6,600.	Upon your unauthorized closure of your Card My Yard business or any termination of the Franchise Agreement in connection with a breach by you.	This fee compensates us for your unauthorized closure of the Card My Yard business or any termination of the Franchise Agreement in connection with a breach by you.
Liquidated Damages (Non-Reporting or Underreporting)	An amount equal to \$5,000 per occurrence will be owed for each instance when we document your intentional non-reporting or under-reporting of revenues that you realize and receive from your Card My Yard business.	On demand	This fee compensates us for the time, expense, legal fees, and related costs associated with non-reporting, under-reporting and intentional withholding of royalty and related obligations associated with revenue in the event that you intentionally omit revenues from your reporting.
Audit Fee	Cost of audit	When billed	Payable if an examination or audit shows you have understated any amount owed to us by 2% or more.
Insurance Reimbursement	An amount equal to our actual expenses for the required coverages	On demand	If you fail to maintain the required insurance, we may (but need not) obtain it for you. If we do, we will charge you a fee equal to our actual expenses for obtaining and maintaining the required coverages.
Enforcement Costs	Will vary	As incurred	You must pay our costs of enforcement (including attorney's fees and costs) if you do not comply with the Franchise Agreement.

Supplier Review Reimbursement	Will vary	On demand	You must reimburse us for the costs that we incur in the supplier approval process if you ask us to consider approving a new supplier. The costs for testing/inspection of a product will vary based on the testing required for the particular product, and we will provide an estimate of the costs to you before testing a product or inspecting any facilities.
Cardference Fees	\$250 per franchise owner	On Demand	We may, at our option, host mandatory annual franchisee conferences (aka “Cardferences”) from time to time, and you must pay a Cardference Fee and attend each Cardference. This fee may be debited from your account via ACH/EFT if you fail to timely register and pay for any scheduled Cardference.

Additional Items and Equipment for New Products	Between \$500 and \$1,000 per year.	On Demand	If we require you to begin offering any new products or services, we will provide you with 90 days' notice of such requirements and identify the items or equipment that you must purchase in order to offer such new products or services. If you fail to purchase the items or equipment required to offer the new products or services within a reasonable time after notification (in no event longer than 90 days), we may, at our option, purchase such items or equipment on your behalf and ship them to you while deducting the costs of the items and shipping from your designated account via ACH/EFT withdrawal. You are also required to spend at least \$500 per year in the boutique for sign purchases.
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Notes:

(1) All fees and expenses described above are non-refundable and, unless otherwise indicated, are imposed uniformly by, and are payable to, us. Unless we have noted differently, we may increase these amounts based on changes in market conditions, our cost of providing services and future policy changes, but we have no present plans to increase any fees.

(2) "Gross Sales" is the total selling price of all services and products and all income of every other kind and nature related to your Card My Yard business, whether for cash or credit and regardless of collection in the case of credit. "Gross Sales" includes all proceeds from the sale of coupons and gift cards/certificates. However, when those coupons or gift cards/certificates are redeemed, you are not required to count the retail value of the services provided upon redemption in determining Gross Sales for royalty purposes or for other fees calculated in respect of Gross Sales, except that if you fail to record and report sales proceeds for royalty purposes when a coupon or gift card/certificate is sold, or if coupons or gift cards/certificates are distributed free of charge without our written consent, then you will be required to pay us royalties based on the retail value of the services provided in exchange for the coupon or gift card/certificate. "Gross Sales" does not include (i) sales taxes collected from customers of the Card My Yard business; (ii) tips or gratuities paid directly to your employees by customers of the Card My Yard business or paid to you and turned over by you to your employees in lieu of direct tips or gratuities (so long as such tips or gratuities have been clearly marked as such); (iii) rush fees paid to the Card My Yard business; (iv) delivery fees paid to the Card My Yard business; (v) returns to shippers or manufacturers; and (vi) proceeds from isolated sales of trade fixtures not constituting any part of the products and services offered for sale at the Card My Yard business or having any material effect upon the ongoing operation of the Card My Yard business.

(3) The minimum monthly royalty amounts, broken down on a month-to-month basis, shall be as set forth

in the following tables:

Year 1 - Seasonally Adjusted Monthly Minimum Royalties by Month (Applicable only to your first year under this agreement)													
Opening Date Month	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	Total
Jan is Month 1	\$0	\$0	\$0	\$0	\$0	\$0	\$102	\$133	\$114	\$118	\$92	\$67	\$625
Feb is Month 1	\$90	\$0	\$0	\$0	\$0	\$0	\$0	\$136	\$116	\$120	\$94	\$68	\$625
Mar is Month 1	\$98	\$94	\$0	\$0	\$0	\$0	\$0	\$0	\$126	\$131	\$102	\$74	\$625
Apr is Month 1	\$98	\$94	\$125	\$0	\$0	\$0	\$0	\$0	\$0	\$131	\$102	\$74	\$625
May is Month 1	\$91	\$87	\$115	\$170	\$0	\$0	\$0	\$0	\$0	\$0	\$94	\$68	\$625
Jun is Month 1	\$79	\$76	\$101	\$149	\$161	\$0	\$0	\$0	\$0	\$0	\$0	\$60	\$625
Jul is Month 1	\$75	\$72	\$96	\$141	\$153	\$89	\$0	\$0	\$0	\$0	\$0	\$0	\$625
Aug is Month 1	\$0	\$71	\$94	\$138	\$150	\$87	\$85	\$0	\$0	\$0	\$0	\$0	\$625
Sep is Month 1	\$0	\$0	\$88	\$130	\$141	\$82	\$80	\$105	\$0	\$0	\$0	\$0	\$625
Oct is Month 1	\$0	\$0	\$0	\$130	\$140	\$82	\$80	\$104	\$89	\$0	\$0	\$0	\$625
Nov is Month 1	\$0	\$0	\$0	\$0	\$149	\$87	\$85	\$111	\$95	\$98	\$0	\$0	\$625
Dec is Month 1	\$0	\$0	\$0	\$0	\$0	\$98	\$96	\$126	\$107	\$111	\$87	\$0	\$625
Franchisor charges no minimum royalties for the first seven months of the franchise agreement. This table shows a seasonally adjusted royalty minimum by month for the first year of a franchise agreement. For example, if a new franchisee signs a franchise agreement in July, the franchisee's "Opening Date" will be approximately 30 days later (in August). Therefore, August is Month 1, and July is Month 12 for such franchisee.													

Years 2 through 5 - Seasonally adjusted by year and month													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Year 2	\$162	\$155	\$207	\$304	\$330	\$192	\$187	\$245	\$209	\$217	\$169	\$123	\$2,500
Year 3	\$243	\$233	\$310	\$456	\$494	\$288	\$281	\$368	\$314	\$325	\$254	\$184	\$3,750
Year 4	\$243	\$233	\$310	\$456	\$494	\$288	\$281	\$368	\$314	\$325	\$254	\$184	\$3,750
Year 5	\$243	\$233	\$310	\$456	\$494	\$288	\$281	\$368	\$314	\$325	\$254	\$184	\$3,750

NOTE: Renewing franchisees will be subject to the 5th year minimum royalty requirements throughout the term of any renewal franchise agreement.

NOTE: All Transferees acquiring an existing Card My Yard business from a franchisee must sign our then-current Franchise Agreement within thirty days of approval of the transfer by us, and payment of applicable transfer. If you seek to transfer or resell your business, failure to follow this process will incur the then-current termination fees and result in termination of your franchise.

ITEM 7: ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

TYPE OF EXPENDITURE	AMOUNT (LOW)	AMOUNT (HIGH)	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
Initial Franchise Fee ¹	\$8,500	\$8,500	Lump sum	When you sign Franchise Agreement	Us
Lease Expenses (three months) ²	\$0	\$500	As stated in lease	As incurred	Landlord
Furniture and Fixtures ^{3 and 7}	\$150	\$500	As arranged	As incurred	Third party-suppliers
POS/Computer Hardware and Software ⁴	\$0	\$1,500	As arranged	As incurred	Approved Suppliers
Initial Training Costs (per person) ⁵	\$0	\$1,000	As Arranged	Before opening	Costs of travel, lodging and meals

Utility/Security Deposits ⁶	\$0	\$300	As arranged	As incurred	Third-Party suppliers
Grand Opening Marketing ⁸	\$250	\$500	Lump sum	When you sign Franchise Agreement	Advertisers, promotional

					yards and other vendors
Business Permits/Licenses ⁹ (first year)	\$0	\$500	As required by government authorities	As required by government authorities	Applicable government Authorities
Office Equipment/Supplies ¹⁰	\$0	\$500	As arranged	As incurred	Approved Suppliers
Insurance Deposits and Premiums (first six months)	\$700	\$1,500	As required by insurance carrier	Before opening	Insurance carriers
Professional fees ¹¹	\$0	\$1,500	As arranged	As arranged	Attorneys, accountants or other professionals
Additional Funds ¹² (three months)	\$500	\$1,500	As arranged	As arranged	Third parties
Cardference Fee	\$250	\$250	As arranged	As arranged	Us
TOTAL	\$10,350	\$18,550			

Notes:

Note 1. These estimates are based on our affiliate's experience in establishing a Card My Yard business in Texas. Card My Yard businesses are typically located in home offices, and we anticipate that the premises for all Card My Yard businesses will either be a home office or small leased warehouse space. Therefore, these estimates assume that you will operate the business from your home or a small leased space and do not include any costs for land acquisition and construction of a building. The initial franchise fee that you pay to us is used to cover our costs of onboarding you.

Note 2. The lease expense estimate is based on operating from your home (low end estimates) or the cost of leasing a small warehouse space with at least 18 feet of wall space with walls at least 8 feet high (high estimate). These estimates assume that you will not need to make any leasehold improvements. These costs are our best estimate based on costs that our affiliates have experienced with the company-owned Card My Yard business in Springville, Utah. These estimates may vary substantially based on your ability to negotiate with your landlord and your financial strength, as well as on local commercial leasing and labor rates and other local conditions.

Note 3. This estimate includes all furniture and fixtures (including letter/sign storage racks) to be used in the Card My Yard business. All of these items must meet our standards and specifications.

Note 4. This amount includes the estimated purchase costs of computer hardware (including one laptop computer) and software, if any. (See Item 11)

Note 5. We provide initial franchise training to your initial Principal Owner(s) and General Manager (if different) at no additional charge. Therefore, these amounts include only your out-of-pocket costs for the training of these people. You must pay all expenses you or your employees incur in connection with the initial training program, like travel, lodging, meals and wages, but all of our initial training programs are available via online courses so you will not incur costs for travel, lodging, meals or wages if you complete your initial training online. The low end estimate assumes that you already have Internet access and will conduct all initial training via online courses, and the high end estimate in the chart above represents the estimated cost for one individual to attend all or a portion of the initial training program in Springville, Utah.

Note 6. If you lease a space for your Card My Yard business, you may be required to pay security deposits to certain third parties, including your telephone service provider, local utility companies and various equipment vendors and suppliers. These amounts will vary for each location and will be based in part on the premises, services and equipment you select.

Note 7. We anticipate that you will operate your Card My Yard business from a home office. We do not require you to spend any amounts on architects, design plans or signage to identify your business. We provide you with your initial set of yard letters and signs at no additional cost as those supplies are covered by the initial franchise fee paid to us upon signing your franchise agreement. Card My Yard businesses are not currently required to sell any products (only services), so except for the yard signs and letters that are provided by us at no additional cost beyond the initial franchise fee, you will not need to purchase or maintain any initial inventory of products. Card My Yard businesses offer services for the set-up and display of festive yard signs and customized messages designed for temporary display in front of customers' homes and businesses to commemorate and celebrate events and occasions of all kinds. In the future we may, at our option, begin requiring franchisees to offer products as designated by us upon 30 days' written notice.

Note 8. You must carry out a grand opening promotion for your Card My Yard business in accordance with our standards, but our standards permit you to use mostly free advertising sources (e.g. social media posts, providing promotional carding services to potential customers, etc.) to conduct your grand opening advertising. In addition to spending at least \$250 on grand opening advertising, you must also complete at least 10 promotional yard greeting services as part of your grand opening promotions. The estimate in the table above assumes that you will use mostly free marketing tools in connection with your grand opening. If you elect to hire third party advertising vendors, you will pay such vendors directly, but all grand opening advertising must be agreed upon by you and us in advance, and all advertising must conform to our standards and specifications. This entire grand opening marketing amount must be spent during the period beginning 10 days before the opening of your Card My Yard business and ending 60 days after such opening date (the "Grand Opening Period").

Note 9. Franchisees operating from a home office generally are not required to obtain any business permits or licenses to begin operating a Card My Yard business, so the low end estimate for this category in the table above is \$0.

Note 10. Franchisees operating from a home office may already have the office equipment and supplies necessary to begin operating a Card My Yard business, so the low end estimate for this category in the table above is \$0.

Note 11. We strongly recommend that you retain an attorney to advise you on this franchise offering. You may also wish to retain an accountant to help you evaluate this franchise offering. If you choose to form an entity to own the franchise, you may incur additional fees. The low end estimate will only apply if you choose not to retain an attorney, accountant or other professional advisor and you elect not to form a business entity.

Note 12. You will need additional funds during the start-up phase of your business to purchase supplies and pay other expenses. For purposes of this Item 7, the start-up phase is defined as 3 months from the date you open for business. These amounts do not include any estimates for debt service or any salary or draw for you. You must also pay the royalty and other related fees described in Item 6 of this Disclosure Document. These figures are estimates, and we cannot assure you that you will not have additional expenses. Your actual costs will depend on factors like your management skills, experience and business acumen. You should base your estimated start-up expenses on the anticipated costs in your market and consider whether you will need additional cash reserves. We relied on the experience of our affiliate's company-owned Card My Yard business to compile these estimates. You should review these figures carefully with your business advisor.

We do not offer any financing for your initial franchise fee or any portion of your initial investment. Unless otherwise stated, the amounts described above are not refundable.

ITEM 8: RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

To ensure a uniform image and uniform quality of services and products at the Card My Yard businesses and in conjunction with the System, you must maintain and comply with our quality standards and specifications. You must operate your Card My Yard business in accordance with our then-current approved specifications and standards pertaining to equipment, inventory, techniques and procedures, and you must purchase certain products and services from suppliers that we approve or designate. In addition to meeting our specifications and standards, it is solely your responsibility to ensure that your Card My Yard business complies with all local, state and federal laws, building code requirements, the Occupational Safety and Health Act and the Americans with Disabilities Act (ADA).

Required Purchases

We impose sourcing/supplier requirements for certain items, including, among other things, the yard letters and signs that you must use in the operation of your Card My Yard business. We currently require you to purchase certain products only from us or other third-party designated suppliers. To the extent any of our supplier or vendor agreements call for us to invoice and collect fees on behalf of such suppliers or vendors, we may invoice for a reasonable administrative fee for such service.

We do not currently require you to purchase any products or services from our affiliates.

We are currently the only approved supplier for all yard letters and signs to be used in the operation of your Card My Yard business as well as any “Card My Yard” branded items, but we do not require you to purchase any initial inventory from us as your initial inventory items are provided at no cost beyond the initial franchise fee that you must pay to us. The products that you must purchase only from us or other designated suppliers include the following:

Designated Suppliers

We reserve the right to designate specific suppliers for the products and services used and sold in the Card My Yard businesses, and we or our affiliates are the sole source for some products or services. We reserve the right to change or add designated suppliers from time to time at our option upon written notice to you. As of the date of this Disclosure Document, we require you to purchase the following categories of items from the specific designated sources described below:

Yard Letters and Signs

We are the only approved supplier for yard letters and signs. Therefore, we require you to purchase all of your yard letters and signs from us, and you must return them to us at the end of your franchise agreement within ten (10) days. You will be required to obtain certain items from us at then-current costs, at a minimum of \$500 per year. We reserve the right to add or remove items from the list of required yard letters and signs from time to time at our discretion. We provide you with your initial set of yard letters, stakes, business cards, and door hangers at no cost to you. If you later elect to purchase additional yard letters or signs you may do so at your discretion.

Equipment Related to New Products and Services

If we require you to begin offering any new products or services, we will provide you with 90 days’ notice of such requirements and identify the items or equipment that you must purchase in order to offer such new products or services. If you fail to purchase the items or equipment required to offer the new products or services within a reasonable time after notification (in no event longer than 90 days), we may, at our option, purchase such items or equipment on your behalf and ship them to you while deducting the costs of the items and shipping (up to \$1,000 per year) from your designated account via ACH/EFT withdrawal.

Branded Items

We are the only approved supplier for “Card My Yard” branded items. Therefore, we require you to purchase all of your “Card My Yard” branded items (including, but not limited to, stationary, business cards, office supplies, clothing, hats, etc.) from us (or a third party designated by us, if applicable). We reserve the right to add or remove items from the list of required “Card My Yard” branded items from time to time in our discretion.

Payment Processing and other Software Services

You must use our payment processing services throughout the term of your Franchise Agreement. These services include collection of all fees directly from your customers and distribution of funds to you after deducting royalties and any other amounts owed to us. We reserve the right to delegate all or some of our payment processing duties to a third party or parties selected by us at our discretion from time to time. We do not charge you a fee for

these services.

Additionally, you must use software services from our approved or designated vendors as set forth in the operations manual. These will include bookkeeping software, and other software or softwares-as-a-service as we designate in such operations manual.

Yard Stakes

You must purchase all of your yard stakes from us or from our designated third-party source, Parker Davis located in Charlotte, North Carolina.

New or Additional Designated Sources

Upon reasonable notice to you, we may require you to use new or additional designated sources for the purchase of these or other products or services used in the operation of your Card My Yard business.

Approved Suppliers

If we have approved suppliers (including manufacturers, distributors and other sources) for any items, supplies, materials, fixtures, furnishings, equipment, site plans and designs, computer systems and other products used or offered for sale at the Card My Yard business, you must obtain these items from one of those approved suppliers. Approved suppliers are those who demonstrate on a continuing basis the ability to meet our then-current standards and specifications, who have adequate quality controls and the capacity to supply the needs of the Card My Yard franchise network promptly and reliably, whom we have approved in writing and whom we have not later disapproved. We have designated ourselves or our affiliates as approved or designated suppliers for certain items as described above in this Item 8.

We also have the right to make available to you for resale in the Card My Yard business merchandise identifying the Card My Yard Concept. This may include Card My Yard memorabilia, like T-shirts, cups and other promotional products. If we make this type of merchandise available, we will require you to purchase it from us, our affiliate or a supplier we designate in amounts necessary to meet your customer demand.

If we require that an item be purchased from an approved supplier and you wish to purchase it from a supplier we have not approved, you must submit to us a written request for approval. You must not purchase or lease the item from the supplier until and unless we have approved the supplier in writing. We have the right to require you to submit information, specifications and samples to us to enable us to determine whether the item complies with our standards and specifications and that the supplier meets our criteria. We also have the right to inspect the supplier's facilities, and to have samples from the supplier delivered to us or to an independent laboratory we designate for testing. We may condition our approval of a supplier on requirements relating to product quality, prices, consistency, reliability, financial compatibility, labor relations, client relations, frequency of delivery, concentration of purchases, standards of service (including prompt attention to complaints) or other criteria. We may re-inspect the facilities and products of any approved supplier and may revoke our approval upon the supplier's failure to continue to meet any of our then-current criteria. If we revoke our approval of any supplier, you must promptly discontinue use of that supplier. You must reimburse us for the costs that we incur in the supplier approval

process. The costs for testing/inspection of a product will vary based on the testing required for the particular product, and we will provide an estimate of the costs to you before testing a product or inspecting any facilities. Nothing requires us to approve any particular supplier, and we will notify you of our approval or disapproval within 60 days after receiving all requested information. Our specifications for products and criteria for supplier approval are generally issued through written communications and are available to franchisees and approved suppliers.

Purchases According to Specifications

You must comply with all of our standards and specifications relating to the purchase of all supplies, materials, fixtures, furnishings, equipment, computer systems and other products used or offered for sale at the Card My Yard business. Our standards and specifications are described in our operations manual, which is issued (in electronic format only) to each of our franchisees. From time to time we intend to update our operations manual and such updated manual will be issued to our franchisees in electronic format. Among other things, the following must comply with our specifications:

Site Selection and Construction

You must locate a site for the Card My Yard business that satisfies our site selection requirements. We anticipate that most, if not all, Card My Yard businesses will be conducted from a home office (or unimproved warehouse space), so no construction or remodeling will be necessary other than installation of hangers for your yard letters.

Advertising and Promotional Materials

You agree that any advertising, promotion and marketing you conduct will be completely clear and factual and not misleading and will conform to the highest standards of ethical marketing and the promotion policies that we prescribe periodically. Samples of all advertising, promotional and marketing materials that we have not prepared or previously approved must be submitted to us for approval at least 15 days before you use them or deliver them to a third party for use in any advertisement. If you do not receive written approval within 10 days after our receipt of such materials, we will be deemed to have disapproved such materials. You may not use any advertising or promotional materials that we have disapproved. Our approval of any advertising material may be withdrawn in our sole discretion at any time. If we notify you that certain advertising materials are no longer approved then you will be required to cease using such materials as soon as possible after receiving such notice.

Insurance

Insurance to be Maintained by Franchisee

You must obtain and maintain insurance policies protecting you and us and various related parties against any demand or claim with respect to personal injury, death or property damage, or any loss, liability or expense related to or connected with the operation of the Card My Yard business. All required insurance policies must be purchased from an insurance company with an A.M. Best rating of A or better. We have approved an insurance program offered by The Hartford Financial Services Group, Inc., but you may, at your option, choose to obtain insurance from any provider with an A.M. Best rating of A or better. In addition, each of your insurance policies must include a one-year tail following the termination, expiration or transfer of your franchise agreement, and each

policy must name us as a co-insured. At a minimum (except as additional coverages and higher policy limits may reasonably be specified by us from time to time in writing), you must carry:

(1) Comprehensive general liability insurance written on an occurrence form, including coverage for professional liability, broad form contractual liability, broad form property damage, personal injury, advertising injury, completed operations, products liability and fire damage coverage, in an amount not less than \$1,000,000 per occurrence, \$2,000,000 general aggregate, \$2,000,000 products/completed operations aggregate, and \$1,000,000 personal and advertising injury. The general liability coverage shall include a waiver of subrogation endorsement in favor of us and shall not limit or exclude contractual liability;

(2) Automobile insurance written on a combined single limit basis for bodily injury and property damage with a limit not less than \$500,000 per accident. Such insurance shall include coverage for owned, hired, and non-owned automobiles and shall include additional insured and waiver of subrogation endorsements in favor of us; If applicable, workers' compensation (Coverage A) with statutory limits complying with the laws of the applicable state, and employer's liability (Coverage B) with limits not less than \$1,000,000 per accident, \$1,000,000 disease policy limit, and \$1,000,000 disease per employee. Such insurance shall include a waiver of subrogation endorsement in favor of us; and

(3) Such other insurance as may be required by us from time to time or, if applicable, by the landlord of the Card My Yard business premises at, and by the state or locality in, which the Card My Yard business is located. All required insurance coverages may be obtained by separate primary policies, or in combination with umbrella or excess liability policies.

Purchasing Arrangements

During our fiscal year 2025, we received \$1,610.99 in rebate revenues from sales of products and services to Card My Yard franchisees, which represents 0.04% of our total revenues during that period, which were \$3,671,257.76. These revenue figures are based on our financial statements.

None of our affiliates received revenue from required sales of products or services to our franchisees last year.

We may, at our option, negotiate certain purchase arrangements (including price terms) for the purchase of certain items, such as equipment, retail products, uniforms, logoed paper products, supplies or other items, with suppliers for the benefit of franchisees. In doing so, we seek to promote the overall interests of our franchise system and our interests as the franchisor. We or our affiliates may receive rebates or other material consideration from approved or designated sources. We do not currently receive rebates or other material consideration from approved or designated sources, but we reserve the right to do so. We will not provide material benefits to franchisees based upon their use of designated or approved suppliers. There are currently no purchasing or distribution cooperatives for the Card My Yard franchise system.

Your obligations to purchase or lease goods, services, supplies, fixtures, equipment, inventory, and computer hardware and software from us or our designee, from suppliers we approve, or under our specifications are all considered "required purchases." We describe your purchase obligations in detail in the preceding sections of this Item 8 (under the headings "Designated Suppliers", "Approved Suppliers" and "Purchases According to Specifications"). The magnitude of required purchases in relation to all purchases you make to establish and operate

the Card My Yard business is difficult to determine due to the highly variable nature of expenditures necessary to establish and operate the Card My Yard business as described in Item 7.

We estimate that your initial required purchases will range between 60% and 80% of the cost of your total initial purchases or leases necessary to establish the Card My Yard business. We estimate your required purchases for the ongoing operation of the Card My Yard business will range between 20% and 30% of your total annual purchases or leases.

Except for ownership in us, our officers do not hold any ownership interest in any privately-held suppliers or any material interest in any publicly-held suppliers of the Card My Yard franchise system. From time to time our officers may own non-material interests in publicly-held companies that may be suppliers to our franchise system.

ITEM 9: FRANCHISEE'S OBLIGATIONS

This table lists your principal obligations under the Franchise Agreement and other agreements. It will help you find more detailed information about your obligations in these agreements and in other Items of this Disclosure Document.

Obligation	Section in Franchise Agreement	Item in Disclosure Document
a. Site selection and acquisition/lease	Franchise Agreement Section III.A.	Items 8 and 11
b. Pre-opening purchases/leases	Franchise Agreement Sections III., VIII., IX. and XIII.	Items 5, 6, 7, 8 and 11
c. Site development and other pre-opening requirements	Franchise Agreement Sections III., VII. and VIII.	Items 1, 7, 8 and 11
d. Initial and ongoing training	Franchise Agreement Sections VI.B. and VIII.A.	Items 6, 7 and 11
e. Opening	Franchise Agreement Sections III., IX.F. and Exhibit C	Items 7 and 11
f. Fees	Franchise Agreement Sections V. and IX.	Items 5, 6 and 11
g. Compliance with standards and policies/Manuals	Franchise Agreement Sections III., IV., VII., VIII., IX., X., XI., XII., XIII.	Items 8, 11, 14 and 16
h. Trademarks and proprietary information	Franchise Agreement Sections X. and XI. and Exhibit B	Items 11, 13 and 14
i. Restrictions on products/services offered	Franchise Agreement Section VIII.	Items 8 and 16
j. Warranty and customer service requirements	Franchise Agreement Section VIII.H.	Item 16

k. Territorial development and sales quotas	Not applicable	Item 12
l. Ongoing product/service purchases	Franchise Agreement Sections VIII. and IX.	Items 8, 11 and 16
m. Maintenance, appearance and remodeling requirements	Franchise Agreement Sections IV. and VIII.	Item 8
n. Insurance	Franchise Agreement Section XIII.	Items 7 and 8
o. Advertising	Franchise Agreement Section IX.	Items 6, 8 and 11
p. Indemnification	Franchise Agreement Section XVI.	Item 6
q. Owner's participation/management/staffing	Franchise Agreement Sections VII. and VIII.	Items 1, 11 and 15
r. Records and reports	Franchise Agreement Sections III., V., IX. and XII.	Item 11
s. Inspections and audits	Franchise Agreement Sections III., VI., VIII. and XII.	Items 6, 8 and 11
t. Transfer	Franchise Agreement Section XV.	Items 6, 12 and 17
u. Renewal	Franchise Agreement Section IV.	Items 6, 12 and 17
v. Post-termination obligations	Franchise Agreement Section XIX.	Item 17
w. Non-competition covenants	Franchise Agreement Section XI. and Exhibit B	Item 17
x. Dispute resolution	Franchise Agreement Section XX.F.	Item 17

ITEM 10: FINANCING

We do not offer direct or indirect financing, and we do not guarantee your notes, leases or other 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.

Pre-Opening Obligations: Before you open your Card My Yard business, we or our designee will:

1. Provide basic instructions for hangers/hooks to use for storing your yard signs and letters. (Section III.A. of Franchise Agreement);
2. If applicable, review your proposed site for compliance with our site selection guidelines and accept or not accept the site and your proposed lease or contract of sale within 15 days after receiving your complete site information. (Section III.A. of Franchise Agreement);

3. Provide electronic access to our Manuals. (Franchise Agreement, Section VI.A.);
4. Provide you with an initial set of yard letters, graphics, stakes, lights, stands, business cards, car magnet, and door hangers (Franchise Agreement, Section VI.J.);
5. Provide you a list of any approved suppliers. (Franchise Agreement, Section VI.I.); and
6. Conduct an initial training program. (Franchise Agreement, Sections VI.B. and VIII.A.).

Post-Opening Obligations: During the operation of your Card My Yard business, we will:

1. Conduct periodic evaluations of your operations. (Franchise Agreement, Section VI.E.);
2. We will administer the marketing fund, if established in our discretion, and provide any advertising and promotional materials we develop for local advertising. (Franchise Agreement, Sections VI.F. and IX.);
3. Give you any advice and written materials we may develop on the techniques of managing and operating Card My Yard businesses. (Franchise Agreement, Section VI.G.);
4. Give you updated lists of approved suppliers and vendors. (Franchise Agreement, Section VI.I.);
5. Provide pricing methods/guidance from time to time for products and services to be sold at Card My Yard businesses. Upon a franchisee's request we will provide general advice and share targeted demographic information with our franchisees to assist them as they establish their business and pricing appropriate for their market, and we may establish maximum, minimum or other pricing requirements for the products to be sold at your Card My Yard business to the fullest extent allowed by law. (Franchise Agreement, Section VIII.K); and
6. Provide a centralized payment processing function on our website and process all customer payments, sales tax reporting and payment and remittance of Net Proceeds to you weekly (Franchise Agreement, Section V.C).

Site Selection and Construction

You must identify and secure a site for your Card My Yard business within a non-exclusive Designated Search Area (or at a site within your Protected Area if such area has been agreed upon before you sign your Franchise Agreement). We anticipate that your site will be your home. In reviewing your proposed site, we consider various factors, including the condition of the site, the location of the site, population, and other demographic factors. We must accept the site as meeting our minimum standards (at least 18 feet of wall space with walls at least 8 feet high) before you may begin any construction or renovations or use such site for your Card My Yard business. You cannot place a Card My Yard business at a site we have not first accepted in writing. We anticipate that your site will be your home, so we do not provide franchisees with written site selection guidelines, but if you request (or we deem it appropriate) we will assist you in selecting a site that meets our minimum site standards (at least 18 feet of wall space with walls at least 8 feet high). We generally do not own any premises at which our franchisees

operate. (Section III.A. of Franchise Agreement)

If you identify a proposed site for your Card My Yard business that is not your primary residence then you must submit to us in writing a description of the site, evidence that the site satisfies our minimum standards and any other information we may require. We have 15 days after we receive all required information to review and accept or not accept your proposed site and notify you of such acceptance or rejection. If you obtain rights to a site other than your home, you must also obtain our written approval of the final, complete lease or contract for sale for your site prior to your signing, and such document must include a rider in substantially the form of Exhibit G to the Franchise Agreement. If we accept multiple sites, you must notify us within 5 days of our acceptance of the sites of the site that you intend to acquire for the Card My Yard business. Our acceptance of a site does not guarantee that a Card My Yard business will be profitable or successful at that site. (Section III.A. of Franchise Agreement)

You are solely responsible for locating and obtaining a site for your Card My Yard business that is acceptable to us, and you must do so within 30 days after signing the Franchise Agreement. We have 15 days after we receive all required site information from you to review and approve or reject your proposed site and notify you of such approval or rejection. If you are not able to locate a site that is approved by us within 30 days after signing the Franchise Agreement then you will be in default under the Franchise Agreement, and we may, at our option, terminate such agreement.

Promptly following our acceptance of the site, you must enter into a lease or contract of sale for the site if you are not residing at such site. You must provide us with a copy of the signed lease or contract of sale within 10 days of signing it unless your site is your home. (Section III.A. of Franchise Agreement)

You are responsible for obtaining all zoning classifications and clearances which may be required by any laws, ordinances, regulations, or restrictive covenants relating to the construction and operation of the Card My Yard business, and you must conform the Card My Yard business premises as needed to comply with any local ordinances and building codes at your expense. (Franchise Agreement, Section III.C.) Before beginning construction of the Card My Yard business, you must (i) obtain all approvals, clearances, permits, licenses and certifications required for the lawful construction or remodeling and operation of the Card My Yard business, and (ii) certify in writing to us that they have been obtained and that the insurance coverage required under the Franchise Agreement is in full force and effect. (Franchise Agreement, Section III.C.)

If applicable, you must obtain, at your expense, any architectural, engineering, design, construction and other services you deem necessary for the construction of the Card My Yard business. The architect(s) and engineer(s) selected to plan and oversee construction of your Card My Yard business must be approved by us before beginning their work on the Card My Yard business. We may, but are not obligated to, provide you a list of approved architect(s) and engineer(s). (Franchise Agreement, Section III.D.)

We do not provide any architectural or design plans or specifications for a Card My Yard business, but upon your request we will provide basic instructions for hangers/hooks to use for storing your yard signs and letters (Franchise Agreement, Section III.D.)

Time Between Signing the Franchise Agreement and Locating and Opening an Approved Site

We estimate that it will be approximately 15 to 55 days from the time you sign the Franchise Agreement to

the time you begin operations. This time period may be shorter or longer depending on the modifications that must be made to accommodate your Card My Yard business and other factors, such as delays or difficulties in obtaining permits, local ordinances, shortages of materials or delayed delivery of equipment, fixtures or signs. You must begin business within 55 days after signing the Franchise Agreement, unless we give you a written extension. (Franchise Agreement, Section III.E.)

You must begin operating your Card My Yard business within 55 days after signing the Franchise Agreement. If you fail to do so you will be in default under the Franchise Agreement and we may terminate such agreement at our option.

Advertising

You must participate in a grand opening promotion and all advertising and sales promotion programs that we may authorize or develop for Card My Yard businesses including corporate coupons, discount programs, and similar national marketing initiatives which you are required to participate in. You must spend at least \$250 on grand opening marketing during the period beginning 10 days before the opening of your Card My Yard business and ending 60 days after such opening date (the “Grand Opening Period”). In addition to spending at least \$250, you must complete at least 10 promotional yard greeting services and make social media posts promoting those promotional services during the Grand Opening Period. Your grand opening promotion costs are in addition to the required local advertising expenditures described below (Franchise Agreement, Section IX.D., F.). Provided that all discounted or donated yard greeting services are properly recorded and reported using the Card My Yard e-commerce system, we will permit you to offer a reasonable number of discounted or donated yard greeting services (with a minimum of 10 promotional yard greeting services) during the Grand Opening Period and credit the discounted amounts applicable to those services against your Grand Opening marketing requirements.

Local Advertising

Throughout the term of your Franchise Agreement, you must complete at least 24 promotional yard greeting services each year in your local market. In addition, you must spend the following amounts annually on local advertising: (a) \$300 in the first 12 months of your agreement, (b) \$500 in months 13 through 24, and (c) \$800 in each 12-month period thereafter. These amounts must be spent on advertising and promotion of the Card My Yard business in the Protected Area (See Item 12 for a description of the Protected Area). In addition to local spending requirements, you must post at least 5 promotional messages on both Facebook and Instagram each week.

If requested, you must submit to us any reports (including substantiating receipts) detailing your local advertising expenditures that we may require. We may reallocate the proportion of those monies directed to local advertising (individually or through a Cooperative) and to the Marketing Fund. (Franchise Agreement, Section IX.) Provided that all discounted or donated yard greeting services are properly recorded and reported using the Card My Yard e-commerce system, we will permit you to offer a reasonable number of discounted or donated yard greeting services from time to time and credit the discounted amounts applicable to those services against your local marketing requirements.

All advertising and promotions you place in any medium must be conducted professionally, must conform to our standards and requirements and must be approved by us before use, as described in Item 8.

You may not advertise, promote, post any information relating to the Card My Yard business that is misleading or reflects negatively on the Card My Yard brand in any way. You are authorized to advertise, promote, and post approved information relating to the Card My Yard business on the Internet through posts on social media sites such as Facebook, Instagram, Tik-Tok, Twitter, LinkedIn, Pinterest, etc., but we may, at our option, require you to immediately remove and delete any posts or other materials that we deem, in our sole discretion, to be misleading or reflecting negatively on the Card My Yard brand, and we may include information about your Card My Yard business on our website in our sole discretion.

We can designate any geographic area in which 2 or more company-owned or franchised Card My Yard businesses are located as a region for an advertising cooperative (“Cooperative”). We may require Cooperatives to be formed, changed, dissolved or merged from time to time. If we do form a Cooperative, the Cooperative must be organized and governed as we determine. Any Cooperatives we authorize will be for the exclusive purpose of administering advertising programs and developing promotional materials for members in local advertising. If a Cooperative is established for an area that includes your Protected Area, you must become a member of the Cooperative and participate in the Cooperative by contributing the amounts required by the Cooperative's governing documents. Your Cooperative contributions will be in addition to your required individual local marketing spend requirements. No portion of your Cooperative contributions will be credited against your individual local advertising requirements. If we have company-owned Card My Yard businesses that are included in your Cooperative territory, those company-owned Card My Yard businesses will not have power to increase your required Cooperative contributions without a majority vote of the franchisee members of the Cooperative. You must also submit to the Cooperative and to us all statements and reports that we, or the Cooperative, may require. Cooperative contributions will be maintained and administered under the Cooperative's governing documents and the Cooperative will be operated solely as a conduit for the collection and expenditure of advertising contributions. The Card My Yard businesses owned by us and our affiliates may, but are not required to, contribute to a Cooperative on the same basis as a franchisee under the terms of a standard franchise agreement. Each Cooperative will prepare an annual statement of its operations and will make such statement available to its members if requested. Cooperatives are not required to have their statements audited. (Franchise Agreement, Section IX.B.)

Marketing Fund and Regional Advertising

Marketing Fund Contributions

In addition to local advertising (individually or through a Cooperative), we reserve the right to establish a franchisee marketing fund (the “Fund” or “Marketing Fund”). If a Marketing Fund is established, you must make periodic contributions to the Fund of up to 2% of the Card My Yard business’ Gross Sales, provided that your initial periodic contributions will each be an amount equal to the greater of: (a) one-half of one percent (0.5%) of the Card My Yard business’ monthly Gross Sales or (b) \$25 per month in the first 12 months of your agreement; \$40 per month in months 13 through 24; and \$65 per month in each 12-month period thereafter. In our sole discretion on not less than 30 days’ written notice, we may increase the amount you must contribute to the Fund; provided, however, that you will not be required to contribute more than 2% of the Card My Yard business’s Gross Sales to the Fund, subject to the \$20 per month minimum contribution requirement. Your required contributions to the Fund are in addition to amounts you are required to spend for local advertising.

Administration of the Marketing Fund

We or someone we designate will separately administer the Fund. The Fund is not a trust or escrow account,

and we do not have any fiduciary obligations with respect to the Fund. We will direct all programs financed by the Fund, including the creative concepts, materials, endorsements, and the geographic market and media placement and allocation thereof. We may use the Fund to satisfy the costs of producing video, audio and written advertising materials; administering regional and multi-regional advertising programs; developing and maintaining an Internet website; developing and maintaining gift card, membership and other customer loyalty programs; and supporting public relations, market research and other advertising, promotion and marketing activities. We are not required to make expenditures for you that are equivalent or proportionate to your Fund contributions or to ensure that any particular franchisee benefits directly or in proportion to its contributions to the Fund. Except for any portion of the Fund spent on website development and maintenance (a portion of which may include soliciting the sale of franchises using our website or websites primarily focused on franchise growth), the Fund is not used to solicit the sale of franchises. The Card My Yard businesses owned by us and our affiliates may, but are not required to, contribute to the Fund on the same basis as a franchisee under the terms of a standard franchise agreement.

Presently, we anticipate that Fund advertising will be conducted primarily through search engine optimization, public relations and electronic or print media on a regional basis, and that the majority of our advertising will initially be developed in-house. We may use the Fund to directly place advertising in your local or regional market; however, we also intend to use the Fund to create and prepare marketing materials or advertising programs that will be provided to you so that you may directly place or implement such materials or programs in your local or regional market. Any amounts that you spend to place or implement advertising created by the Fund in your local or regional market will be credited towards your local advertising obligations.

We will not use your Fund contributions to defray any of our operating expenses, except for any reasonable salaries, administrative costs, travel expenses and overhead that we may incur in administering the Fund and its programs. We will prepare an annual statement of the Fund's operations and will make it available to you if you request it. Any amounts in the Fund that are not spent in the fiscal year in which they accrue will be applied toward advertising activities or our expenses incurred in administering the Fund and its programs in the following fiscal year. We are not required to have the Fund's statements audited.

We may terminate the Fund at any time on 30 days prior written notice to you. If we terminate the Fund, all unspent monies will be distributed to the contributors in proportion to their respective contributions during the preceding 12-month period. (Franchise Agreement, Section IX.C.)

In our most recently concluded fiscal year ending December 31, 2025, all Brand Fund contributions were used as follows: 1% for software/website support, 36.5% for administration, and 63.5% for media placement and creation (print and online). Expenses exceeded amounts received, so there was no surplus.

As of the date of this disclosure document, we do not have any advertising councils composed of franchisees, but we reserve the right to establish such an advertising council in the future.

To the extent permitted by applicable law, we may require you to comply with minimum and/or maximum prices set by us for the goods and services you sell. This requirement may reduce your anticipated revenue and net income.

Computer and Electronic Cash Register Systems

You must own or purchase and maintain a personal computer at the Card My Yard business that has Internet access via high speed internet connection, is capable of running any software we may require from time to time and is able to transmit and receive e-mails. We estimate that the computer components required to operate the Card My Yard business will cost between \$0 and \$1,500. We do not require you to purchase a point-of-sale system.

Neither we, our affiliates, nor any third parties are required to provide ongoing maintenance, repairs, upgrades or updates to your computer hardware or software. There are currently no optional or required computer maintenance/upgrade contracts. We do not currently require you to use any particular cash registers or computer systems, so we anticipate that you will not incur annual costs for optional or required maintenance, updating, upgrading or support contracts for cash registers or computer systems.

We do not have independent access to the information generated and stored on your computer.

We may revise our specifications for the hardware and any software used in the Card My Yard business as we deem necessary, including the designation of specific brands or software used for word processing, spreadsheets and other office functions, that you must use in the operation of your Card My Yard business. In addition, you must update and upgrade the hardware and software used at your Card My Yard business from time to time as we require, and you must install any other hardware or software for the operation of the Card My Yard business that we may require in the future, including any enhancements, additions, substitutions, modifications, and upgrades. The licensors of any required software may develop enhancements and upgrades for their programs that you may be required to obtain. We cannot estimate how often licensors may develop updates, upgrades or enhancements, or whether we will require you to obtain them, or their cost to you. There are, however, no limitations on the frequency and cost of the updates, upgrades or enhancements.

Confidential Operations Manuals

After you sign the Franchise Agreement, we will loan you a copy of our Manuals (in electronic format only), which we may amend from time to time upon written notice to you. The Manual currently contains 32 pages. A copy of the table of contents of the Manuals is attached as Exhibit C to this Disclosure Document. We consider the contents of the Manuals to be proprietary, and you must treat them as confidential. You may not make any copies of the Manuals.

Training

Before the opening of your Card My Yard business, your Principal Owner and your General Manager (if different from the Principal Owner) must have completed our initial training program to our satisfaction. You will not be permitted to open your Card My Yard business unless and until the Principal Owner and your General Manager (if different from the Principal Owner) have completed our initial training program to our satisfaction. We anticipate that the initial training program, including our on-line instruction courses, will take approximately 22 hours to complete. The initial training course can be completed remotely (either via the Internet or otherwise at your home), and we will not charge a fee for you to complete the initial training program. Once the online training is complete, a mandatory training call is required to review this information. Additionally, we may, at our option, schedule additional follow-up phone calls with you as we deem necessary. The Principal Owner and General Manager are required on the call (Franchise Agreement, Section VIII.A.)

The training program will be conducted online or, if you choose, at our headquarters in Springville, Utah or a regional training location designated by us. We provide online training materials at no charge, but if you choose to travel to our Austin headquarters for training you must pay all expenses that you and your personnel incur in initial training, including costs of travel, lodging, meals and wages. We may charge a reasonable training fee for training all successor or replacement personnel. (Franchise Agreement, Section VIII.A.)

The materials used in training include the online courses created by us, the Manuals as well as other presentation materials. Our training will be directed by Elizabeth Mangrum, our Director of Learning and Development, who has been working for us since August 2021 and has 6+ years of experience in this industry operating a Card My Yard business. Training will be conducted by Elizabeth Mangrum, Amanda Vaughan, Jessica Roberts and/or Diana Moore or other similarly-qualified members of our staff (with at least one year of relevant experience).

Our initial training program is offered at all times as an online course and as needed during the year depending on the number of new franchisees entering the franchise system, the number of other personnel needing training, and the scheduled opening of new Card My Yard businesses. The subjects covered and other information relevant to our initial training program are described below.

TRAINING PROGRAM⁽¹⁾

<u>Subject (aka Modules)</u>	<u>Classroom Hours</u>	<u>On the Job Hours(2)</u>	<u>Location</u>
Systems Access and Establishing Your Location	3 hours	2 hours	CMYU/Franchise Location
The Operations Manual & Royalty Minimums	30 minutes	30 minutes	CMYU/Franchise Location
Inventory & Storage	1 hour	2 hours	CMYU/Franchise Location
Brand Standards	1 hour	-	CMYU/Franchise Location
Customer Communication	30 minutes	30 minutes	CMYU/Franchise Location
The Dashboard	1.5 hours	1-2 hours	CMYU/Franchise Location/Dashboard
Social Media 101	1 hour	2 hours	CMYU/Social Media Account
Marketing 101	1 hour	30 minutes	CMYU/Franchise Location/Dashboard
Setup Practice	-	1 hour	Franchise Location
Instructor Led Training	-	2 hours	Virtual Meeting
Total	9.5 hours	11.5 – 12.5 hours	

- (1) Our initial training program is subject to change without notice to reflect updates in the materials, methods and manuals and changes in personnel. The subjects taught and the time periods allocated for each subject may vary based on the experience of the trainees.
- (2) The “On the Job” training hours shown in the table above consist of watching our online training videos and then using the information provided in those videos to actually practice the tasks that you will conduct as a franchisee, including installing and removing yard greetings in your yard or in the yards of your friends and family and communicating with us as necessary to complete the required training tasks. We are available to assist you by telephone or video conference as necessary throughout your “On the Job” training process.

We may require your Principal Owner and General Manager to attend additional training programs and seminars from time to time (up to a maximum of 2 days each year, except that we can require additional training if we deem appropriate due to your failure to comply with our Business System standards) at a location designated by us. You must also attend our annual franchisee conventions (aka “Cardferences”) in person if we choose to host such conventions, and you must pay us a non-refundable \$200 Cardference Fee for each franchise location you own. We have the right to charge a reasonable fee for these additional training programs, conventions and seminars. You must pay all expenses you or your personnel incur in any training program, convention or seminar, including the cost of travel, lodging, meals and wages. (Franchise Agreement, Section VIII.A.).

ITEM 12: TERRITORY

The Franchise Agreement gives you the right to operate a Card My Yard business at a site we accept as meeting our site selection guidelines (the “Location”). We anticipate that most, if not all, of our franchisees will operate their Card My Yard businesses from their homes. However, if you elect to operate from a site other than your home, then you must select the site for your Card My Yard business from within a non-exclusive “Designated Search Area” that will be agreed upon and identified in Exhibit C to your Franchise Agreement. If applicable, the Designated Search Area will be agreed upon by you and us before your execution of the Franchise Agreement. If you choose to operate your Card My Yard business from your home then there will be no need to identify a Designated Search Area. You will have no exclusivity or other rights within the Designated Search Area other than the right to identify a proposed site for your Card My Yard business. After you locate a site acceptable to us or notify us that you will operate your Card My Yard business from your home we will grant you a “Protected Area” around your site as described below.

Franchise Agreement

You must operate the Franchised Business only from your home or another location approved by us in writing within the agreed upon “Protected Area” set forth in Exhibit C of the Franchise Agreement (the “Protected Area”). We anticipate that most franchisees will operate their Franchised Business from their personal residence (provided that such residence must be located within the franchisee’s Protected Area), but you may also propose other locations for your Franchised Business, provided that any proposed location will be subject to our review and approval or rejection as described in the Franchise Agreement. In any event, the location to be used for your Franchised Business must not violate applicable zoning laws or restrictions.

If you remain in compliance with the Franchise Agreement and any other agreements you have with us or our affiliates, we and our affiliates will not establish, or authorize anyone except you to establish, a Card My Yard business in your Protected Area during the term of the Franchise Agreement. The Protected Area boundaries will be agreed upon by you and us and will be defined by zip codes. We anticipate that the Protected Area for most franchise locations will consist of one or more contiguous zip codes and include a population of no less than 30,000.

The determination of the zip codes to be included in your Protected Area will be made on a case-by-case basis based on various factors, including (i) the population in the surrounding area; (ii) driving distance within the Protected Area; (iii) proximity to franchisee's location; and (iv) proximity to residential areas, businesses and other potential customer sources. The Protected Area will be described in Exhibit C of the Franchise Agreement.

If the U.S. Postal Service modifies one or more of the zip codes comprising any part of your Protected Area then your Protected Area boundaries under your franchise agreement will be automatically modified to match the revised zip code boundaries established by the U.S. Postal Service. In such event, your revised Protected Area may include fewer people and/or a smaller geographic area than before, and you will not be entitled to any compensation as a result of such modification.

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.

You cannot relocate the Card My Yard business under any circumstances without our consent, and our consent will only be granted if your Location is your home and you move to a new residence within your existing Protected Area. Such a request must be submitted to us as soon as possible (but in no event longer than 10 days) after the date you discover you will be unable to continue the operation of the Card My Yard business at the Location.

In order to maintain your territorial rights within the Protected Area, you must pay us monthly minimum royalties as described more fully in Item 6 above. There is no minimum royalty requirement applicable to the first seven months of your Franchise Agreement. If your royalty payments during any applicable month fall below the minimum royalty amount for that month, you must pay us the difference immediately upon our request, and we will be entitled, at our option, to deduct the difference from your designated account via ACH/EFT. In addition to our right to demand payment of these minimum royalties, we may reduce or eliminate your rights within the Protected Area, or terminate your Franchise Agreement, upon 30 days' written notice to you. You are not required to meet any other contingency to maintain your rights in the Protected Area, and we may not reduce your rights in the Protected Area due to population increases or other circumstances other than: (a) a zip code boundary change implemented by the U.S. Postal Service, (b) your failure to achieve the minimum royalty levels described in this paragraph, or (c) your breach of the Franchise Agreement or other agreement you have with us or our affiliates. We also reserve the right to reduce or eliminate your territorial rights within the Protected Area if you fail to achieve annual Gross Sales of at least \$15,000. In order to maintain your territorial rights as described in Section II.B above, you must meet or exceed Gross Sales of \$15,000 during each 12-month period throughout the term of this Agreement. However, during the period comprising your first 12 months of operation, your Gross Sales requirement shall instead comprise \$5,000, with the period from your 13th month of operation through the completion of your 24th month of operation being accompanied by a Gross Sales requirement of \$10,000. Thereafter, the standard Gross Sales requirement of \$15,000 during each 12-month period shall apply. If you fail to achieve the minimum Gross Sales level during any applicable 12-month period, we may reduce or eliminate your territorial rights within the Protected Area, or terminate this

Agreement, upon 30 days' written notice to you.

You must operate the Card My Yard business only at the Location. You may not solicit or accept orders from consumers outside the Protected Area through any channels of distribution (including the Internet, catalog sales, telemarketing and other direct marketing sales). If you are unable to provide services for all orders or inquiries submitted by consumers in the Protected Area, or if you mark yourself as unavailable, we or one of our other franchisees may provide services to those consumers during such times.

We retain all other rights. Among other things, this means we can:

(i) Operate, and license others to operate, Card My Yard businesses at any location outside the Protected Area.

(ii) Develop and establish other business systems (including systems that offer products or services similar to those offered at Card My Yard businesses) using other names or marks, and grant licenses to use those systems at any location;

(iii) Advertise and promote the Card My Yard Concept within and outside the Protected Area;

(iv) Acquire, or be acquired by, any competing system or other third party, including a competing system that has one or more units located within your Protected Area;

(v) Within and outside the Protected Area, offer and sell, and authorize others to offer and sell, any similar or dissimilar products and services (under the Marks or under other names or marks) through any channel or by any method of distribution (including Internet sales, wholesale sales, catalog sales, telemarketing and other direct marketing sales) other than a Card My Yard business offered under this Disclosure Document, on any terms and conditions we deem appropriate, and without any compensation to you.

Rights of First Refusal

We generally do not grant any options, rights of first refusal or similar rights to obtain additional franchises. If you wish to obtain an additional franchise, you must enter into a separate Franchise Agreement for that franchise.

Neither we nor our affiliates have established or have present plans to establish franchises, company-owned outlets or other channels of distribution offering and selling products and services similar to those to be offered by you under different trademarks. There are, however, no restrictions in the Franchise Agreement that would prohibit us from doing so.

You may use the Internet to advertise only on our website and only to the extent expressly permitted under, and in compliance with, the Franchise Agreement.

ITEM 13: TRADEMARKS

The Franchise Agreement gives you a license to operate a Card My Yard business under the mark “Card My Yard” and to use any future Marks we authorize.

Our Predecessor, Card My Yard, LLC, applied for registration of the following Marks with the United States Patent and Trademark Office (“USPTO”) on the Principal Register, and as of October 1, 2020, our Parent, CMY Holdco, LLC, owns the following Marks. At the appropriate times, CMY Holdco, LLC intends to renew the registrations and to file all appropriate affidavits.

Mark	Serial Number	Application Date	Registration Number	Registration Date	Register
CARD MY YARD	86702166	July 23, 2015	5148876	February 28, 2017	Principal
SKIP THE CARD, STAKE THE YARD	87444692	May 10, 2017	5350245	December 5, 2017	Principal

There is no presently effective determination of the USPTO, the trademark trial and appeal board, the trademark administrator of any state or any court, nor any pending infringement, opposition, or cancellation proceeding, nor any pending material litigation involving the Marks which is relevant to their ownership, use or licensing.

From time to time, we have identified competitors in some markets that have attempted to use trade names or trademarks that we consider to be confusingly similar to our “Card My Yard” mark, and we have taken actions we deem appropriate in each of those cases to protect our Marks. In one case, we determined that legal action was appropriate to prevent infringement of our Marks by a competitor in Bethesda, Maryland, and our Parent, CMY Holdco, LLC, filed suit against such competitor on February 10, 2021 (CMY Holdco, LLC v. Elisa B. Silverman and John Doe Corp., Civil Case No. 21-341, in U.S. District Court for the District of Maryland. The suit alleged that Ms. Silverman infringed our Marks and engaged in unfair and deceptive trade practices in violation of Maryland and federal law by operating under the trade names “Card Your Yard” and “Card On Your Yard”, which we believe is confusingly similar to “Card My Yard”. The parties resolved the dispute via a Settlement Agreement executed in July of 2021, which prohibits Ms. Silverman from operating under the names “Card Your Yard” or “Card On Your Yard” in the future.

We know of no superior prior rights and, except as noted above, no infringing use that could materially affect your use of the Marks, and we know of no agreements currently in effect which significantly limit our rights to use or license the use of the Marks in any manner material to the franchise.

Our rights to the Marks and the proprietary Business System know-how are derived from a nonexclusive perpetual license (the “Intercompany License”) between us and our affiliate, CMY Holdco, LLC (successor-in-interest to Card My Yard, LLC). The Intercompany License grants us the right to use the Marks and the proprietary information related to the Business System, such as the know-how and the Manuals, for the purpose of licensing them to our franchisees and fulfilling our obligations under the Franchise Agreement. The Intercompany License is terminable only for material breach of the Intercompany License agreement and only if we do not cure or begin

to cure the breach within 90 days after notice. If the Intercompany License agreement is terminated by us or CMY Holdco, LLC then CMY Holdco, LLC will permit you to continue using the Marks under your franchise agreement until the expiration or earlier termination of such franchise agreement (plus one renewal period if the agreement is set to expire and you meet all renewal criteria set forth in your Franchise Agreement). We know of no other agreements currently in effect which significantly limit our rights to use or license the use of the Marks in any manner material to you.

We are not obligated to protect your rights to use the Marks or to protect you against claims of infringement or unfair competition. We are not obligated to participate in your defense and/or indemnify you for expenses or damages if you are party to an administrative or judicial proceeding involving the Marks if the proceeding is resolved unfavorable to you.

You must promptly notify us of any infringement of the Marks or of any challenge to the use of any of the Marks or claim by any person of any rights in any of the Marks. You and your Owners must agree not to communicate with any person other than us, our designated affiliate, and our or their counsel about any infringement, challenge or claim. We or our affiliates have sole discretion to take any action we deem appropriate and the right to exclusively control any litigation, or Patent and Trademark Office (or other) proceeding, from any infringement, challenge or claim concerning any of the Marks. You must sign all instruments and documents and give us any assistance that, in our counsel's opinion, may be necessary or advisable to protect and maintain our interests or those of our affiliates in any litigation or proceeding or to otherwise protect and maintain our or their interest in the Marks.

You may not use any of the Marks as part of your corporate or other name. You must also follow our instructions for identifying yourself as a franchisee and for filing and maintaining the requisite trade name or fictitious name registrations. You must sign any documents we or our counsel determine are necessary to obtain protection for the Marks or to maintain their continued validity and enforceability. Neither you nor your Owners may take any action that would prejudice or interfere with the validity of our rights with respect to the Marks and may not contest the validity of our interest in the Marks or assist others to do so.

We have the right to substitute different trade names, service marks, trademarks and indicia of origin for the Marks if the Marks can no longer be used, or if we determine, in our sole discretion, that the substitution will be beneficial to the System. If we do, we may require you to discontinue or modify your use of any Mark or use one or more additional or substitute Marks at your expense.

ITEM 14: PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

We do not own any patents, and do not have any pending patent applications, that are material to the franchise. We do claim copyright protection and proprietary rights in the original materials used in the System, including our Manuals, bulletins, correspondence and communications with our franchisees, training, advertising and promotional materials, and other written materials relating to the operation of Card My Yard businesses and the Business System. We treat all of this information as trade secrets and you must treat any of this information we communicate to you confidentially.

There is no presently effective determination of the U.S. Copyright Office (Library of Congress) or any court affecting our copyrights. There is no currently effective agreement that limits our right to use and/or license

our copyrights. We are not obligated by the Franchise Agreement, or otherwise, to protect any rights you have to use the copyrights. We have no actual knowledge of any infringements that could materially affect the ownership, use or licensing of the copyrights.

You and your owners and employees must agree not to communicate or use our confidential information for the benefit of anyone else during and after the term of the Franchise Agreement. You and your owners and employees must maintain the confidentiality of all information contained in the Manual and other information that we consider confidential, proprietary, or trade secret information. Our “confidential information” means all trade secrets and other elements of our System; information contained in the Manuals; training techniques; financial information; customer information; vendor information; marketing strategies and data; and all other knowledge, trade secrets, or know-how concerning the operation of a Card My Yard business which may be communicated to you by virtue of operating under the terms of the Franchise Agreement, and all other information that we designate as confidential (collectively “Confidential Information”). You and your owners and employees must also agree not to use our Confidential Information at all after the Franchise Agreement terminates or expires. You and your owners can give this Confidential Information only to your employees who need it to operate your Card My Yard business. You must have your General Manager and any of your other personnel who have received or will have access to our Confidential Information, sign similar covenants. (See Item 15)

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

ITEM 15: OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

When you sign the Franchise Agreement, you must designate an individual to serve as your “Principal Owner.” The Principal Owner must be an individual holding an ownership interest in you, or, if you are an individual you will be the Principal Owner. The Principal Owner must meet our qualifications and must be approved by us. The same person must act as the Principal Owner under the Franchise Agreements for all Card My Yard businesses operated by you and, if applicable, your affiliates.

Unless a separate General Manager is approved by us, your Principal Owner must devote his or her full time and best efforts to the supervision of your operations under the Franchise Agreement. If you wish to appoint a General Manager, that person must devote his or her full time best efforts to the supervision of your operations under the Franchise Agreement, must successfully complete our required training program and must be approved by us in writing. Your General Manager or other on-premises supervisor is not required to hold an equity ownership interest in the Card My Yard business. Without our written consent, your Principal Owner may not engage in any business other than the development and operation of your Card My Yard business(es). Your Principal Owner must satisfy our training requirements and our other standards, and each person holding an ownership interest in the franchise must personally guaranty your performance under the Franchise Agreement. The personal guaranty agreement will be in substantially the form of Exhibit A to the Franchise Agreement. Your Principal Owner and any other owners will be individually, jointly and severally bound by all of your obligations and the obligations of the Principal Owner under the Franchise Agreement. If you are an individual, your spouse must also personally

guaranty your performance under the Franchise Agreement.

Before the Card My Yard business opens for business, you must designate an individual who meets our qualifications to serve as the Card My Yard business' General Manager and supervise the operation of your Card My Yard business. Your Principal Owner may serve as the General Manager of your Card My Yard business, but he or she may not serve as the General Manager for more than one Card My Yard business at the same time. With our written consent, you may elect to designate an individual other than your Principal Owner as General Manager. Even if we permit you to designate a General Manager to supervise your operations under the Franchise Agreement, your Principal Owner remains ultimately responsible for the General Manager's performance. The General Manager must devote his or her full time and best efforts to the supervision of your operations under the Franchise Agreement and may not engage in any other business. Each Card My Yard business must have a different General Manager.

You must notify us promptly if your Principal Owner or any General Manager cannot continue or no longer qualifies to serve as a Principal Owner or General Manager, as applicable. You will have 30 days from the date of the notice (or from any date that we independently determine the Principal Owner or General Manager no longer meets our standards) to take corrective action acceptable to us. During that 30-day period, you must provide for interim management of your operations in compliance with the Franchise Agreement.

At our request, you must have your General Manager and any other personnel who will have access to our training, sign covenants not to compete, and such persons must maintain the confidentiality of information they have access to through their relationship with you. These covenants will be in substantially the form of Exhibit B to the Franchise Agreement. We have the right, in our sole discretion, to decrease the period of time or geographic scope of the non-competition covenants or eliminate the non-competition covenant altogether for any person who must sign an agreement described in this paragraph.

ITEM 16: RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

All products you use or sell at the Card My Yard business must conform to our standards and specifications. These are described in our Manuals and other writings. You must not deviate from our standards and specifications unless we first give you our written consent. You must also comply with all applicable laws and regulations and secure all appropriate governmental approvals for the Card My Yard business.

You must offer and sell only the products and services that we have expressly approved in writing, and you must offer and sell each of the products and services we authorize for sale at Card My Yard businesses. If we require you to begin offering any new products or services in the future we will provide you with 90 days' notice of such new requirements and identify the items or equipment that you must purchase in order to offer such new products or services. If you fail to purchase the items or equipment required to offer the new products or services within a reasonable time after notification (which shall in no event be longer than 90 days), we may, at our option,

purchase such items or equipment on your behalf and ship them to you while deducting the costs of the items and shipping from your designated account via ACH/EFT withdrawal.

You must stop selling any products or services that we disapprove in writing. There is no limit on our right to add or remove items from our standard list of products and services, and you must promptly comply with any changes that we make to that list. You must perform all services using the procedures contained in our Manuals or other written instructions. You must not use or offer nonconforming products or services unless we first give you our written consent. You must open and operate the Card My Yard business during the hours we specify in the Manual or otherwise in writing.

We may make available to you and may require you to purchase from us for resale to your customers certain merchandise, like clothing or other promotional items, in amounts necessary to meet your customer demand.

We reserve the right, to the fullest extent allowed by applicable law, to establish maximum, minimum or other pricing requirements with respect to the prices you may charge for products or services.

You may not sell any products at wholesale for any reason or sell products to any purchaser whom you know (or have reasonable grounds to suspect) intends to resell the products unless you receive our prior written consent to such sale. Any such sale must be conducted in accordance with our System Standards. We do not impose any other restrictions in the Franchise Agreement or otherwise on the goods or services that you may offer or sell or the customers to whom you may offer or sell.

**ITEM 17: RENEWAL TERMINATION TRANSFER AND DISPUTE RESOLUTION
THE FRANCHISE RELATIONSHIP**

This table lists certain important provisions of the Franchise Agreement and related agreements. You should read these provisions in the agreements attached to this Disclosure Document.

Provision	Section in Franchise Agreement	Summary
a. Length of the franchise term	Section IV.A	Five (5) year initial term.
b. Renewal or extension of the term	Section IV.B	Three additional 5-year terms.
c. Requirements for franchisee to renew or extend	Section IV.B	Your renewal right permits you to remain as a franchisee after the initial term of your franchise agreement expires. However, to remain a franchisee, you must meet all required conditions to renewal, including signing our then-current Franchise Agreement, which may contain materially different terms and conditions and different territory boundaries from your original contract, except that the fees on renewal will not be greater than the fees that we then impose on similarly situated renewing franchisees. Other requirements are: Give written notice; update required items; not be in default; pay all money owed; retain right to Location; pay us a renewal fee; sign general release; comply with then-current qualifications and training requirements.

d. Termination by franchisee	Not Applicable	Not Applicable (your termination rights are subject to state law)
e. Termination by franchisor without cause	Not Applicable	Not Applicable
f. Termination by franchisor with cause	Section XVIII.	We may terminate on your default.
g. "Cause" defined – curable defaults	Section XVIII.C.	For any default except those specified as non-curable you have 30 days to cure (5 days for failure to submit a required report or pay monies; 24 hours for misuse of the Marks; 7 days if you fail to obtain the required insurance coverages; and 10 days if you fail to comply with the non-competition covenants).
h. "Cause" defined – non-curable defaults	Sections XVIII.A. and XVIII.B.	Insolvency; general assignment for benefit of creditors; bankruptcy; receivership; final judgment remains unsatisfied for 30 days or more; dissolution; execution of levy or sale after levy; foreclosure proceedings not dismissed within 30 days; operation of Card My Yard business at location that we have not accepted;; failure to begin business within the required time period; abandonment or forfeiture of right to do business; conviction of certain crimes; threat to public health or safety; unauthorized transfer; failure to comply with certain confidentiality covenants; false records or submission of false reports; breach of any covenants or false representations; failure to comply with quality assurance program; default under any other franchise agreement and failure to cure; repeated defaults whether or not cured; assets, property or interests "blocked" under any terrorism laws or regulations or other violation of such laws or regulations.

i. Franchisee's obligations on termination/nonrenewal	Section XIX.	Stop operating your Card My Yard business and using the Card My Yard System, confidential methods, procedures, patents (if any), techniques, and Marks; cancel any registration containing the Marks; not use any imitation of the Marks; pay amounts due and our damages and enforcement costs; comply with confidentiality and non-competition covenants; return all Manuals and other proprietary materials; furnish list of advertising/sales promotion materials bearing the Marks; at our option, transfer or assign to us your rights in business telephone numbers, advertising and promotional materials, furnishings, and equipment (including all yard signs and letters); and modify the appearance of the Card My Yard business.
j. Assignment of contract by franchisor	Section XV.A.	We may transfer our rights without restriction.
k. "Transfer" by franchisee – defined	Sections XV.B. and XV.C.	You must not transfer any direct or indirect interest in you (i.e. the franchisee entity), the Franchise Agreement (including any transfer of zip codes or other partial territorial rights under the Franchise Agreement) or the assets of the franchised business without our consent.
l. Franchisor's approval of transfer by franchisee	Section XV.B.	We must consent and you must meet conditions before transferring.
m. Conditions for franchisor approval of transfer	Section XV.B.	Pay all amounts due; not be in default; sign a general release; pay transfer fee; remain liable for pre-transfer obligations; and obtain a one-year tail on insurance policies to cover liabilities that may have been incurred prior to the transfer. Transferee must meet our criteria, complete required training, guarantee obligations; enter into then-current franchise agreement and upgrade the Card My Yard business

n. Franchisor's right of first refusal to acquire franchisee's business	Section XV.D.	On 30 days' written notice, we have the option to purchase an interest being transferred on the same terms and conditions offered by a third party.
o. Franchisor's option to purchase franchisee's business	Sections XIX.A(8) and (9) and XIX.B.	Upon termination or expiration we have the option to purchase your advertising materials bearing the Marks at your cost. We also have the option to acquire the assets of the Card My Yard business (including all yard signs and letters) from you at fair market value.
p. Death or disability of franchisee	Section XV.E.	On death or permanent disability of you or an Owner the person's interest must be transferred to someone we approve within 6 months.
q. Non-competition covenants during the term of the franchise	Section XI.C.(1)	Subject to applicable state law: You may not operate or have an interest in a business which is similar to the franchised business and which is located within the United States, its territories or commonwealths, or any other country, province, state or geographic area in which we or our affiliates have used, sought registration of or registered the Marks or similar marks or operate or license others to operate a business under the Marks or similar marks.
r. Non-competition covenants after the franchise is terminated or expires	Sections XI.C.(2)	Subject to applicable state law: For 2 years you may not divert any of your business or customers to a competitor or have an interest in any business that is similar to the franchised business at the Location, within the Protected Area, within a 25-mile radius of the Location, or within a 25-mile radius of any Card My Yard business then in existence or under construction.
s. Modification of the agreement	Sections XI.A. and XX.O.	Modifications require mutual agreement of the parties. You must comply with the Manuals as amended.

t. Integration/merger clause	Section XX.AA.	Only the terms of the Franchise Agreement and other related written agreements are binding (subject to applicable state law). No other representations or promises will be binding. Nothing in the Franchise Agreement or in any other written agreement is intended to disclaim representations made in this franchise disclosure document.
u. Dispute resolution by arbitration or mediation	Section XX.F.	Claims, controversies or disputes from or relating to the Franchise Agreement must be mediated, except for actions we bring for monies owed, injunctive or other equitable relief, or relief relating to real property.
v. Choice of forum	Sections XX.F., XX.G. and XX.M.	Unless contrary to applicable state law: Mediation at the American Arbitration Association offices nearest to our principal place of business, except actions for monies owed, injunctive relief, or relief related to real property, the Marks or confidentiality information. Venue for any litigation is the applicable state or federal courts located in the county containing our then-current principal place of business (currently Utah County, Utah). Any dispute or action between you and us will be of our and your individual claims. None of your claims will be litigated on a class-wide basis or otherwise consolidated with any claims of any third parties.
w. Choice of law	Section XX.H.	Utah law (except for Utah's conflict of law rules), subject to state law.

ITEM 18: PUBLIC FIGURES

We do not currently use any public figure to promote the franchise. We reserve the right to use public figures in our future promotional efforts.

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 Franchise 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.

The following tables present historic financial performance information for our franchised locations. As indicated below, the tables in this Item 19 show results achieved during calendar year 2023 (the "Reporting Period").

No information is included in this Item 19 regarding our two company-owned locations.

We had a total of 457 Card My Yard Businesses (455 franchised locations plus 2 company-owned locations) operating as of the beginning of the Reporting Period. All franchised Card My Yard locations that were open and operating throughout all 12 months of the Reporting Period have been included in the tables below (the 16 locations who opened during the Reporting Period but were not open and operating for the entire period are excluded). Additionally, 419 of our franchised locations ceased operation during 2025, so those 4 locations were not included in this Item 19, and the 2 company-owned locations were also excluded from this Item 19.

The tables below show the Reporting Period results for the 410 franchised Card My Yard businesses that were in operation throughout the entire Reporting Period. Of note, for Tables 4 and 5, the data was not available for all of the historical period more than seven years ago for certain locations due to the third party provider's database limitations or due to reporting compliance, and that data is not available or reported and as a result the franchises that are 7+ years old represent the 20 such franchises for which data is available. None were excluded apart for those for whom the database had no information or historical data during the relevant historical period.

Card My Yard businesses that were open for less than 12 months as of December 31, 2025, have also been excluded from the tables below.

The financial information below is from the unaudited books and records of our franchisees. This information has not been independently audited. The notes that follow the tables are an integral part of the information presented in this item and provide information to help you better understand the financial information.

Some outlets have earned this amount. Your individual results may differ. There is no assurance that you'll earn as much.

TABLE 1

2025 GROSS SALES EARNED BY FRANCHISE LOCATIONS OPEN FOR AT LEAST 12 MONTHS AS OF 12/31/2025

Franchise Location Class Opened Date ¹	Number of Franchise Locations in Class Cohort	Average	Median	Minimum	Maximum	Number of Franchises that Attained or Exceeded Average
Franchise Locations Opened 2018 or prior (Locations that are 7+ years old)	94	\$35,317	\$30,272	\$6,771	\$102,996	39 (41%)
Franchise Locations Opened in 2019 (Locations that are 6 years old)	48	\$27,161	\$23,667	\$3,573	\$59,094	18 (38%)
Franchise Locations Opened in 2020 (Locations that are 5 years old)	139	\$21,344	\$17,916	\$939	\$80,518	55 (40%)
Franchise Locations Opened in 2021 (Locations that are 4 years old)	88	\$12,158	\$9,740	\$2,523	\$46,621	29 (33%)
Franchise Locations Opened in 2022 (Locations that are 3 years old)	29	\$15,420	\$12,941	\$5,927	\$36,341	10 (34%)
Franchise Locations Opened in 2023 (Locations that are 2 year old)	35	\$11,346	\$9,519	\$1,909	\$33,924	13 (37%)
Franchise Locations Opened in 2024 (Locations that are 1 year old)	24	\$9,298	\$8,550	\$1,024	\$42,864	12 (50%)
System (all franchise locations over 1 year old)	457	\$21,286	\$16,933	\$939	\$102,996	176 (39%)

¹This represents all the franchise locations opened in a certain year and are grouped by age. For example, the 94 locations opened in 2018 or prior are 7+ years old. This group of locations earned average gross sales per franchise location of \$35,317 from activities in 2025.

TABLE 2

2025 TOTAL ORDERS EARNED BY FRANCHISE LOCATIONS OPEN FOR AT LEAST 12 MONTHS AS OF 12/31/2025

Franchise Location Class Opened Date ¹	Number of Franchise Locations in Class Cohort	Average	Median	Minimum	Maximum	Number of Franchises that Attained or Exceeded Average
Franchise Locations Opened 2018 or prior (Locations that are 7+ years old)	94	274	247	53	805	39 (41%)
Franchise Locations Opened in 2019 (Locations that are 6 years old)	48	204	173	39	443	20 (42%)
Franchise Locations Opened in 2020 (Locations that are 5 years old)	139	162	137	8	578	54 (39%)
Franchise Locations Opened in 2021 (Locations that are 4 years old)	88	105	84	21	468	30 (34%)
Franchise Locations Opened in 2022 (Locations that are 3 years old)	29	137	107	39	380	8 (28%)
Franchise Locations Opened in 2023 (Locations that are 2 year old)	35	97	73	19	280	13 (37%)
Franchise Locations Opened in 2024 (Locations that are 1 year old)	24	109	101	9	529	8 (33%)
System (all franchise locations over 1 year old)	457	169	138	8	805	172 (38%)

¹This represents all the franchise locations opened in a certain year and are grouped by age. For example, the 68 locations opened in 2018 or prior are 7+ years old. This group of locations had an average of 274 orders per location in 2025.

TABLE 3

AVERAGE AND MEDIAN TICKET PRICE PER ORDER FOR FRANCHISE LOCATIONS OPEN FOR AT LEAST 12 MONTHS AS OF 12/31/2025						
	Number of Franchise Locations in Class Cohort	Average Ticket Price	Median Ticket Price	Minimum Ticket Price	Maximum Ticket Price	Number of Franchises that Attained or Exceeded Average
System (all franchise locations over 1 year old)	457	\$126.89	\$122.96	\$0.00	\$1,487.00	231 (51%)

TABLE 4

ESTIMATED GROSS PROFIT FOR FRANCHISED UNITS OPEN FOR AT LEAST 12 MONTHS AS OF 12/31/2025*							
Franchise Location Class Opened Date ¹	Number of Franchise Locations Represented in First Year Gross Sales	Average First Twelve Months Gross Revenue ²	Royalty Expense ⁴	Minimum Inventory Purchases ⁵	Average Mileage Expense ⁶	Average First Year Gross Profit ⁷	Average First Year Gross Profit Margin
Franchise Locations Opened 2018 or prior (Locations that are 7+ years old)	46	\$9,325	\$2,331	\$500	\$857	\$5,659	60%
Franchise Locations Opened in 2019 (Locations that are 6 years old)	48	\$32,621	\$8,155	\$500	\$734	\$23,231	71%
Franchise Locations Opened in 2020 (Locations that are 5 years old)	142	\$47,365	\$11,841	\$500	\$533	\$34,490	73%
Franchise Locations Opened in 2021	88	\$14,746	\$3,686	\$500	\$322	\$10,237	69%

(Locations that are 4 years old)							
Franchise Locations Opened in 2022 (Locations that are 3 years old)	31	\$12,081	\$3,020	\$500	\$465	\$8,096	67%
Franchise Locations Opened in 2023 (Locations that are 2 year old)	31	\$9,208	\$2,302	\$500	\$369	\$6,037	66%
Franchise Locations Opened in 2024 (Locations that are 1 year old)	24	\$7,128	\$1,782	\$500	\$322	\$4,524	63%
System (all franchise locations over 1 year old)	410	\$26,462	\$6,615	\$500	\$557	\$18,789	71%

*This section is Card My Yard's effort to demonstrate what an average first year could look like. This section is estimated using data we collect through our operations. ¹This represents all the franchise locations opened in a certain year and are grouped by age. We do not have the first twelve months gross sales records for locations opened prior to August 2017, thus those locations are excluded from this calculation. ²Average First Twelve Months Gross Revenue is the average revenue earned over their first twelve month for franchise locations in each class. For example, for Franchise Locations Opened in 2019: on average, those franchise locations earned an average of \$32,621 in their first twelve months of operations. ³Card My Yard experienced a significant positive impact on sales due to the COVID-19 pandemic. Franchise locations that opened in 2019 and 2020 experienced that impact within the first twelve months of their operations. We do not believe this level of sales is typical or representative of the average location in their first twelve months due to the impact of the COVID-19 pandemic. ⁴The stated royalty is 25%. ⁵Card My Yard requires locations to spend a minimum of \$500 per year refreshing and updating sign inventory. ⁶Card My Yard calculates mileage for each order to apply a delivery fee if necessary. This column represents the average total miles by age class for the year multiplied by the 2025 IRS mileage rate of \$0.70 per mile. ⁷Gross Profit is calculated as Gross Revenue less the sum of Royalty Expense, Minimum Inventory Purchases and Average Mileage Expense. ⁸Gross Profit Margin is calculated as the Average First Year Gross Profit divided by Average First Year Gross Revenue.

Table 4 Medians:

	Median First Twelve Months Gross Revenue	Median Royalty Expense	Median Mileage Expense	Median First Year Gross Profit	Median First Year Gross Profit
Franchise Locations Opened 2018 or prior (Locations that are 7+ years old)	\$7,250	\$1,813	\$805	\$4,633	64%
Franchise Locations Opened in 2019 (Locations that are 6 years old)	\$31,155	\$7,789	\$616	\$22,750	73%
Franchise Locations Opened in 2020 (Locations that are 5 years old)	\$37,942	\$9,486	\$431	\$28,025	74%
Franchise Locations Opened in 2021 (Locations that are 4 years old)	\$12,168	\$3,042	\$235	\$8,891	73%
Franchise Locations Opened in 2022 (Locations that are 3 years old)	\$11,084	\$2,771	\$429	\$7,884	71%
Franchise Locations Opened in 2023 (Locations that are 2 year old)	\$6,853	\$1,713	\$273	\$4,867	71%
Franchise Locations Opened in 2024 (Locations that are 1 year old)	\$6,797	\$1,699	\$307	\$4,790	70%
System (all franchise locations over 1 year old)	\$17,169	\$4,292	\$475	\$12,402	72%

Table 5

Returning Customers as % of Total Referrals	
2025	54.60%
2024	53.30%
2023	50.50%
2022	43.60%

Additional Notes:

1. Gross Sales and High/Low Totals. “Gross Sales”, as used in this Item 19, means the total selling price of all services and products and all income of every other kind and nature related to the Card My Yard business, whether for cash or credit and regardless of collection in the case of credit.
2. Operating History. Each of the Card My Yard locations included in the tables above has an established operation history (at least 12 months), and our company-owned locations have been open for more than 4 years.
3. Operating Expenses. The figures shown in the tables above represent gross sales and gross profits, but those figures do not include all operating expenses. You will have many expenses, such as wages, costs of goods sold, vehicle maintenance costs, insurance, local marketing expenses, marketing fees, utilities and various other expenses that are not accounted for in the tables above. Such operating expenses must be deducted from the gross sales and gross profit figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your Card My Yard business.

Written substantiation of the data used in preparing this financial performance representation will be made available to you upon reasonable request.

Other than the preceding financial performance representations, we do not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor’s management by contacting Joshua Arnold at 761 W. 1200 N., Suite 300, Springville, Utah 84734 or (512) 943-2693, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20: OUTLETS AND FRANCHISEE INFORMATION

Table 1	System-Wide Outlet Summary	2023-2025						
Column 1	Column 2	Column 3	Column 4	Column 5				
Outlet Type	Year	Outlets at the Start of the Year	Outlets at the end of the Year	Net Changes				
Franchised								
	2023	508	530	+22				
	2024	530	543	+13				
	2025	543	490	-53				
Company Owned								
	2023	2	2	0				
	2024	2	2	0				
	2025	2	2	0				
Total Outlets								
	2023	510	532	+22				
	2024	532	545	+13				
	2025	545	492	-53				
Table No 2	Transfers of Outlets	From owner to owner						

Column 1	Column 2	Column 3						
State	Year	Number of Transfers						
Alabama	2023	1						
	2024	0						
	2025	1						
Arizona	2023	1						
	2024	0						
	2025	1						
Arkansas	2023	0						
	2024	1						
	2025	1						
California	2023	4						
	2024	0						
	2025	2						
Colorado	2023	2						
	2024	0						
	2025	1						
Connecticut	2023	0						
	2024	0						
	2025	0						
Florida	2023	3						
	2024	3						
	2025	2						
Georgia	2023	1						
	2024	2						
	2025	6						

Hawaii	2023	0						
	2024	0						
	2025	1						
Idaho	2023	0						
	2024	1						
	2025	0						
Illinois	2023	0						
	2024	0						
	2025	3						
Indiana	2023	1						
	2024	2						
	2025	2						
Iowa	2023	0						
	2024	0						
	2025	1						
Kansas	2023	0						
	2024	1						
	2025	3						
Kentucky	2023	0						
	2024	0						
	2025	0						
Louisiana	2023	0						
	2024	0						
	2025	0						
Maryland	2023	1						
	2024	1						
	2025	0						
Massachusetts	2023	0						
	2024	1						

	2025	0						
Michigan	2023	1						
	2024	2						
	2025	0						
Minnesota	2023	2						
	2024	2						
	2025	4						
Missouri	2023	0						
	2024	2						
	2025	0						
Nebraska	2023	1						
	2024	3						
	2025	0						
Nevada	2023	0						
	2024	0						
	2025	0						
New Hampshire	2023	0						
	2024	0						
	2025	0						
New Jersey	2023	0						
	2024	3						
	2025	2						
New Mexico	2023	0						
	2024	2						
	2025	0						
New York	2023	0						
	2024	0						
	2025	0						
	2023	0						

North Carolina	2024	5						
	2025	4						
Ohio	2023	0						
	2024	3						
	2025	1						
Oklahoma	2023	0						
	2024	0						
	2025	0						
Oregon	2023	0						
	2024	0						
	2025	1						
Pennsylvania	2023	0						
	2024	1						
	2025	2						
Rhode Island	2023	0						
	2024	0						
	2025	0						
South Carolina	2023	0						
	2024	0						
	2025	1						
Tennessee	2023	1						
	2024	3						
	2025	2						
Texas	2023	9						
	2024	9						
	2025	13						
Utah	2023	1						
	2024	1						
	2025	0						

[illegible]

Table 3	State-Level Outlet Summary	2023-2025						
Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7	Column 8	Column 9
State	Year	Franchises at the Start of the Year	Franchises Opened	Terminations	Non- renewals	Reacquired by Franchisor	Ceased Operation - other reasons	End of the Year
Alabama	2023	3	2	0	0	0	0	5
	2024	5	2	0	0	0	0	7
	2025	7	0	2	0	0	0	5
Arizona								
	2023	10	0	0	0	0	0	10
	2024	10	1	1	0	0	0	10
	2025	10	0	0	0	0	0	10
Arkansas								
	2023	6	1	0	0	0	0	7
	2024	7	0	1	0	0	0	6
	2025	6	1	0	0	0	0	7
California								
	2023	30	3	2	1	0	0	30
	2024	30	1	1	1	0	0	29
	2025	29	1	6	5	0	0	19
Colorado								
	2023	17	0	4	0	0	0	13
	2024	13	0	0	0	0	0	13
	2025	13	1	0	4	0	0	10
Connecticut								
	2023	2	0	1	0	0	0	1
	2024	1	0	0	0	0	0	1

	2025	1	0	0	0	0	0	1
Delaware								
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Florida								
	2023	41	3	4	0	0	0	40
	2024	40	2	2	0	0	0	40
	2025	40	4	5	3	0	0	36
Georgia								
	2023	28	2	0	0	0	0	30
	2024	30	0	0	0	0	0	30
	2025	30	2	1	5	0	0	26
Hawaii								
	2023	2	0	0	0	0	0	2
	2024	2	0	1	0	0	0	1
	2025	1	0	0	0	0	0	1
Idaho								
	2023	3	0	0	0	0	0	3
	2024	3	0	0	0	0	0	3
	2025	3	0	0	0	0	0	3
Illinois								
	2023	18	7	0	0	0	0	25
	2024	25	1	0	0	0	0	26
	2025	26	0	0	0	0	0	26
Indiana								
	2023	10	0	0	0	0	0	10
	2024	10	0	0	0	0	0	10
	2025	10	0	1	1	0	0	8

Iowa								
	2023	6	0	0	0	0	0	6
	2024	6	0	0	0	0	0	6
	2025	6	0	1	1	0	0	4
Kansas								
	2023	5	1	0	0	0	0	6
	2024	6	2	0	0	0	0	8
	2025	8	0	0	1	0	0	7
Kentucky								
	2023	3	0	1	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
Louisiana								
	2023	9	1	0	0	0	0	10
	2024	10	0	1	0	0	0	9
	2025	9	0	0	1	0	0	8
Maryland								
	2023	12	0	1	0	0	0	11
	2024	11	0	0	0	0	0	11
	2025	11	2	1	0	0	0	12
Massachusetts								
	2023	5	0	0	0	0	0	5
	2024	5	0	0	0	0	0	5
	2025	5	0	0	0	0	0	5
Michigan								
	2023	12	4	0	0	0	0	16
	2024	16	3	1	0	0	0	18
	2025	18	1	1	3	0	0	15
Minnesota								

	2023	10	0	1	0	0	0	9
	2024	9	1	0	0	0	0	10
	2025	10	0	2	0	0	0	8
Mississippi								
	2023	3	0	0	0	0	0	3
	2024	3	0	1	0	0	0	2
	2025	2	0	0	0	0	0	2
Missouri								
	2023	8	1	0	0	0	0	9
	2024	9	1	1	0	0	0	9
	2025	9	0	0	1	0	0	8
Nebraska								
	2023	6	1	0	0	0	0	7
	2024	7	0	0	0	0	0	7
	2025	7	0	0	0	0	0	7
Nevada								
	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	1	0	0	0	1
New Hampshire								
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	1	0	0	0	0	2
New Jersey								
	2023	19	2	0	0	0	0	21
	2024	21	0	2	0	0	0	19
	2025	19	3	4	3	0	0	15
New Mexico								
	2023	2	0	0	0	0	0	2

	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
New York								
	2023	6	1	0	0	0	0	7
	2024	7	1	0	0	0	0	8
	2025	8	0	1	0	0	0	7
North Carolina								
	2023	27	2	1	0	0	0	28
	2024	28	0	1	0	0	0	27
	2025	27	3	4	0	0	0	26
Ohio								
	2023	21	2	1	0	0	0	22
	2024	22	3	1	0	0	0	24
	2025	24	2	0	2	0	0	24
Oklahoma								
	2023	5	1	0	0	0	0	6
	2024	6	0	0	0	0	0	6
	2025	6	1	0	0	0	0	7
Oregon								
	2023	2	0	0	0	0	0	2
	2024	2	2	0	0	0	0	4
	2025	4	0	1	0	0	0	3
Pennsylvania								
	2023	13	1	0	0	0	0	14
	2024	14	4	1	0	0	0	17
	2025	17	2	2	1	0	0	16
Rhode Island								
	2023	3	0	0	0	0	0	3
	2024	3	0	0	0	0	0	3

	2025	3	0	1	1	0	0	1
South Carolina								
	2023	8	0	0	0	0	0	8
	2024	8	1	0	0	0	0	9
	2025	9	1	0	1	0	0	9
South Dakota								
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Tennessee								
	2023	8	2	0	0	0	0	10
	2024	10	0	0	0	0	0	10
	2025	10	1	1	0	0	0	10
Texas								
	2023	99	6	5	0	0	0	100
	2024	100	6	2	0	0	0	104
	2025	104	1	3	6	0	0	96
Utah								
	2023	6	1	0	0	0	0	7
	2024	7	1	1	0	0	0	7
	2025	7	0	0	0	0	0	7
Virginia								
	2023	18	1	0	0	0	0	19
	2024	19	1	0	0	0	0	20
	2025	20	1	1	2	0	0	18
Washington								
	2023	9	0	0	0	0	0	9
	2024	9	0	1	0	0	0	8
	2025	8	1	3	1	0	0	5

West Virginia								
	2023	3	0	0	0	0	0	3
	2024	3	0	0	0	0	0	3
	2025	3	1	0	0	0	0	4
Wisconsin								
	2023	3	0	1	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	1	0	0	0	0	3
Wyoming								
	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
Totals								
	2023	508	45	22	1	0	0	530
	2024	530	33	19	1	0	0	543
	2025	543	31	42	42	0	0	490
table 4	Company-Controlled Outlets	2023-2025						
Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7	Column 8	Column 9
State	Year	Franchises at the Start of the Year	Franchises Opened	Terminations	Non-renewals	Reacquired by Franchisor	Ceased Operation - other reasons	End of the Year
TX	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
Total								

	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2

Table 5

Column 1	Column 2	Column 3	Column 4					
	Franchise Agreements Signed but not Opened	Projected new Franchise Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Current Fiscal Year					
State								
TOTALS	1	0	0					

The name and business address and telephone number of each of our current franchisees is attached to this Disclosure Document as Exhibit G.

The name, city, state and current business telephone number (or if unknown, the last known home telephone number) of every franchisee who had a business terminated, cancelled, not renewed or otherwise voluntarily or involuntarily ceased to do business during the most recently completed fiscal year or who has not communicated with us within 10 weeks of the issuance date of this Disclosure Document is listed on Exhibit H to this Disclosure Document.

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

Some of our franchisees have signed confidentiality agreements during the past 3 years. In some instances, current and former franchisees may sign provisions restricting their ability to speak openly about their experience with us. You may wish to speak with current and former franchisees, but be aware that not all such franchisees will be able to communicate with you.

As of the date of this Disclosure Document, there are no trademark-specific franchisee organizations associated with the Card My Yard franchise system.

ITEM 21: FINANCIAL STATEMENTS

Attached as Exhibit E to this Disclosure Document are our audited financial statements for our fiscal year 2023 and our parent's audited financial statements for fiscal year 2024 and 2025. Our parent has guaranteed our performance under your franchise agreement. Our fiscal year ends on December 31.

ITEM 22: CONTRACTS

Attached to this Disclosure Document as Exhibit A is a copy of the Franchise Agreement (with attachments), and attached as Exhibit F is our form of General Release.

ITEM 23: RECEIPTS

Attached as the last two pages of this Disclosure Document are duplicate Receipt pages to be signed by you. Keep one for your records and return the other one to us.

EXHIBIT A TO FRANCHISE DISCLOSURE DOCUMENT

FRANCHISE AGREEMENT

CMY FRANCHISING, LLC

FRANCHISE AGREEMENT

Exhibit A to Franchise Disclosure Document issued as of: 4/4/2024

{00281966-1 }

**CARD MY YARD
FRANCHISE AGREEMENT**

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EXHIBITS

Exhibit A	Owners' Guaranty and Assumption Agreement
Exhibit B	Confidentiality and Noncompetition Agreement
Exhibit C	Designated Search Area, Franchise Location, Protected Area, and Opening Date
Exhibit D	Ownership and Management Information
Exhibit E	State Specific Addenda
Exhibit F	Lease Addendum Terms
Exhibit G	Assignment of URLs and Telephone Numbers

**CARD MY YARD
FRANCHISE AGREEMENT**

THIS FRANCHISE AGREEMENT (this “Agreement”) is made and entered into as of _____ (the “Effective Date”), by and between CMY Franchising, LLC, a Delaware limited liability company with its principal business address at 761 W. 1200 N., Suite 300, Springville, Utah 84773 (“Franchisor,” “we,” “us,” or “our”) and _____, a(n) _____ with a principal address at _____ (“Franchisee,” “you,” or “your”).

RECITALS:

We have the right to use and license the use of a business operating system (the “System,” as further defined below) for the establishment and operation of yard greeting businesses utilizing the “Card My Yard” concept to provide yard greeting services and related products (each, a “Card My Yard business”).

Card My Yard businesses operate under the System and are identified by certain trade names, service marks, trademarks, logos, emblems and indicia of origin (the “Marks,” as further defined below).

You wish to obtain a franchise to establish and operate a Card My Yard business using the Marks and the System at the Franchise Location (defined below) specified in Exhibit C to this Agreement.

We are willing to grant you a franchise to do so upon the terms and conditions set forth in this Agreement in reliance on your application and your representations made in the application and in this Agreement.

NOW, THEREFORE, in consideration of the mutual undertakings and commitments set forth herein, the receipt and sufficiency of which are hereby acknowledged, you and we agree as follows:

I. DEFINITIONS

“Affiliate” or “Affiliates” of a named person means any person or entity that is controlled by, controlling or under common control with the named person.

“Anti-Terrorism Laws” means Executive Order 13224 issued by the President of the United States, the Terrorism Sanctions Regulations (Title 31, Part 595 of the U.S. Code of Federal Regulations), the Foreign Terrorist Organizations Sanctions Regulations (Title 31, Part 597 of the U.S. Code of Federal Regulations), the Cuban Assets Control Regulations (Title 31, Part 515 of the U.S. Code of Federal Regulations), the USA PATRIOT Act, and all other present and future federal, state and local laws, ordinances, regulations, policies, lists and any other requirements of any Governmental Authority (including, without limitation, the United States Department of Treasury Office of Foreign Assets Control) addressing or in any way relating to terrorist acts and acts of war.

“Business Day” means each day other than a Saturday, Sunday, U.S. holidays or any other day on which the Federal Reserve is not open for business in the United States.

“Card My Yard business” means a Card My Yard business operating under our Marks and System. The term “your Card My Yard business” is used herein to refer to the Card My Yard business operated by you at the Franchise Location pursuant to this Agreement, including all assets used in connection with its operation.

“Computer System” means the computer hardware and software (including, without limitation, back office

software and point-of-sale software meeting our specifications and point-of-sale terminals that we may designate from time to time for use in the operation of Card My Yard businesses.

“Confidential Information” means all proprietary and confidential information relating to the establishment and operation of Card My Yard businesses, including, without limitation: (i) our standards and specifications, including equipment, product, and supplier standards and specifications; (ii) site selection criteria; (iii) yard greeting designs, techniques and any other trade secrets, processes, procedures and techniques used in operating a Card My Yard business; (iv) advertising and marketing plans, programs and strategies; (v) research, development and test programs for products, services and operations; (vi) the contents of our Manuals and training programs; (vii) information regarding the operating and financial results of Card My Yard businesses, other than your Card My Yard business; (viii) computer programs and systems, including electronic data files and passwords; (ix) all customer information and vendor information; (x) Improvements (as defined in Section XI.D.); and (xi) all other knowledge or know-how concerning the operation of a Card My Yard business which may be communicated to you by virtue of operating under the terms of this Agreement, and all related information that we designate as confidential.

“Cooperative” means an advertising cooperative, as described in Section IX.B. of this Agreement.

“Control” or “Controlling Interest” means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of an entity, whether through ownership of voting securities, by contract or otherwise.

“Designated Search Area” means the non-exclusive geographic area described in Exhibit C to this Agreement within which you will locate a site for your Card My Yard business.

“Force Majeure” means acts of God, strikes, lockouts or other industrial disturbances, war, acts of terrorism, riot, epidemic, fire or other catastrophe or other forces beyond a party’s control.

“Franchise Location” means the address of the premises, located by you and accepted by us, at which the Card My Yard business is located, as listed in Exhibit C to this Agreement.

“Fulfilled Orders Report” means the bi-weekly report, in the form and manner we require, due on the Monday prior to the applicable Net Proceeds distribution date during the term of this Agreement, itemizing the Gross Sales of the Card My Yard business for the applicable royalty period.

“General Manager” means any person designated pursuant to Section VII.E.(2) of this Agreement to manage the day-to-day on-site operations of the Card My Yard business to be operated under this Agreement.

“Gross Sales” is the total selling price of all services and products and all income of every other kind and nature related to the Card My Yard business, whether for cash or credit and regardless of collection in the case of credit. “Gross Sales” includes all proceeds from the sale of coupons and gift cards/certificates. However, when those coupons or gift cards/certificates are redeemed, you are not required to count the retail value of the services provided upon redemption in determining Gross Sales for royalty purposes or for other fees calculated in respect of Gross Sales, except that if you fail to record and report sales proceeds for royalty purposes when a coupon or gift card/certificate is sold, or if coupons or gift cards/certificates are distributed free of charge without our written consent, then you will be required to pay us royalties based on the retail value of the services provided in exchange for the coupon or gift card/certificate. “Gross Sales” does not include (i) sales taxes collected from customers of the Card My Yard business; (ii) tips or gratuities paid directly to your employees by customers of the Card My Yard business or paid to you and turned over by you to your employees in lieu of direct tips or gratuities; (iii) rush fees paid to the Card My Yard business; (iv) delivery fees paid to the Card My Yard business; (v) returns to shippers or manufacturers; and (vi) proceeds from isolated sales of trade fixtures not constituting any part of the products and services offered for sale at

the Card My Yard business or having any material effect upon the ongoing operation of the Card My Yard business.

“Manual” or “Manuals” means our confidential operations manual, which may consist of one or more manuals, containing our mandatory and suggested standards, specifications and operating procedures relating to the development and operation of Card My Yard businesses and your obligations under this Agreement. The term also includes alternative or supplemental means of communicating information to you, including bulletins, videotapes, audio tapes, compact discs, computer diskettes, CD ROMs and electronic communications.

“Marketing Fund” or “Fund” means the marketing fund described in Section IX.C. of this Agreement.

“Marks” means the trade names, trademarks, service marks, logos, emblems and other indicia of origin that we have designated, and may hereafter designate, in writing for use in connection with the System, including, but not limited to, the mark “Card My Yard.”

“Net Proceeds” as used herein, has the meaning assigned in Section V.D of this Agreement.

“Opening Date” means the date the Card My Yard business first opens for business to the public.

“Owners” mean those persons and entities which, collectively and individually, hold an ownership interest in you and in any entity directly or indirectly controlling you.

“Payment Processing System” as used herein, has the meaning assigned in Section V.C of this Agreement.

“Principal Owner” means the Owner designated by you and approved by us as meeting our qualifications who is responsible for overseeing the day-to-day operation of the Card My Yard business.

“Protected Area” means the geographic area assigned to you upon your acquisition of the Franchise Location and described on Exhibit C, within which you will be afforded the protections described in Section II.B. of this Agreement.

“Software Programs” means the proprietary or other software programs we develop or acquire for use by Card My Yard businesses.

“System” means our comprehensive methods and procedures for the establishment, management and operation of Card My Yard businesses, including the Confidential Information, our Manuals, the Marks and other business standards and policies, the distinguishing characteristics of which include, without limitation, distinctive exterior and interior design, decor, color scheme, and furnishings; special processes or techniques we have developed; uniform standards, specifications, policies and procedures for operations; quality and uniformity of the products and services offered; procedures for inventory, management and financial control; training and assistance; and advertising and promotional programs, all of which we may change, improve, further develop or otherwise modify from time to time.

“Taxes” means any present or future taxes, levies, imposts, duties or other charges of whatsoever nature, including any interest or penalties thereon, imposed by any government or political subdivision of such government on or relating to the operation of the franchised business, the payment of monies, or the exercise of rights granted pursuant to this Agreement, except taxes imposed by federal tax authorities on our net income.

II. GRANT

A. Grant of Rights. We hereby grant you the right, and you accept the obligation, to establish and operate a Card My Yard business under the Marks and the System in accordance with this Agreement at the Franchise Location. This Agreement only grants you the right to operate the Card My Yard business at the Franchise Location in accordance with this Agreement and our standards. You are not authorized to offer any of the products and services offered by Card My Yard businesses at wholesale.

B. Protected Area. Your Protected Area will be described in Exhibit C. Except as provided in Section II.C. and subject to your full compliance with this Agreement (including the minimum Gross Sales requirements set forth in Section II.C) and any other agreement between you or your Affiliates and us or our Affiliates, neither we nor any of our Affiliates will establish, or authorize any person or entity other than you to establish, a Card My Yard business in the Protected Area during the term of this Agreement. If you are unable to provide services for all orders or inquiries submitted by consumers in the Protected Area, or if you mark yourself as unavailable, we or one of our other franchisees may provide services to those consumers during such times.

C. Reserved Rights and Minimum Gross Sales Requirements. The rights granted to you under this Agreement are nonexclusive, and we and our Affiliates have and retain all rights within and outside the Protected Area except those expressly granted to you. Accordingly, we, our Affiliates, and any other authorized person or entity will have the right, among others, (i) to operate, and license others to operate, Card My Yard businesses at any location outside the Protected Area, including locations that are adjacent to or surrounded by the Protected Area; (ii) within and outside the Protected Area to develop and establish other business systems (including systems that distribute products or services similar to those offered at Card My Yard businesses) using other names or marks and to grant licenses to use those systems; (iii) to advertise and promote the System in the Protected Area; (iv) to acquire, or be acquired by, any competing system or other third party, including a competing system that has one or more units located within your Protected Area; and (v) except for the restriction in Section II.B. against the establishment of another Card My Yard business in the Protected Area, to engage, directly or indirectly, at wholesale, retail or otherwise, in the production, distribution, license and sale of any and all similar or dissimilar services and products, under the Marks or under other names or marks, within and outside the Protected Area, through any other method of distribution, including, but not limited to, mail order catalogs and the Internet, regardless of the competitive impact on the Card My Yard business. We also reserve the right to reduce or eliminate your territorial rights within the Protected Area if you fail to achieve annual Gross Sales of at least \$15,000. In order to maintain your territorial rights as described in Section II.B above, you must meet or exceed Gross Sales of \$15,000 during each 12-month period throughout the term of this Agreement. During that period comprising your first 12 months of operation, your Gross Sales requirement shall instead comprise \$5,000, with the period from your 13th month of operation through the completion of your 24th month of operation being accompanied by a Gross Sales requirement of \$10,000. Thereafter, the standard Gross Sales requirement of \$15,000 during each 12-month period shall apply. If you fail to achieve the minimum Gross Sales level during any applicable 12-month period, we may reduce or eliminate your territorial rights within the Protected Area, or terminate this Agreement, upon 30 days' written notice to you.

III. SITE SELECTION, CONSTRUCTION AND OPENING DATE

A. Site Selection and Acquisition. You assume all cost, liability, expense and responsibility for locating, obtaining and developing a site for the Card My Yard business within the Designated Search Area. You acknowledge and agree that you acquire no rights in and to the Designated Search Area, other than the right to select a site for the Card My Yard business from within its boundaries. Following your selection and our acceptance of a site for your Card My Yard business, the Franchise Location will be identified in Exhibit C to this Agreement and the Designated Search Area will be of no further force or effect.

(1) You must identify and secure a site for your Card My Yard business within your Designated Search Area (or at a site within your Protected Area if such area has been agreed upon before you sign this Agreement). We anticipate that your site will be your home. We must accept the site as meeting our minimum standards (at least 18 feet of wall space with walls at least 8 feet high) before you may begin any construction or renovations or use such site for your Card My Yard business. You cannot place a Card My Yard business at a site we have not first accepted in writing. We do not provide written site selection guidelines, but if you request (or we deem it appropriate) we will assist you in selecting a site that meets our minimum site standards (at least 18 feet of wall space with walls at least 8 feet high). We will not provide an on-site evaluation for any proposed site before receiving all required information and materials required pursuant to Section III.A(2) below.

(2) If you wish to operate your Card My Yard Business from a location that is not your primary residence, then before acquiring a site for the Card My Yard business, you must submit to us, in the form specified by us, a description of the site, evidence satisfactory to us demonstrating that the site satisfies our site selection guidelines, and such other information and materials as we may reasonably require, including, but not limited to, a final, complete copy of the lease (which must incorporate a rider in substantially the form attached hereto as Exhibit F) or contract of sale for the site for your Card My Yard business. Such lease or contract for sale may not be signed by you unless it includes a rider in substantially the form attached hereto as Exhibit F and is submitted to, and approved by, us in advance.

(3) We shall have fifteen (15) days after receiving all required site information to accept or reject, in our sole discretion, the proposed site as the location for your Card My Yard business. No site may be used for a Card My Yard business unless it is first accepted in writing by us, and you shall not make any binding commitment with respect to a site for your Card My Yard business unless the site is first accepted in writing by us. If we accept multiple sites for the Card My Yard business, you shall notify us in writing within five (5) days of the date of such acceptance of the site that you intend to acquire for the Card My Yard business. You acknowledge that our acceptance of a prospective site and the rendering of assistance in the selection of a site does not constitute a representation, promise, warranty or guarantee, express or implied, by us that the Card My Yard business operated at that site will be profitable or otherwise successful.

(4) If you obtain rights to a site other than your home, then promptly following our acceptance of the site for your Card My Yard business, you shall acquire the site by purchase or lease, at your expense. You agree to furnish to us a copy of the executed lease or contract of sale within ten (10) days after execution.

(5) After we accept the site and you acquire the site pursuant to this Agreement, the address of the site shall be entered on Exhibit C to this Agreement as the Franchise Location and the Protected Area around the Franchise Location will be described on Exhibit C.

B. Franchise Location; Relocation. You have been granted the right to operate a Card My Yard business at the Franchise Location listed in Exhibit C to this Agreement. You must not relocate the Card My Yard business without our express prior written consent, except that our consent will not be required if your Franchise Location is your home and you move to a new residence within your Protected Area. If you are unable to continue the operation of the Card My Yard business at the Franchise Location because of the occurrence of an event of Force Majeure or for other reasons not constituting an event of default under this Agreement, you may request our consent to relocate the Card My Yard business to another location in the Protected Area. Such request must be submitted to us as soon as possible (but in no event longer than 10 days) after the date you discover you will be unable to continue the operation of the Card My Yard business at the Franchise Location. If we grant you the right to relocate the Card My Yard business, you must comply with such reasonable site selection and construction procedures as we may require.

C. Licenses; Permits. You are responsible for obtaining all zoning classifications and clearances which may be required by any laws, ordinances, regulations, or restrictive covenants relating to the construction and operation of the Card My Yard business at the Franchise Location, and you must conform the premises as needed to comply with any local ordinances and building codes at your expense. Before beginning construction of the Card My Yard business, you must (i) obtain all approvals, clearances, permits, licenses and certifications required for the lawful construction or remodeling and operation of the Card My Yard business, and (ii) certify in writing to us that they have been obtained and that the insurance coverage specified in Section XIII. of this Agreement is in full force and effect. At our request, you agree to provide to us copies of all such approvals, clearances, permits, licenses and certifications.

D. Construction and Finish Out. If applicable, you must obtain, at your expense, all architectural, engineering, design, construction and other services necessary for the construction of the Card My Yard business. Any architect(s) and engineer(s) that you may select to assist with the planning and construction of your Card My Yard business must be approved by us before beginning their work on the Card My Yard business. We may, but are not obligated to, provide you a list of approved architect(s) and engineer(s).

(1) You must submit any architectural and design plans and specifications for the Card My Yard business to us for review within fifteen (15) days after you receive the initial plans. We will notify you of any objections to the revised plans within fifteen (15) days of receiving them. If we fail to notify you of an objection to the plans within the fifteen (15) day period, you may use the plans. If we object to the plans, we will provide you with a reasonably detailed list of the changes needed to make the plans consistent with System standards. We will notify you within fifteen (15) days of receiving revised plans incorporating such changes, whether the revised plans are acceptable. If we fail to notify you of any objection within such fifteen (15) day period, you may use the revised plans. You acknowledge that our review of the plans is only for the purpose of determining compliance with System standards, and that our acceptance of the plans does not constitute a representation, warranty, or guarantee, express or implied, that the plans are accurate or free of error concerning their structural application. We are not responsible for architecture or engineering, or for code, zoning, or other requirements of the laws, ordinances or regulations of any federal, state, local, or municipal governmental body, including, without limitation, any requirement relating to accessibility by disabled persons or others, nor are we responsible for any errors, omissions, or discrepancies of any nature in the plans.

E. Opening Date. You must operate your Card My Yard business from your home or otherwise locate and obtain an acceptable site for your Card My Yard business within fifty-five (55) days after the Effective Date of this Agreement, and you must open your Card My Yard business and commence operations within fifty-five (55) days after the Effective Date of this Agreement, unless you obtain a written extension of such time period from us. You acknowledge that time is of the essence. Before the Opening Date, you must complete all exterior and interior preparations for the Card My Yard business, including installation of equipment, fixtures, furnishings and signs, pursuant to the plans and specifications we have approved, and must comply with all other pre-opening obligations. If you fail to comply with any of these obligations, we have the right to prohibit you from opening the Card My Yard business. Your failure to timely open the Card My Yard business in compliance with these provisions will be deemed a material event of default under this Agreement.

IV. TERM AND RENEWAL

A. Term. Unless sooner terminated as provided in this Agreement, the term of this Agreement will begin on the Effective Date and will continue until five (5) years from the Effective Date.

B. Renewal. You may, at your option, renew your rights under this Agreement for up to three (3) additional terms of five (5) years each, subject to any or all of the following conditions which must, at our option, be met prior to and at the time of renewal:

(1) You must give us written notice of your election to renew not less than six (6) months nor more than nine (9) months before the end of the initial term;

(2) You must refurbish, repair or replace, at your expense, all equipment, Computer Systems, signs, fixtures, furnishings, supplies and other items required for the operation of the Card My Yard business as we may reasonably require and must otherwise upgrade the Card My Yard business to reflect the then-current standards and image of the System;

(3) You must not be in default of this Agreement, neither you nor your Affiliates may be in default of any other agreement with us or any of our Affiliates; and you and your Affiliates shall have substantially and timely complied with the terms and conditions of such agreements during their respective terms;

(4) You must have timely satisfied all monetary obligations owed to us and our Affiliates under this Agreement and any other agreement between you or any of your Affiliates and us or any of our Affiliates;

(5) You must present evidence satisfactory to us that you have the right to remain in possession of the Franchise Location during the entire renewal term or obtain our consent to a new site for the Card My Yard business;

(6) You must execute our then-current form of renewal franchise agreement, which will supersede this Agreement in all respects, and the terms of which may differ from the terms of this Agreement, except that the fees on renewal will not be greater than the fees that we then impose on similarly situated renewing franchisees;

(7) You and your Owners must execute a general release of any and all claims against us, our Affiliates, and our and their respective officers, directors, shareholders, partners, members, agents, representatives, independent contractors, servants and employees, past and present, in their corporate and individual capacities, including, without limitation, claims arising under this Agreement or under federal, state or local laws, rules, regulations or orders;

(8) You must pay us a renewal fee in the amount of \$3,000; and

(9) You must comply with our then-current qualification and training requirements.

V. FEES

A. Initial Franchise Fee. You agree to pay us an initial franchise fee of Eight Thousand Five Hundred Dollars (\$8,500) upon the execution of this Agreement. The initial franchise fee shall be deemed fully earned and nonrefundable upon receipt by us.

B. Royalty Fee. During the first 7 months of this Agreement, you must pay us a continuing weekly royalty fee equal to 25% of your Gross Sales. Throughout the remainder of the term of this Agreement, you must pay us a continuing weekly royalty fee in an amount equal to the greater of: (a) 25% of your Gross Sales earned during the immediately preceding week, or (b) the applicable minimum monthly amounts shown in the following table; provided that if you exercise your renewal option under this Agreement you will be subject to the 5th year minimum royalty requirements throughout the term of your renewal franchise agreement:

Year 1 - Seasonally Adjusted Monthly Minimum Royalties by Month (Applicable only to your first year under this Agreement)													
Opening Date Month	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	Total
Jan is Month 1	\$0	\$0	\$0	\$0	\$0	\$0	\$102	\$133	\$114	\$118	\$92	\$67	\$625
Feb is Month 1	\$90	\$0	\$0	\$0	\$0	\$0	\$0	\$136	\$116	\$120	\$94	\$68	\$625
Mar is Month 1	\$98	\$94	\$0	\$0	\$0	\$0	\$0	\$0	\$126	\$131	\$102	\$74	\$625
Apr is Month 1	\$98	\$94	\$125	\$0	\$0	\$0	\$0	\$0	\$0	\$131	\$102	\$74	\$625
May is Month 1	\$91	\$87	\$115	\$170	\$0	\$0	\$0	\$0	\$0	\$0	\$94	\$68	\$625
Jun is Month 1	\$79	\$76	\$101	\$149	\$161	\$0	\$0	\$0	\$0	\$0	\$0	\$60	\$625
Jul is Month 1	\$75	\$72	\$96	\$141	\$153	\$89	\$0	\$0	\$0	\$0	\$0	\$0	\$625
Aug is Month 1	\$0	\$71	\$94	\$138	\$150	\$87	\$85	\$0	\$0	\$0	\$0	\$0	\$625
Sep is Month 1	\$0	\$0	\$88	\$130	\$141	\$82	\$80	\$105	\$0	\$0	\$0	\$0	\$625
Oct is Month 1	\$0	\$0	\$0	\$130	\$140	\$82	\$80	\$104	\$89	\$0	\$0	\$0	\$625
Nov is Month 1	\$0	\$0	\$0	\$0	\$149	\$87	\$85	\$111	\$95	\$98	\$0	\$0	\$625
Dec is Month 1	\$0	\$0	\$0	\$0	\$0	\$98	\$96	\$126	\$107	\$111	\$87	\$0	\$625

We charge no minimum royalties for the first 7 months of this Agreement. This table shows a seasonally adjusted royalty minimum by month for the first year of this Agreement. For example, if you sign this Agreement in July, your “Opening Date” will be approximately 30 days later (in August). Therefore, August is Month 1, and July is Month 12 for you.

Years 2 through 5 - Seasonally adjusted by year and month													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Year 2	\$162	\$155	\$207	\$304	\$330	\$192	\$187	\$245	\$209	\$217	\$169	\$123	\$2,500
Year 3	\$243	\$233	\$310	\$456	\$494	\$288	\$281	\$368	\$314	\$325	\$254	\$184	\$3,750
Year 4	\$243	\$233	\$310	\$456	\$494	\$288	\$281	\$368	\$314	\$325	\$254	\$184	\$3,750
Year 5	\$243	\$233	\$310	\$456	\$494	\$288	\$281	\$368	\$314	\$325	\$254	\$184	\$3,750

NOTE 1: If you exercise your renewal option under this Agreement, you will be subject to the 5th year minimum royalty requirements throughout the term of your renewal franchise agreement.

If your royalty payments during any applicable month fall below the minimum royalty amount for that month, you must pay us the difference immediately upon our request, and we will be entitled, at our option, to deduct the difference from your designated account via ACH/EFT. Your royalty payments will be paid to us as set forth below in this Article V. If you exercise your renewal option under this Agreement you will be subject to the 5th year minimum royalty requirements throughout the term of your renewal franchise agreement.

C. Payment Processing. Unless we direct otherwise in writing, you must require all of your customers to pay for all services and products through our payment processing system accessible only on our Card My Yard website (“Payment Processing System”). We have established the Payment Processing System to help Card My Yard franchisees operate their businesses more efficiently by minimizing the bookkeeping and accounting burden, as well

as to simplify the overall administrative functions. Under the Payment Processing System, we are responsible for processing all payments received from your customers. You will direct each of your customers to pay us online through the Payment Processing System for all services and products you sell to them. We will process payments received from your customers, but, ultimately you are solely responsible for taking the steps necessary to ensure that your customers pay in full before you provide the applicable services or products to them. In the event that a customer fails to pay in full and in advance through the Payment Processing System, you shall not provide any services or products to such customer. For all payments owed to us, you are required to provide at the time of signing this Franchise Agreement and to maintain a current ACH payment authorization, in the form available from us or in the Operations Manual.

1. Other Software Services. Additionally, you must use software services from our approved or designated vendors as set forth in the operations manual. These will include bookkeeping software, and other software or softwares-as-a-service as we designate in such operations manual.

D. Payment of Net Proceeds to You. Your Net Proceeds will be distributed to you on a weekly basis while this Agreement remains in effect, subject to delay for bank holidays. Net Proceeds distributions will be made to you every Friday (subject to delay for bank holidays), provided that distribution date schedules may change from time to time, at our option, upon written notice to you. The term "Net Proceeds" shall mean the total amount paid by your customers, calculated on a weekly basis, less (i) your applicable royalty fees, Marketing Fund contributions (if applicable) and other fees or amounts owed to us under this Agreement, (ii) amounts paid by your customers for sales taxes, and (iii) any other amounts you may otherwise owe to us or our affiliates. If you receive any revenues or other consideration directly from your customers, rather than as Net Proceeds we remit to you, then you must send all such revenues or other consideration directly to us within five (5) days of your receipt.

E. Zip Code Change Fee. If you wish to change your Protected Area after the Effective Date of this Agreement, you may request that one or more zip codes be added to, or removed from, your Protected Area at any time during the term of this Agreement. If we approve your request, you will be required to pay us a zip code change fee in the amount of \$1,000 each time you add or remove a zip code(s) to or from your Protected Area. We have the right, in our sole discretion, to approve or disapprove your request to change the zip codes that make up your Protected Area.

F. Pre-opening Termination Fee. If you encounter an unforeseen health or personal issue prior to beginning operations that prevents you from beginning operations of your Card My Yard business, we may, at our option, permit you to terminate this Agreement by mutual written agreement in a form acceptable to us, which will, among other things, include your payment to us of a termination fee equal to \$1,000 plus any out-of-pocket expenses incurred by us. If you fail to successfully complete our initial training program to our satisfaction within 60 days after executing this Agreement, we may, at our option, terminate this Agreement upon written notice to you and retain 50% of your initial franchise fee. The other 50% of your initial franchise fee will be returned to you.

G. Conference Fees. We may, at our option, host franchisee conferences (aka "Conferences") from time to time, and you (i.e. each of your owners) must attend each Conference and pay the applicable Conference registration fee in the amount of \$250 per person. This fee is non-refundable and may, at our option, be debited from your designated account via ACH/EFT if you fail to timely register and pay for any scheduled Conference.

H. Other Fees and Payments. In addition to the initial franchise fee and periodic royalty payments, you must pay when due all other fees or amounts described in this Agreement and in any other agreement between you and us or our Affiliates.

- I. Past Due Amounts; Acceptance and Application of Payments.

(1) Any payment not actually received by us on or before the applicable due date will be deemed past due. All past due obligations under this Agreement will bear interest from the date due until paid at the lesser of eighteen percent (18%) per annum, or the maximum rate allowed by applicable law. No provision of this Agreement shall

require the payment or permit the collection of interest in excess of the maximum rate allowed by applicable law. If for any reason interest in excess of the maximum rate allowed by applicable law shall be deemed charged, required or permitted, any such excess shall be applied as a payment to reduce any other amounts which may be due and owing hereunder, and if no such amounts are due and owing hereunder, then such excess shall be repaid to the party making the payment. You also agree to pay us a late payment fee equal to \$100 for each delinquent payment under this Agreement.

(2) Our acceptance of any payments delivered subsequent to the applicable due date shall not be deemed to be a waiver by us of any preceding breach by you or your Owners of any terms, provisions, covenants or conditions of this Agreement.

(3) We have the right to apply any payment we receive from you to any amounts you owe us or our Affiliates under this Agreement or any other agreement, even if you have designated the payment for another purpose or account. We may accept any check or payment in any amount from you without prejudice to our right to recover the balance of the amount due or to pursue any other right or remedy. No endorsement or statement on any check or payment or in any letter accompanying any check or payment or elsewhere shall constitute or be considered as an accord or satisfaction.

(4) You have no right to withhold any payments due to us on account of our breach or alleged breach of this Agreement, and no right to offset any amount due to us against any obligation that we may owe to you.

(5) Each payment to be made to us under this Agreement shall be made free and clear and without deduction for any Taxes.

VI. OUR OBLIGATIONS

We agree to provide the following items and services or cause them to be provided to you:

A. Manuals. Access to or the loan of one (1) set of the Manuals (at our option the Manuals may be provided in electronic format only), which we may amend from time to time upon written notice to you.

B. Training. An initial training program for your Principal Owner and General Manager and additional training programs in accordance with Section VIII.A. Upon your reasonable request or if we determine it to be necessary during the term of this Agreement, on-site remedial training; provided, that remedial training will be conducted subject to the availability of our personnel, and provided further, that we may require you to pay the per diem fee we are then charging for on-site remedial training, and pay or reimburse us for the expenses incurred by our representatives, including the costs of travel, lodging, and meals.

C. Opening Assistance. We may, but are not obligated to, provide on-site pre-opening and opening assistance as we reasonably deem necessary.

D. Payment Processing and Software Programs. A centralized payment processing function on our website and processing of all customer payments, sales tax reporting and payment and remittance of Net Proceeds to you bi-weekly. For a reasonable fee, we may also provide Software Programs that we acquire or develop for use in the System; provided, that we are under no obligation to develop or acquire such Software Programs.

E. Inspections. Inspections of the Card My Yard business and evaluations of the products sold and services offered and sold at and from the Card My Yard business from time to time as reasonably determined by us.

F. Advertising. Administration of a Marketing Fund in accordance with Article IX if such Marketing

Fund is established by us in our sole discretion. We may also provide to you, at a reasonable cost, any advertising and promotional materials we may develop from time to time for use in marketing and promoting Card My Yard businesses.

G. Operational Advice. Advice and written materials concerning techniques for managing and operating Card My Yard businesses, including new developments and improvements in the System.

H. Collateral Merchandise; Equipment; Décor Items. From time to time in our discretion and at a reasonable cost, certain merchandise identifying the System, such as clothing other System memorabilia, in sufficient amounts to meet customer demand, and/or certain equipment, décor items or other products and services.

I. Initial Letters. An initial set of yard letters, graphics, stakes, lights, stands, business cards, car magnet and door hangers.

J. Approved Suppliers. From time to time as we deem appropriate a list of approved suppliers.

VII. YOUR REPRESENTATIONS, WARRANTIES AND COVENANTS

A. Your Investigation of this Franchise.

(1) You acknowledge having received our franchise disclosure document (a) at least fourteen (14) days before signing a binding agreement or making any payment to us, or (b) if applicable, by the time required by your state's law. You acknowledge that this Agreement contains no changes from the form of franchise agreement attached to our franchise disclosure document other than changes made with your knowledge and pursuant to negotiations between you and us. You further acknowledge that you have read this Agreement and our franchise disclosure document and that you understand the terms of this Agreement and accept them as being reasonably necessary for us to maintain the uniformity of Card My Yard businesses and to protect the goodwill of the Marks and the integrity of the System.

(2) You have conducted an independent investigation of the business contemplated by this Agreement and recognize that an investment in a Card My Yard business involves business risks; that your success is largely dependent on your own abilities and efforts; and that the nature of Card My Yard businesses may change over time. You have not received or relied on any guaranty or assurance, express or implied, as to the revenues, profits or success of the business contemplated by this Agreement.

(3) You understand and agree that we may operate and change the System and our business in any manner that is not expressly and specifically prohibited by this Agreement.

(4) Whenever we have expressly reserved in this Agreement, or are deemed to have, a right and/or discretion to take or withhold an action, or to grant or decline to grant you a right to take or withhold an action, then except as otherwise expressly and specifically provided in this Agreement, we may make our decision or exercise our right and/or discretion on the basis of our judgment of what is in our best interests, including, without limitation, our judgment of what is in the best interests of our franchise network, at the time our decision is made or our right or discretion is exercised, without regard to whether: (i) other reasonable alternative decisions or actions could have been made by us; (ii) our decision or the action we take promotes our financial or other individual interest; (iii) our decision or the action we take applies differently to you and one or more other franchisees or our company-owned operations; or (iv) our decision or the exercise of our right or discretion is adverse to your interests. In the absence of an applicable statute, we will have no liability to you for any such decision or action. We and you intend that the exercise of our right or discretion will not be subject to limitation or review. If applicable law implies a covenant of good faith and fair dealing in this Agreement, we and you agree that such covenant shall not imply any rights or obligations that are inconsistent with a fair construction of the terms of this Agreement and that this Agreement grants us the right to make

decisions, take actions and/or refrain from taking actions not inconsistent with your rights and obligations hereunder.

B. Your Organization. If you are a corporation, partnership, limited liability company or other legal entity:

- (1) You are duly organized and validly existing under the law of the state of your formation;
- (2) You are duly qualified and authorized to do business in each jurisdiction in which your business activities or the nature of the properties you own require such qualification;
- (3) Your corporate charter or written partnership or limited liability company agreement, as applicable, will at all times provide that your activities are confined exclusively to the operation of Card My Yard businesses. You warrant and represent that neither you nor any of your Affiliates or Owners own, operate or have any financial or beneficial interest in any business that is the same as or similar to a Card My Yard business (including any business that offers yard greeting services or other celebratory display items or services of any kind, including but not limited to, balloon displays, lighted displays, etc.);
- (4) The execution of this Agreement and the performance of the transactions contemplated by this Agreement are within your corporate power, or if you are a partnership or a limited liability company, are permitted under your written partnership or limited liability company agreement and have been duly authorized; and
- (5) You have provided to us prior to the execution of this Agreement, and will from time to time during the term of this Agreement at our request provide to us, copies of your articles of incorporation and bylaws or, as applicable, your written partnership or limited liability company agreement, other governing documents, any amendments to them, resolutions authorizing your entry into and performance of this Agreement, and any certificates, buy-sell agreements or other documents restricting the sale or transfer of your stock or other ownership interests and any other documents that we may reasonably request.

C. Your Owners.

- (1) If you are a corporation, partnership, limited liability company or other legal entity, the ownership interests in you are accurately and completely described in Exhibit D. You agree to maintain at all times a current list of all your Owners and to make your list of Owners available to us upon request.
- (2) If you are a corporation, you agree to maintain stop-transfer instructions against the transfer on your records of any of your equity securities and to conspicuously endorse each stock certificate with a statement, in a form satisfactory to us, that it is held subject to all restrictions imposed upon assignments by this Agreement. If you are a partnership or limited liability company, your written partnership or limited liability company agreement shall provide that ownership of an interest in the partnership or limited liability company is held subject to all restrictions imposed upon assignments by this Agreement.
- (3) Unless otherwise agreed in writing by us, you must cause each of your Owners to execute the Guaranty and Assumption Agreement attached as Exhibit A to this Agreement, jointly and severally guaranteeing your performance under this Agreement and otherwise binding themselves to the terms of this Agreement as stated therein.

D. Your Financial Covenants.

- (1) You have provided to us your most recent financial statements (if such statements have

been requested by us). Such financial statements, if requested, shall present fairly your financial position at the dates indicated therein and the results of your operations and cash flow for the years then ended. Each of the financial statements must be certified as true and correct and must be prepared in conformity with generally accepted accounting principles and, except as expressly described in the applicable notes, applied on a consistent basis. There are no material liabilities, adverse claims, commitments or obligations of any nature, whether accrued, unliquidated, absolute, contingent or otherwise, which are not reflected as liabilities on the financial statements.

(2) At our request, you agree to provide us with any and all loan or other documents regarding the financing of the Card My Yard business.

(3) You agree to maintain at all times during the term of this Agreement sufficient working capital to fulfill your obligations under this Agreement.

E. Your Management.

(1) You agree to designate upon the execution of this Agreement, and to retain at all times during the term of this Agreement, an individual to serve as your Principal Owner. The Principal Owner must meet our qualifications and must be approved by us. Unless a separate General Manager is approved by us as described in Section VII.E(2), your Principal Owner must devote full time and best efforts to the supervision of the Card My Yard business(s) operated by you and your Affiliates. Without our written consent, your Principal Owner shall not engage in any business other than the operation of your Card My Yard business(s). Your Principal Owner and any General Manager whom we approve must be empowered with full authority to act for you.

(2) Before the Opening Date you must designate, and all times thereafter retain, a General Manager who meets our qualifications to supervise the operation of your Card My Yard business. Your Principal Owner may serve as the General Manager of your Card My Yard business, provided that he or she may not serve as the General Manager for more than one Card My Yard business at the same time. Subject to our written consent, you may elect to designate an individual other than your Principal Owner for the position of General Manager. Your General Manager must devote full time and best efforts to the supervision of the Card My Yard business operated by you and your Affiliates and, without our written consent, shall not engage in any other business. You acknowledge and agree that the appointment of a General Manager will not relieve your Principal Owner of his or her supervisory responsibilities for the operation of your Card My Yard business. You and your Principal Owner shall remain fully responsible for your General Manager's performance. Each Card My Yard business must have a different General Manager.

(3) The names of your Principal Owner and General Manager shall be listed in Exhibit D to this Agreement and you agree to keep such information current at all times during the term of this Agreement. You must promptly notify us in writing if your Principal Owner or General Manager cannot continue or no longer qualifies to serve in that capacity and must take corrective action within thirty (30) days after any such notice. During such thirty (30) day period, you must provide for interim management of your operations in accordance with this Agreement. Any failure to comply with this Section VII.E. will be a material breach of this Agreement.

F. Legal Compliance. In addition to complying with your obligations under this Agreement, you agree to comply with all applicable federal, state and local laws, rules, regulations, ordinances and orders. Such laws, rules, regulations, ordinances and orders vary from jurisdiction to jurisdiction and may be amended or implemented or interpreted in a different manner from time to time. It is your sole responsibility to apprise yourself of the existence and requirements of all such laws, rules, regulations, ordinances and orders, and to adhere to them at all times during the term of this Agreement. Without limiting the foregoing, you certify that neither you nor any of your Owners, employees or anyone associated with you is listed in connection with any Anti-Terrorism Law and you agree not to

hire or have any dealings with a person so listed. You further certify that you have no knowledge or information that, if generally known, would result in you, your Owners, employees, or anyone associated with you being so listed. You agree to comply with and/or assist us to the fullest extent possible in our efforts to comply with the Anti-Terrorism Laws and, in connection with such compliance, you represent and warrant that none of your property or interests are subject to being “blocked” under any of the Anti-Terrorism Laws and that you and your Owners are not otherwise in violation of any of the Anti-Terrorism Laws. You also agree to comply with all payment card infrastructure (“PCI”) industry and government security standards and requirements designed to protect cardholder data. PCI standards apply to both technical and operational aspects of credit card and other payment card transactions and apply to all organizations which store, process or transmit cardholder data. You acknowledge and agree that you shall be solely responsible for any costs, expenses, damages or other liabilities incurred by you or us as a result of, or in connection with, your failure to comply with any PCI standards.

G. Powers of Attorney. You hereby appoint us as your true and lawful attorney-in-fact, with full power and authority (i) to assign to us upon the termination or expiration of this Agreement (a) all rights to the telephone numbers of the Card My Yard business, any related business listings, and all rights to any website listings or services, search engines or systems, and any other business listings related to the Card My Yard business and (b) at our option, your interest in any lease for the Franchise Location and any equipment used in the operation of the Card My Yard business; and (ii) to obtain any and all returns and reports related to the Card My Yard business that you file with any local, state or federal taxing authority. Such powers of attorney shall survive the expiration or termination of this Agreement, and you agree to execute such forms and documents as we deem necessary to appoint us your true and lawful attorney-in-fact with full power and authority for the foregoing purposes.

H. Continuing Obligations. You and your Owners make the foregoing representations, warranties and covenants understanding that such representations, warranties and covenants are continuing obligations. You agree to cooperate with us to verify your and your Owners’ continuing compliance with such representations, warranties and covenants. Any failure to comply with these representations, warranties and covenants will constitute a material event of default under this Agreement.

VIII. OPERATIONS

A. Training. Your Principal Owner and General Manager must successfully complete our initial online training program before the Opening Date. Any successor or replacement Principal Owner or General Manager must successfully complete our initial online training program within a reasonable time after such persons are designated, provided that each successor or replacement must successfully complete training no more than sixty (60) days after the date on which his or her predecessor ceased to be employed by you (or ceased to serve as Principal Owner, as applicable). These persons, and any of your other personnel whom we may designate, must complete any additional training that we may require from time to time. In addition, we may, at our option, conduct periodic franchisee conventions at a location designated by us, and your Principal Owner and/or General Manager must attend such conventions. At our option, we may certify your Principal Owner or General Manager (following their completion of all applicable training as required by us) as a “Certified Trainer” authorized to provide and conduct one or more designated training programs (as determined by us) for new or replacement employees at your Card My Yard business; provided, however, that we reserve the right to test any employees trained by a Certified Trainer and to require any Certified Trainer and any of your employees to successfully complete additional training programs conducted by us from time to time. Initial training for your Principal Owner and General Manager is provided via Internet video courses (or at our offices in Springville, Utah or other location(s) we designate) at no charge; however, we reserve the right to charge a reasonable fee for training any additional persons, including any successor or replacement personnel, and for any additional training programs. Such additional training shall be conducted via Internet video courses or at locations we designate. You are responsible for any and all expenses incurred in connection with any initial or additional training and attendance at any franchisee conventions, including, without limitation, the costs of travel, lodging, meals and

wages incurred by you and your personnel. If any Principal Owner or General Manager fails, in our sole judgment, to satisfactorily complete our initial training program, and you fail to cure such default within ninety (90) days following written notice from us, we may terminate this Agreement.

B. Standards Compliance. You acknowledge the importance of maintaining uniformity among all of the Card My Yard businesses and the importance of complying with all of our standards and specifications relating to the operation of the Card My Yard businesses. To protect the reputation and goodwill of the System and to maintain high standards of operation under the Marks, you agree to conduct your business in accordance with the Manuals, other written directives which we may issue to you from time to time, and any other manuals and materials created or approved for use in the operation of Card My Yard businesses.

C. Maintenance of Card My Yard business. You agree to maintain the Card My Yard business in a high degree of sanitation and repair, and to make such additions, alterations, repairs and replacements as may be required for that purpose, including, without limitation, such periodic repainting or replacement of signs, furnishings, décor, and equipment (including, but not limited to, Computer Systems) as we may reasonably direct. You also agree to obtain, at your expense, any new or additional equipment (including, but not limited to, point of sale or Computer Systems), fixtures, supplies and other products and materials which we may reasonably require for you to offer and sell new services or products from the Card My Yard business or to provide such services or products by alternative means. No alterations, improvements or changes of any kind in design, equipment, signs, interior or exterior decor items, fixtures or furnishings shall be made in or about the Card My Yard business without our prior written approval.

D. Upgrade of Card My Yard business. Promptly upon our request, you must make improvements, renovations, updates and upgrades to the Card My Yard business to conform it to our then-current standards and specifications. Without limiting the foregoing, you agree that, if we request, you will make any capital improvements required by this Section VIII.D. on or after the second (2nd) anniversary of the Opening Date, or at such other time during the term of this Agreement that a majority of the Card My Yard businesses then operated by us or our Affiliates have made or are utilizing best efforts to make such improvements.

E. Sourcing.

(1) You agree to comply with all of our standards and specifications for the purchase of all inventory, supplies, materials, fixtures, furnishings, equipment, Computer Systems, and other products used or offered for sale at the Card My Yard business. If we have approved or designated suppliers (which may include us or our Affiliates or third party manufacturers, distributors and other sources) for any such item, you agree to obtain these items from those suppliers. Our approved or designated suppliers are those who demonstrate on a continuing basis the ability to meet our standards and specifications; who have adequate quality controls and the capacity to supply the needs of the Card My Yard business franchise network promptly and reliably over an extended period of time; and who have been approved in writing by us and who have not thereafter been disapproved by us. We may designate ourselves, our Affiliates or a third party as an approved or designated supplier, or as the sole approved or designated supplier of any item. You agree that we and our Affiliates may derive revenue based on your purchases and leases (including, without limitation, from charging you for products and services we or our Affiliates provide to you and from payments made to us or our Affiliates by suppliers that we designate or approve for some or all of our franchisees). We currently require you to purchase yard letters/signs (or related materials and equipment) totaling at least \$500 each year from us.

(2) If you wish to use any item or service that we have not yet evaluated or (for items that we require you to purchase from designated or approved suppliers) if you wish to purchase or lease any such item from a supplier that we have not yet approved, you must submit a written request for approval to us. You cannot purchase or lease any such item unless the supplier has been approved in writing by us. We are not required to approve any

particular supplier. We will have the right to require you to submit information, specifications and samples to us to enable us to determine whether the item complies with our standards and specifications and that the supplier meets our criteria. We also have the right to send our representatives to inspect the supplier's facilities and to have samples from the supplier be delivered to us or to an independent laboratory designated by us for testing. You or the proposed supplier will be required to pay for the cost of the inspection and the test (including our administrative expenses) and reimburse us for any costs or expenses we incur in connection with the evaluation of your proposed supplier. In addition to your reimbursement obligation, we may, in our sole discretion, charge you a fee of \$300 for each inspection and each test conducted. We may condition our approval of a supplier on requirements relating to product quality, prices, consistency, reliability, financial capability, labor relations, client relations, frequency of delivery, concentration of purchases, standards of service (including prompt attention to complaints) or other criteria. We reserve the right to reinspect from time to time the facilities and products of any approved supplier and to revoke our approval of the supplier if the supplier fails to continue to meet any of our criteria. If we revoke our approval of any supplier, you agree to promptly discontinue use of that supplier. Your failure to comply with the provisions of this Section VIII.E. shall be deemed a material breach under this Agreement.

F. Operational Requirements. You agree to operate the Card My Yard business in full conformity with our methods, standards and specifications as set forth in the Manuals and as from time to time otherwise prescribed in writing. Without limitation of the foregoing, you agree:

(1) To sell or offer for sale all products and services we require using the method and manner of distribution we prescribe. If we require you to begin offering any new products or services in the future we will provide you with 90 days' notice of such new requirements and identify the items or equipment that you must purchase in order to offer such new products or services. If you fail to purchase the items or equipment required to offer the new products or services within a reasonable time after notification (which shall in no event be longer than 90 days), we may, at our option, purchase such items or equipment on your behalf and ship them to you while deducting the costs of the items and shipping from your designated account via ACH/EFT withdrawal. Distribution methods must be expressly authorized by us in writing in the Manuals or otherwise;

(2) To sell and offer for sale only the products and services that we have expressly approved for sale in writing; to discontinue selling and offering for sale any products or services and any method or manner distribution which we may disapprove in writing at any time;

(3) To maintain in sufficient supply and to use and sell at all times only those items, products, materials, and supplies that conform to our standards and specifications; to conduct all services in accordance with our standards, specifications and procedures; to use the brand and/or type of products we require; and to refrain from deviating from our standards and specifications by using or offering nonconforming items or services without our prior written consent;

(4) To permit us or our agents, at any reasonable time, to remove samples of any items from the Card My Yard business, without payment, in amounts reasonably necessary for testing to determine whether such samples meet our then-current standards and specifications. In addition to any other remedies we may have under this Agreement, we may require you to bear the cost of such testing if the supplier of the item has not previously been approved by us or if the sample fails to conform to our specifications;

(5) To purchase or lease and install, at your expense, all fixtures, furnishings, equipment, Computer Systems, decor items, signs, and related items that we may reasonably direct from time to time; and to refrain from installing or permitting to be installed in or about the Card My Yard business, without our prior written consent, any fixtures, furnishings, equipment, decor items, signs, vending machines or other items not previously approved as meeting our standards and specifications;

(6) To grant us and our agents the right to enter the Card My Yard business at any reasonable time to conduct inspections; to cooperate with our representatives conducting the inspections by rendering such assistance as they may reasonably request; and, upon notice from us or our agents (and without limiting our other rights under this Agreement), to take any and all steps that may be necessary to correct promptly any deficiencies detected during an inspection. If you fail for any reason to correct such deficiencies within a reasonable time, as determined by us, we will have the right and authority (but no obligation) to correct the deficiencies and to charge you a reasonable fee, payable on demand, for our expenses in taking the corrective action (including, without limitation, any necessary re-inspection);

(7) To at all times operate your Card My Yard business under the direct, on-site supervision of at least one person who has successfully completed our initial training program pursuant to Section VIII.A of this Agreement; to at all times maintain a competent, conscientious, trained staff and to take any and all steps necessary to ensure that your employees preserve good customer relations and comply with any dress code we may prescribe;

(8) To only install and offer at the Card My Yard business such equipment as we have expressly approved in the Manuals or otherwise in writing; and

(9) To keep the Card My Yard business open and in operation for the days and hours that we may prescribe from time to time.

G. Computer Systems. You agree to use the Computer System (if any) that we specify from time to time for use in the operation of the Card My Yard business. You acknowledge that we may modify the specifications and the components of any such Computer System from time to time. As part of the Computer System, we may require you to obtain specified computer hardware and/or software, including, without limitation, a license to use Software Programs developed by us or others. Changes to the Computer System specifications may require you to incur costs to purchase, lease and/or license new or modified computer hardware and/or software and to obtain service and support for the Computer System during the term of this Agreement. You acknowledge that we cannot estimate the future costs of the Computer System (or additions or modifications thereto) and that the cost to you of obtaining the Computer System (including software licenses) or additions or modification thereto may not be fully amortizable over the remaining term of this Agreement. Nonetheless, you agree to incur such costs. Within sixty (60) days after you receive notice from us, you agree to obtain the components of the Computer System that we require. You further acknowledge and agree that we have the right to charge a reasonable systems fee for any software or systems modifications and enhancements specifically made for us that are licensed to you and other maintenance and support services that we or our Affiliate may furnish to you.

H. Customer Complaints. You agree to promptly process, handle and resolve all consumer complaints connected with or relating to the Card My Yard business. You also agree to maintain, and to promptly notify us of, any communications with governmental authorities affecting the Card My Yard business during the term of this Agreement and for one (1) year after the expiration or earlier termination hereof.

I. Internet Website. You agree to install and maintain all hardware and software needed to access the Internet at the bit speed we require from time to time. You further agree that you will not establish any website or other listing on the Internet except as provided herein and expressly authorized by us.

(1) Without our prior written approval, which we may give or withhold in our sole discretion, you may not develop, create, generate, own, or otherwise use any computer and/or electronic media (including but not limited to the Internet, blogs, social media and podcasts) in connection with the Card My Yard business. If we grant our approval for your use of an Internet website, you acknowledge that the form, content and appearance of any

Internet website you use must comply with the System standards and must be approved by us in writing before being used. You may not advertise, promote, or post any information relating to the Card My Yard business that is misleading or reflects negatively on the Card My Yard brand in any way. However, you are authorized to advertise, promote, and post approved information relating to the Card My Yard business on the Internet through posts on social media sites such as Facebook, Instagram, Tik-Tok, Twitter, LinkedIn, Pintrest, etc., but we may, at our option, require you to immediately remove and delete any posts or other materials that we deem, in our sole discretion, to be misleading or reflecting negatively on the Card My Yard brand, and we may include information about your Card My Yard business on our website in our sole discretion. Without limitation of the foregoing, if we require, any Internet posts or website created by or for you must contain a hypertext link to our Internet website in the form we require, and no other hypertext links to third party Internet websites unless previously approved in writing by us. Notwithstanding our approval of a website or Internet post, we reserve the right to revoke our approval at any time that the website or post fails to continue to meet our standards, and you agree that upon such revocation, you will immediately delete the post and discontinue use of the website, as applicable.

(2) You agree that you have no authority to, and you will not, register any domain name in any class or category that uses or creates any association with the Marks (including any abbreviation, acronym, phonetic variation or visual variation of the Marks) or the System without our express prior written consent. You must obtain our written approval for your domain name prior to use. Your domain name must be registered in our name and licensed to you by us. On termination or expiration of this Agreement, the license of the domain name to you will automatically terminate and you agree to undertake all such actions that we require to disassociate yourself with the domain name.

(3) We have established an Internet website that provides information about the System and the products and services offered by Card My Yard businesses. We will have sole discretion and control over the website, including timing, design, contents and continuation. We may include at the website interior pages containing information about our franchisees' Card My Yard businesses, and we may require you to prepare all or a portion of the page for your Card My Yard business, with all such information subject to our approval prior to posting. We may use Marketing Fund monies to maintain the website.

(4) We also have the sole right (but no obligation) to develop an Intranet through which we and our franchisees can communicate by e-mail or similar electronic means. If we develop an Intranet, you agree to participate in strict compliance with our standards, protocols and restrictions, including, without limitation, standards, protocols and restrictions relating to the encryption of confidential information and prohibitions against the transmission of libelous, derogatory or defamatory statements. We may, in our sole discretion, charge a reasonable fee for Intranet usage, which you agree to pay in accordance with our invoice.

J. Business Licenses. You agree to secure and maintain, at your sole cost, any and all state, county, and/or local business licenses required for the operation of the Card My Yard business.

K. Prices of Products Sold at Your Card My Yard business. We may from time to time establish maximum, minimum or other pricing requirements for the products to be sold at your Card My Yard business to the fullest extent allowed by law.

IX. ADVERTISING

A. Local Advertising. Recognizing the value of advertising and marketing to the goodwill and public image of Card My Yard businesses, you agree to complete at least 24 promotional yard greeting services during each 12-month period under this Agreement and to also spend at least the following amounts on local advertising in your Protected Area: (a) \$300 total during the first 12 months following the Effective Date of this Agreement, (ii) \$500 total in months 13 through 24 under this Agreement, and (iii) \$800 total during each 12-month period thereafter. We may increase the minimum local advertising requirements upon 30 days' written notice to you. In addition to the local advertising spending requirements, you must post at least 5 promotional messages on both Facebook and Instagram each week throughout the term of this Agreement. At our request, you must submit to us a report (including substantiating receipts) detailing your local advertising expenditures during the time period specified in the request. In addition, we have the right to review your books and records from time to time to determine your expenditures for local advertising and promotion. If we determine that you have not spent the requisite amounts (or failed to complete the minimum number of promotional yard greetings services), we may require you to pay any unexpended amounts to us to apply to local advertising in the Protected Area. Provided that all discounted or donated yard greeting services are properly recorded and reported using the Card My Yard e-commerce system, we will permit you to offer a reasonable number of discounted or donated yard greeting services from time to time and credit the discounted amounts applicable to those services against your local marketing requirements. Your failure to properly record and report any yard greeting services on our e-commerce system will constitute a material default under this Agreement.

B. Cooperatives. We have the right to designate any geographic area in which two (2) or more company-owned or franchised Card My Yard businesses are located as a region for purposes of establishing an advertising cooperative ("Cooperative"). If we do, each Cooperative will be organized and governed as, and will begin operation on a date, we determine. Any Cooperative may be terminated by us, in our sole discretion, upon written notice to you. Cooperatives will be organized for the exclusive purpose of administering advertising programs and developing promotional materials for local advertising and will be operated solely as a conduit for the collection and expenditure of advertising contributions. If a Cooperative is established for a geographic area that includes all or part of the Protected Area, you will be required to contribute to the Cooperative a monthly amount set forth in the Cooperative's governing documents, and you must execute the applicable Cooperative documents promptly upon our request and participate as a member of the Cooperative. Among other things, this means that (i) you must submit to the Cooperative and to us all statements and reports that we or the Cooperative may require, and (ii) you must contribute to the Cooperative the amounts required by the Cooperative's governing documents. Your Cooperative contributions will not be applied to satisfy any portion of your local advertising requirement under Section IX.A.

C. Marketing Fund. We may, at our option, establish a marketing program fund (the "Marketing Fund" or "Fund"). If a Marketing Fund is established, you must make weekly contributions to the Fund in an amount equal to the greater of: (a) one-half of one percent (0.5%) of your Card My Yard business' Gross Sales or (b) \$50 per month in the first 12 months of this Agreement; and \$100 per month in each 12-month period thereafter. In our sole discretion, we may increase the amount you must contribute to the Fund upon not less than thirty (30) days' written notice to you; provided, however, that you shall not be required to contribute more than two percent (2%) of the Card My Yard business' Gross Sales to the Fund, subject to the monthly minimums. Your required contributions to the Fund are in addition to amounts you are required to spend for local advertising under Section IX.A. Fund contributions will be due and payable at the same time and in the same manner that royalty fee payments are due and payable. We may, in our sole discretion, change the frequency of the Marketing Fund Contributions (e.g. change to monthly payments) upon written notice to you.

(1) We will direct all programs financed by the Fund, with sole discretion over the creative concepts, materials and endorsements, and the geographic, market and media placement and allocation thereof. You agree that the Fund may be used to pay the costs of preparing and producing video, audio and written advertising

materials; administering national, regional and multiregional advertising programs, including, without limitation, purchasing direct mail and other media advertising and employing advertising, promotion and marketing agencies; the cost of developing and maintaining an internet website; developing and maintaining gift card, membership and other customer loyalty programs; and supporting public relations, market research and other advertising, promotion and marketing activities.

(2) The Fund will be accounted for separately from our other funds and will not be used to defray any of our general operating expenses, except for such reasonable salaries, administrative costs, travel expenses and overhead as we may incur in activities related to the administration of the Fund and its programs, including, without limitation, conducting market research; preparing advertising, promotion and marketing materials; and collecting and accounting for contributions to the Fund. We may spend, on behalf of the Fund, in any fiscal year an amount greater or less than the aggregate contribution of all Card My Yard businesses to the Fund in that year, and the Fund may borrow from us or others to cover deficits or invest any surplus for future use. All interest earned on monies contributed to the Fund will be used to pay advertising costs before other assets of the Fund are expended. We will prepare an annual unaudited statement of monies collected and costs incurred by the Fund and furnish the statement to you upon written request. We have the right to cause the Fund to be incorporated or operated through a separate entity at such time as we deem appropriate, and such successor entity will have all of the rights and duties specified herein. Card My Yard businesses owned by us and our Affiliates may, but are not required to, contribute to the Fund on the same basis as a franchisee under the terms of a standard franchise agreement for a Card My Yard business.

(3) You acknowledge that the Fund is intended to maximize recognition of the Marks and patronage of Card My Yard businesses. Although we will endeavor to utilize the Fund to develop advertising and marketing materials and programs that will benefit all Card My Yard businesses, we undertake no obligation to ensure that expenditures by the Fund in or affecting any geographic area are proportionate or equivalent to the contributions to the Fund by Card My Yard businesses operating in that geographic area or that any Card My Yard business will benefit directly or in proportion to its contribution to the Fund from the development of advertising and marketing materials or the placement of advertising. We may use a portion of the monies contained in the Fund to establish regional marketing funds and/or to establish and maintain a website for Card My Yard businesses. Except as expressly provided in this Section, we assume no direct or indirect liability or obligation to you with respect to collecting amounts due to, or maintaining, directing or administering, the Fund.

(4) We reserve the right, upon thirty (30) days' prior written notice to you, to defer, reduce or suspend contributions to (and, if suspended, deferred or reduced, to reinstate such contributions) and to suspend operations of, the Fund for one or more periods of any length and to terminate (and, if terminated, to reinstate) the Fund. If the Fund is terminated, all unspent monies on the date of termination will be distributed to the contributors to the Fund in proportion to their respective contributions to the Fund during the preceding twelve (12) month period.

(5) We may, in our discretion and business judgment, use the Fund to directly or indirectly place advertising in your local or regional market; however, we also intend to use the Fund to create and prepare marketing materials or advertising programs that will be provided to you so that you may directly place or implement such materials or programs in your local or regional market. Any amounts that you spend to place or implement advertising created by the Fund in your local or regional market will be credited towards your local advertising obligations under Section IX.A. above.

D. Promotional Programs. We may, from time to time in our sole discretion, develop and administer advertising and sales promotion programs designed to promote all Card My Yard businesses, including corporate coupons, discount programs, and similar national marketing initiatives which you are required to participate in. We will be responsible for the design and administration of such programs, including, without limitation, the type, quantity, timing, placement and choice of media, market areas and advertising agencies. If we do establish these programs, you

agree to participate in them in accordance with the terms and conditions we establish and shall have no right to opt out or otherwise refuse to participate. The standards and specifications we establish for such programs, shall be final and binding upon you.

E. Advertising Standards. You agree that any advertising, promotion and marketing you conduct, whether required by this Agreement or voluntarily undertaken by you, will be completely clear and factual and not misleading and will conform to the highest standards of ethical marketing and the promotion policies that we prescribe from time to time. Samples of all advertising, promotional and marketing materials that we have not prepared or previously approved must be submitted to us for approval at least twenty (20) days before you use them or deliver them to a third party for use in any advertisement. If you do not receive written approval within fifteen (15) days after our receipt of such materials, we will be deemed to have disapproved such materials. You may not use any advertising or promotional materials that we have disapproved. Our approval of any advertising material may be withdrawn in our sole discretion at any time.

F. Grand Opening. During the period beginning ten (10) days prior to the Opening Date and ending sixty (60) days after the Opening Date (“Grand Opening Period”), you must carry out a grand opening promotion for your Card My Yard business in accordance with our standards. In addition to any other advertising requirements set forth in this Agreement, you must spend at least \$250 specifically for grand opening advertising and promotion of your Card My Yard business during the Grand Opening Period. In addition to spending at least \$250, you must complete at least 10 promotional yard greeting services and make social media posts promoting those promotional services during the Grand Opening Period. We will assist you in organizing your grand opening promotion, and we must approve all advertising items, methods and media you use in connection with such grand opening promotion. All discounted or free/promotional yard greeting services you offer during the term of this Agreement must be properly recorded and reported using the Card My Yard e-commerce system, and any failure to do so will constitute a material breach of this Agreement.

G. Business Listings. You agree to place and pay the cost of a business listing acceptable to us, which may, at our discretion, be an Internet business listing, in such directories and categories as we may specify from time to time in the Manuals or otherwise in writing. This cost is in addition to your required local advertising expenditures.

X. MARKS

A. Your Right to Use the Marks. We grant you the right to use the Marks during the term of this Agreement in accordance with this Agreement and our standards and specifications.

B. Your Agreements Regarding the Marks. You expressly acknowledge that:

(1) As between us and you, we are the owner of all right, title and interest in and to the Marks and the goodwill associated with and symbolized by them.

(2) Neither you nor any of your Owners will take any action that would prejudice or interfere with our rights or those of our Affiliates in and to the Marks. Nothing in this Agreement shall give you any right, title, or interest in or to any of the Marks, except the right to use the Marks in accordance with the terms and conditions of this Agreement.

(3) Any and all goodwill arising from your use of the Marks will inure solely and exclusively to our benefit and to the benefit of our Affiliates, and upon expiration or termination of this Agreement, no monetary amount shall be attributable to any goodwill associated with your use of the Marks.

(4) You agree not to contest, or assist others to contest, the validity of, or our or our Affiliates’

interest in the Marks.

(5) Any unauthorized use of the Marks will constitute an infringement of our or our Affiliates' rights in the Marks and a material event of default under this Agreement. You agree to provide us with all assignments, affidavits, documents, information and assistance related to the Marks that we or our Affiliates reasonably request, including all such instruments necessary to register, maintain, enforce and fully vest the rights of us or our Affiliates in the Marks.

(6) We have the right to substitute different trade names, trademarks, service marks, logos and commercial symbols for the current Marks to use in identifying the System and the Card My Yard businesses operating under the System if the current Marks no longer can be used, or if we, in our sole discretion, determine that substitution of different marks will be beneficial to the System. If we do so, you agree, at your expense, to discontinue or modify your use of any of the Marks or to use one or more additional or substitute marks.

C. Your Use of the Marks. You further agree that you will:

(1) Operate and advertise the Card My Yard business only under the name "Card My Yard," without prefix or suffix, unless otherwise authorized or required by us. You agree not to use the Marks as part of your corporate or other legal name.

(2) Identify yourself as the owner of the Card My Yard business in conjunction with any use of the Marks, including, but not limited to, uses on invoices, order forms, receipts and contracts, and display a notice in such content and form and at such conspicuous locations at the Card My Yard business or on any vehicle used in the operation of the Card My Yard business as we may designate in writing.

(3) Not use the Marks to incur any obligation or indebtedness on our behalf.

(4) Comply with our instructions in filing and maintaining the requisite trade name or fictitious name registrations, and execute any documents deemed necessary by us or our counsel to obtain protection of the Marks or to maintain their continued validity and enforceability.

D. Infringement. You agree to notify us promptly of any apparent infringement of or challenge to your use of any Mark and of any claim by any person of any rights in any Mark. You and your Owners shall not communicate with any person other than us, our Affiliates, our and their counsel, and your counsel in connection with any such apparent infringement, challenge or claim. We will have complete discretion to take any action we deem appropriate in connection with any infringement of, or challenge or claim to, any Mark and the right to control exclusively, or to delegate control of, any settlement, litigation, Patent and Trademark Office or other proceeding arising out of any such alleged infringement, challenge or claim or otherwise relating to any Mark. You agree to execute all such instruments and documents, render such assistance, and do such acts or things as may, in our opinion, reasonably be necessary or advisable to protect and maintain our or our Affiliates' interests in the Marks.

XI. CONFIDENTIALITY AND NONCOMPETITION COVENANTS

A. Manuals. The Manuals are our property and will be provided in an electronic format. You agree to return them to us at our request and in any event when this Agreement expires or is terminated for any reason. You and your Owners must at all times maintain the Manuals, and the information contained in them, as confidential in

compliance with this Article XI. You may make the Manuals available only to those of your Owners and employees who must have access to them in order to operate the Card My Yard business and may not at any time print, copy, duplicate, record or otherwise reproduce the Manuals, in whole or in part, or make them available to any unauthorized person. You agree to maintain the Manuals in a secure place at the Card My Yard business. We have the right to add to or modify the Manuals from time to time. You agree to comply with the terms of all additions and modifications to the Manuals and to keep your copy of the Manuals current. If there is a dispute about the contents of the Manuals, the terms of the master copy at our offices shall control. The entire contents of the Manuals, and our mandatory specifications, procedures and rules prescribed from time to time, shall constitute provisions of this Agreement as if they were set forth herein.

B. Nondisclosure of Confidential Information. We will disclose to you those parts of our Confidential Information we deem necessary or advisable from time to time for the establishment and operation of the Card My Yard business. You agree that you and your Owners will not acquire any interest in the Confidential Information, other than the right to use the Confidential Information disclosed to you in operating the Card My Yard business during the term of this Agreement, and that the use or duplication of any Confidential Information in any other business would constitute an unfair method of competition. You agree to disclose the Confidential Information to your Owners and employees only to the extent reasonably necessary for the operation of the Card My Yard business pursuant to this Agreement. Our Confidential Information is proprietary, includes trade secrets owned by us and our Affiliates, and is disclosed to you solely on the condition that you agree, and you do hereby agree, that you: (i) will not use the Confidential Information in any other business or capacity; (ii) will maintain the confidentiality of the Confidential Information during and after the term of this Agreement; (iii) will not make unauthorized copies of any portion of the Confidential Information; and (iv) will adopt and implement all reasonable procedures that we prescribe from time to time to prevent the unauthorized use or disclosure of the Confidential Information, including, without limitation, restrictions on disclosure of the Confidential Information to Card My Yard business personnel and others. These covenants shall survive the expiration, termination or transfer of this Agreement or any interest herein and shall be perpetually binding upon you and each of the Owners.

C. Noncompetition Covenants. You and your Owners specifically acknowledge that, pursuant to this Agreement, you and they will receive access to valuable training and Confidential Information which are beyond your and their present skills and experience, including, without limitation, information regarding operational, sales, promotional and marketing methods and techniques of the System. You and your Owners further acknowledge that such specialized training and Confidential Information provide a competitive advantage, and that gaining access to them is a primary reason for entering into this Agreement. Accordingly, you and your Owners agree as follows:

(1) With respect to you, during the term of this Agreement (or with respect to each of the Owners, for so long as such person satisfies the definition of "Owner" under this Agreement), except as otherwise approved in writing by us, neither you nor any of your Owners shall, directly or indirectly, for themselves or through, on behalf of, or in conjunction with any other person, legal entity or association:

(a) Directly or indirectly divert, or attempt to divert, any business or customer of Card My Yard businesses to any competitor, or do or perform any other act injurious or prejudicial to the goodwill associated with the Marks and the System.

(b) Except with respect to Card My Yard businesses operated under valid agreements with us, own, maintain, operate, engage in, or have any financial or beneficial interest in, advise, assist or make loans to, any business that is the same as or similar to a Card My Yard business (including any business that offers yard greeting services or other celebratory display items or services of any kind, including but not limited to, balloon displays, lighted displays, etc.) and which is located within the United States, its territories or commonwealths, or any other country, province, state or geographic area in which we or our Affiliates have used, sought registration of or

registered the Marks or similar marks or operate or license others to operate a business under the Marks or similar marks.

(2) With respect to you, for a continuous uninterrupted period commencing upon the expiration, termination, or transfer of all of your interest in, this Agreement (or, with respect to each of the Owners, commencing upon the earlier of (i) the expiration or termination of, or transfer of all of your interest in, this Agreement or (ii) the time such individual or entity ceases to satisfy the definition of “Owner” under this Agreement) and continuing for two (2) years thereafter, except as otherwise approved in writing by us, neither you, nor any of your Owners shall, directly or indirectly, for themselves, or through, on behalf of, or in conjunction with any other person, legal entity or association:

(a) Directly or indirectly divert, or attempt to divert, any business or customer of Card My Yard businesses to any competitor, or do or perform any other act injurious or prejudicial to the goodwill associated with the Marks and the System.

(b) Except with respect to Card My Yard businesses operated under valid agreements with us, own, maintain, operate, engage in, or have any financial or beneficial interest in, advise, assist or make loans to, any business that is the same as or similar to a Card My Yard business (including any business that offers yard greeting services or other celebratory display items or services of any kind, including but not limited to, balloon displays, lighted displays, etc.) which is, or is intended to be, located (i) at the Franchise Location, (ii) within the Protected Area, (iii) within a twenty-five (25)-mile radius of the Franchise Location, or (iv) within a twenty-five (25)-mile radius of the location of any Card My Yard business then in existence or under construction.

(3) You agree that each of the foregoing covenants contain reasonable limitations as to time, geographical area, and scope of activity to be restrained and do not impose a greater restraint than is necessary to protect the goodwill or our other business interests. Each covenant shall be construed as independent of any other covenant or provision of this Agreement. If all or any portion of a covenant in this Section XI.C. is held unreasonable or unenforceable by a court having valid jurisdiction in an unappealed final decision to which we are a party, you and your Owners expressly agree to be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separately stated in and made a part of this Section XI.C.

(a) You and your Owners acknowledge that we will have the right, in our sole discretion, to reduce the scope of any covenant set forth in this Section XI.C. without your or their consent, effective immediately upon notice to you; and you and your Owners agree to promptly comply with any covenant as modified.

(b) You and your Owners expressly agree that the existence of any claims you or they may have against us, whether arising under this Agreement or otherwise, shall not constitute a defense to the enforcement by us of the covenants in this Section XI.C, and that the 2-year non-competition period shall be tolled during any periods of non-compliance and shall be extended for a time period equal to the duration of the non-compliance.

D. Improvements. If you, your employees, or Owners develop any new concept, process or improvement in the operation or promotion of a Card My Yard business (an “Improvement”), you agree to promptly notify us and provide us with all necessary related information, without compensation. Any such Improvement shall become our sole property and we shall be the sole owner of all related patents, patent applications, and other intellectual property rights. You and your Owners hereby assign to us any rights you or they may have or acquire in the Improvements, including the right to modify the Improvement, and waive and/or release all rights of restraint and moral rights therein and thereto. You and your Owners agree to assist us in obtaining and enforcing the intellectual

property rights to any such Improvement in any and all countries and further agree to execute and provide us with all necessary documentation for obtaining and enforcing such rights. You and your Owners hereby irrevocably designate and appoint us as your and their agent and attorney-in-fact to execute and file any such documentation and to do all other lawful acts to further the prosecution and issuance of patents or other intellectual property right related to any such Improvement. In the event that the foregoing provisions of this Section XI.D. are found to be invalid or otherwise unenforceable, you and your Owners hereby grant to us a worldwide, perpetual, nonexclusive, fully paid license to use and sublicense the use of the Improvement to the extent such use or sublicense would, absent this Agreement, directly or indirectly infringe your or their rights therein.

E. Non-solicitation of Employees. Throughout the term of this Agreement, and for a period of two (2) years after termination, regardless of cause of the termination, expiration, or non-renewal of this Agreement, neither you nor any of your officers, directors, shareholders, members, or partners shall, directly or indirectly, seek for employment, employ, or attempt to employ any person who is at the time employed by us or any of our franchisees or affiliates or otherwise directly or indirectly induce such persons to leave their employment.

F. Injunctive Relief. You and your Owners acknowledge that any failure to comply with the requirements of this Article XI. shall constitute a material event of default under this Agreement and further acknowledge that such a violation would result in irreparable injury to us for which no adequate remedy at law may be available. You and your Owners accordingly consent to the issuance of an injunction prohibiting any conduct by you or them in violation of the terms of this Article XI., without the requirement that we post a bond. You and your Owners agree to pay all court costs and reasonable attorneys' fees and costs that we incur in connection with the enforcement of this Article XI., including all costs and expenses for obtaining specific performance, or an injunction against the violation, of the requirements of this Article, or any part of it.

G. Execution of Covenants by Your Owners and Management. You agree to require and obtain the execution of covenants similar to those set forth in Sections XI.B. and C. from all General Managers, and, at our request, other of your personnel. These covenants must be substantially in the form set forth in Exhibit B; however, we reserve the right, in our sole discretion, to decrease the scope of the noncompetition covenant set forth in Exhibit B or eliminate such noncompetition covenant altogether for any person that is required to execute such agreement.

XII. BOOKS AND RECORDS

A. Maintenance of Books and Records. You must maintain during the term of this Agreement, in accordance with generally accepted accounting principles and in the form and manner we prescribe from time to time in the Manuals, full, complete and accurate books, records and accounts of the Card My Yard business, including, but not limited to, sales slips, coupons, purchase orders, payroll records, check stubs, bank statements, sales tax records and returns, cash receipts and disbursements, journals and ledgers. You agree to preserve such books and records for at least five (5) years from the date of preparation.

B. Reporting. In addition to other reports required by this Agreement, you agree to submit to us, in the form we prescribe from time to time and at your expense:

(1) Periodic Order Reports as requested by us from time to time and, at our request, monthly income statements (which may be unaudited), signed by your General Manager or comparable officer attesting that it is true, complete and correct.

(2) Within five (5) days after our written request, copies of your federal income tax returns (including any extension requests) and within five (5) days after the end of each calendar quarter, copies of your state sales tax returns. If the Card My Yard business is in a state which requires you to pay state income tax, you must also

provide a copy of your state income tax return (including any extension requests) not later than five (5) days after our written request.

(3) At the times reasonably required by us, such other forms, reports, records, information and data as we may reasonably designate.

C. Audits. We or our designees will have the right at all reasonable times to review, audit, examine and copy your books and records relating to the Card My Yard business. Such scope will include the books and records of any other business, to the extent reasonably related to your franchised business, together with tax records and supporting documents (business and personal). If any required payments to us are delinquent, or if an examination or audit should reveal that any payments have been understated in any report to us, then you must pay to us upon demand the amount overdue or understated with interest determined in accordance with Section V.I. If an examination or audit discloses an understatement in any report of two percent (2%) or more (or if you do not provide any requested information within 30 days of such request), you must, in addition, reimburse us for all costs and expenses connected with the audit (including, without limitation, legal and accounting fees and costs), as well as applicable monthly or other late fees and interest. These remedies shall be in addition to any other remedies we may have at law or in equity. If you disagree with any audit findings, you must do so in writing and in accordance with the operations manual within 30 days of the notice of audit findings, or you will waive the right to challenge or dispute. For the avoidance of confusion, no provision of this subsection C shall be deemed to supersede or waive the cure period for failure-to-pay defaults set forth in the Franchise Agreement.

D. No Waiver. Our receipt or acceptance of any of the statements furnished or amounts paid to us (or the cashing of any check or processing of any electronic fund transfer) will not preclude us from questioning the correctness thereof at any time, and, in the event that any errors are discovered in such statements or payments, you must immediately correct the error and make the appropriate payment to us.

E. Authorization to Release Information. You hereby authorize (and agree to execute any other documents deemed necessary to effect such authorization) all banks, financial institutions, businesses, suppliers, manufacturers, contractors, vendors and other persons or entities with whom you do business to disclose to us any financial information in their possession relating to you or the Card My Yard business which we may request. You further authorize us to disclose to prospective franchisees or other third parties data from your reports if we determine, in our sole discretion, that such disclosure is necessary or advisable.

XIII. INSURANCE

A. Insurance Coverage Requirements. Not later than five (5) days before the Opening Date, you must procure, at your expense, an insurance policy or policies protecting you, us, our Affiliates, successors and assigns, and the officers, directors, shareholders, partners, members, agents, representatives, independent contractors and employees of each of them against any demand or claim with respect to personal injury, death or property damage, or any loss, liability or expense whatsoever arising or occurring at or in connection with the operation of the Card My Yard business. You must maintain these policies in full force and effect at all times during the term of this Agreement. We have approved an insurance program offered by The Hartford Financial Services Group, Inc., but you may, at your option, choose to obtain insurance from any qualified provider. All required insurance policies must be purchased from an insurance company with an A.M. Best rating of A or better, must include a one-year tail following the termination, expiration or transfer of this Agreement, must name us as a co-insured, and shall otherwise be reasonably acceptable to us and must include, at a minimum (except as additional coverages and higher policy limits may reasonably be specified by us from time to time in writing), the following:

(1) comprehensive general liability insurance written on an occurrence form, including coverage for professional liability, broad form contractual liability, broad form property damage, personal injury,

advertising injury, completed operations, products liability and fire damage coverage, in an amount not less than \$1,000,000 per occurrence, \$2,000,000 general aggregate, \$2,000,000 products/completed operations aggregate, and \$1,000,000 personal and advertising injury. The general liability coverage shall include a waiver of subrogation endorsement in favor of us and shall not limit or exclude contractual liability;

(2) automobile insurance written on a combined single limit basis for bodily injury and property damage with a limit not less than \$500,000 per accident. Such insurance shall include coverage for owned, hired, and non-owned automobiles and shall include additional insured and waiver of subrogation endorsements in favor of us; and

(3) such other insurance as may be required by us from time to time or by the landlord of the Card My Yard business premises at, and by the state or locality in, which the Card My Yard business is located. All required insurance coverages may be obtained by separate primary policies, or in combination with umbrella or excess liability policies.

B. Deductibles; Waiver of Subrogation. You may elect to have reasonable deductibles in connection with the coverage required under Sections XIII.A(1)-(3) hereof. Such policies shall also include a waiver of subrogation in favor of us, our Affiliates and the officers, directors, shareholders, partners, members, agents, representatives, independent contractors, servants and employees of each of them.

C. Workers' Compensation Insurance. If applicable, you must maintain workers' compensation (Coverage A) with statutory limits complying with the laws of the applicable state, and employer's liability (Coverage B) with limits not less than \$1,000,000 per accident, \$1,000,000 disease policy limit, and \$1,000,000 disease per employee. Such insurance shall include a waiver of subrogation endorsement in favor of us.

D. No Limitation of Other Obligations. Your obligation to obtain and maintain the foregoing policies in the amounts specified shall not be limited in any way by reason of any insurance which may be maintained by us, nor shall your performance of that obligation relieve you of liability under the indemnity provisions set forth in Article XVI. of this Agreement.

E. Additional Insured Designation. All insurance policies required under this Agreement shall name us and our Affiliates, and the officers, directors, shareholders, partners, members, agents, representatives, independent contractors, servants and employees of each of them, as additional insureds, and shall expressly provide that our and their interest shall not be affected by your breach of any policy provisions. All public liability and property damage policies shall contain a provision that we and our Affiliates, and the officers, directors, shareholders, partners, members, agents, representatives, independent contractors, servants and employees of each of them, although named as insureds, shall nevertheless be entitled to recover under such policies on any loss occasioned to them by reason of your negligence or that of your servants, agents or employees.

F. Certificates of Insurance. Upon the execution of this Agreement and thirty (30) days before the expiration of any policy required under this Agreement, you agree to deliver to us certificates of insurance evidencing the existence and continuation of proper coverage with limits not less than those required under this Article XIII. In addition, if we request, you agree to deliver to us a copy of the insurance policy or policies required. All required insurance policies must expressly provide that we are entitled to no less than thirty (30) days' prior written notice in the event of a material alteration to or cancellation of the policies.

G. Remedies. If you fail to procure or maintain the insurance required by this Agreement, we will have the right and authority (but no obligation) to procure such insurance and to charge to you the cost of such insurance, together with a reasonable fee for our expenses, which shall be payable by you upon demand. The foregoing remedies are in addition to any other remedies we may have at law or in equity.

XIV. DEBTS AND TAXES

A. Payment of Taxes and Other Obligations. Except for sales taxes paid to the applicable taxing authorities by us, you agree to promptly pay when due all Taxes levied or assessed and all accounts and other indebtedness of every kind incurred by you in connection with the Card My Yard business. Except for sales taxes paid to the applicable taxing authorities by us, you are solely liable for the payment of all Taxes and agree to indemnify us for the full amount of all such Taxes and for any liability (including penalties, interest and expenses) arising from or concerning the payment of Taxes, whether or not correctly or legally assessed. You will pay to us when due any federal, state or local sales, gross receipts, use, value added, excise or other taxes levied or assessed against us on all fees and other payments paid to us under this Agreement, including any income tax, franchise or other tax levied or assessed against us for the privilege of doing business in your state.

B. Disputed Liability. If there is a bona fide dispute as to your liability for Taxes or other indebtedness, you may contest the validity or the amount of the Tax or indebtedness in accordance with the procedures of the taxing authority or applicable law. However, in no event shall you permit a tax sale or seizure by levy of execution or similar writ or warrant or attachment by a creditor, to occur against the Card My Yard business.

C. Credit Standing. You acknowledge that the failure to make payments or repeated delays in making prompt payments to suppliers will result in a loss of credit rating or standing which will be detrimental to the goodwill associated with the Marks and the System. Except for payments which are disputed by you in good faith, you agree to promptly pay when due all amounts owed by you to us, our Affiliates, and other suppliers, lenders, landlords and other third parties. Any failure to comply with this section shall constitute a material default under this Agreement.

D. Notice of Adverse Orders. You agree to notify us in writing within five (5) days of the commencement of any action, suit or proceeding and of the issuance of any order, writ, injunction, award or decree of any court, agency or other governmental instrumentality, which may adversely affect the operation or financial condition of the Card My Yard business.

XV. TRANSFER

A. By Us. We will have the right to transfer or assign this Agreement and all or any part of our rights or obligations under this Agreement to any person or legal entity without your consent, and upon such transfer or assignment, the transferee or assignee shall be solely responsible for all our obligations arising subsequent to the transfer or assignment. Without limitation of the foregoing, we may sell our assets to a third party; may offer our securities privately or publicly; may merge with or, acquire other corporations, or may be acquired by another corporation; may undertake a refinancing, recapitalization, leveraged buyout or other economic or financial restructuring.

B. By You and Your Owners. You acknowledge that the rights and duties set forth in this Agreement are personal to you, and that we have granted you rights under this Agreement in reliance on your business skill, financial capacity and personal character and that of your Owners. Accordingly, neither you nor any of your Owners, nor any of your or their permitted successors or assigns, shall sell, assign, transfer, convey, give away, pledge, mortgage or otherwise dispose of or encumber any direct or indirect interest in this Agreement (including any zip codes or other partial territorial rights under this Agreement), in the Card My Yard business or the assets of such business, or in you without our prior written consent. Any purported assignment or transfer, by operation of law or otherwise, made in violation of this Agreement shall be null and void and shall constitute a material breach of this Agreement. If you wish to transfer all or part of your interest in the Card My Yard business or this Agreement, or if you or an Owner wishes to transfer any ownership interest in you, the transferor shall apply to us for our consent. We will not unreasonably withhold our consent but may require any or all of the following as conditions of our consent:

(1) All accrued monetary obligations of you and your Affiliates to us and our Affiliates arising under this Agreement or any other agreement, shall have been satisfied in a timely manner, and you shall have satisfied all trade accounts and other debts of whatever nature or kind in a timely manner;

(2) You and your Affiliates shall not be in default of this Agreement or any other agreement with us or our Affiliates, and you and they shall have substantially and timely complied with all the terms and conditions of such agreements during their respective terms;

(3) The transferor and its owners, if applicable, shall have executed a general release, in a form satisfactory to us, of any and all claims, against us and our Affiliates, our and their respective officers, directors, shareholders, partners, members, agents, representatives, independent contractors, servants and employees, past and present, in their corporate and individual capacities, including, without limitation, claims arising under this Agreement and any other agreement with us or our Affiliates, and under federal, state or local laws, rules, and regulations or orders;

(4) The proposed transferee must demonstrate to our satisfaction that it meets our then-current qualifications, and, at the transferee's expense, its Principal Owner, General Manager, and any other personnel we require shall complete any training programs then in effect for Card My Yard businesses upon such terms and conditions as we may reasonably require;

(5) The transferee shall, at its expense and within the time period we reasonably require, renovate, modernize and otherwise upgrade the Card My Yard business to conform to our then-current System image, standards and specifications, provided that this subsection XV.B(5) will be applicable only if you have not renovated, updated and upgraded the Card My Yard business pursuant to subsection VIII.D of this Agreement;

(6) The transferee shall enter into a written agreement, in a form satisfactory to us, assuming full, unconditional, joint and several liability for, and agreeing to perform from the date of the transfer, all of your obligations, covenants and agreements under this Agreement;

(7) The transferee shall execute our then-current form of franchise agreement for a term ending on the expiration date of this Agreement (including any renewal terms provided by this Agreement). The new franchise agreement shall supersede this Agreement in all respects and its terms may differ from the terms of this Agreement (except that the fees imposed on the transferee will not be greater than the fees that we then impose on similarly situated transferees), provided that the transferee shall not be required to pay an initial franchise fee. If the transferee is a corporation, partnership, limited liability company or other entity, those of the transferee's owners whom we require shall execute such guaranty and assumption documents as we may require. All Transferees acquiring an existing Card My Yard business from a franchisee must sign our then-current Franchise Agreement within thirty (30) days of approval of the transfer by us, and payment of applicable transfer fee. If you seek to transfer or resell your business, failure to follow this process will incur the then-current termination fees and result in termination of your franchise;

(8) The transferor shall remain liable for all of its obligations to us under this Agreement incurred prior to the effective date of the transfer, shall obtain a one-year tail on each of its insurance policies to cover any liabilities that may have been incurred prior to the effective date of the transfer, and shall execute any and all instruments reasonably requested by us to evidence such liability;

(9) You must pay us a transfer fee in an amount equal to the greater of: (a) \$3,000, or (b) 5% of the applicable sale/transfer price (whether for cash or other consideration);

(10) If the transfer relates to the grant of a security interest in any of your assets, we may require the secured party to agree that, in the event of any default by you under any documents related to the security interest, we shall have the right and option (but no obligation) to be substituted as obligor to the secured party and to cure any default; and

(11) The transferor must enter into our then-current termination and release agreement.

C. Transfer for Convenience of Ownership. If the proposed transfer is to a corporation or other entity wholly owned by you and formed solely for the convenience of ownership, our consent may be conditioned upon any of the requirements in Section XV.B., except that Sections XV.B.(3), (4), (5), and (7) shall not apply, and the fee provided for in Section XV.B.(9) shall be limited to our reasonable out-of-pocket costs and expenses (including legal and accounting fees and costs) related to such transfer. In any transfer for the convenience of ownership, you must be the owner of all the voting stock or ownership interests in the new entity, or, if you are more than one individual, each individual shall have the same proportionate ownership interest in the new entity as he or she had in you before the transfer.

D. Right of First Refusal. If you or an Owner wishes to transfer any interest in this Agreement, the Card My Yard business, or you pursuant to any bona fide offer received from a third party to purchase such interest, then the proposed seller shall promptly notify us in writing of the offer, and shall provide such information and documentation relating to the offer as we may require. We will have the right and option, exercisable within thirty (30) days after receipt of such written notification and copies of all required documentation describing the terms of the offer, to send written notice to the seller that we intend to purchase the seller's interest on the terms and conditions offered by the third party. If we elect to purchase the seller's interest, closing shall occur on or before sixty (60) days from the later of the date of our notice to seller of our election to purchase and the date we receive all necessary permits and approvals, or any other date agreed by the parties in writing. If the third party offer provides for payment of consideration other than cash, we may elect to purchase seller's interest for the reasonable cash equivalent. If the parties cannot agree within a reasonable time on the reasonable cash equivalent, then that amount shall be determined by two (2) appraisers. Each party shall select one (1) appraiser and the average of the appraisers' determinations shall be binding. Each party shall bear its own legal and other costs and shall share the appraisal fees equally. If we exercise our right of first refusal, we will have the right to set off all appraisal fees and other amounts due from you to us or any of our Affiliates. A material change in the terms of any offer before closing shall constitute a new offer subject to the same right of first refusal as an initial offer. Our failure to exercise the option afforded by this Section XV.D. shall not constitute a waiver of any other provision of this Agreement, including all of the requirements of Section XV.B. Failure to comply with this Section XV.D. shall constitute a material event of default under this Agreement.

E. Death or Permanent Disability. You agree to promptly notify us of any death or claim of permanent disability subject to this Section XV.E. Any transfer upon death or permanent disability shall be subject to the following conditions, as well as to the conditions described in Section XV.B. for any inter vivos transfer.

(1) Upon your death (if you are a natural person) or the death of any Owner who is a natural person (the "Deceased"), the executor, administrator or other personal representative of the Deceased shall transfer such interest to a third party approved by us within six (6) months after the date of death. If no personal representative is designated or appointed or no probate proceedings are instituted with respect to the estate of the Deceased, then the distributee of such interest must be approved by us. If the distributee is not approved by us, then the distributee shall transfer such interest to a third party approved by us within six (6) months after the death of the Deceased.

(2) Upon your permanent disability (if you are a natural person) or the permanent disability of any Owner who is a natural person, we may, in our sole discretion, require that person's interest to be transferred to a third party in accordance with the conditions described in this Article XV. within six (6) months after notice to you. "Permanent disability" shall mean any physical, emotional or mental injury, illness or incapacity which would prevent

a person from performing the obligations set forth in this Agreement or in the guaranty made part of this Agreement for at least ninety (90) consecutive days and from which condition recovery within ninety (90) days from the date of determination of disability is unlikely. Permanent disability shall be determined by a licensed practicing physician selected by us, upon examination of the person, or if the person refuses to submit to an examination, then such person automatically shall be deemed permanently disabled as of the date of such refusal for the purpose of this Section XV.E. We will pay the costs of any examination required by this Section XV.E.(2).

F. No Waiver. Our consent to the transfer of any interest described in this Article XV. shall not constitute a waiver of any claims which we may have against the transferring party, nor shall it be deemed a waiver of our right to demand the transferee's exact compliance with any of the terms of this Agreement.

XVI. INDEMNIFICATION

You agree to indemnify, defend and hold harmless us, our Affiliates, and our and their respective shareholders, directors, officers, employees, agents, successors and assignees (the "Indemnified Parties") against, and to reimburse any one or more of the Indemnified Parties for, any and all claims, and liabilities directly or indirectly arising out of the operation of the Card My Yard business or your breach of this Agreement, without limitation and without regard to the cause or causes thereof or the negligence (whether such negligence be sole, joint or concurrent, or active or passive) or strict liability of us or any other party or parties in connection therewith. Notwithstanding the foregoing, this indemnity shall not apply to any liability arising from our gross negligence or willful misconduct, except to the extent that joint liability is involved, in which event the indemnification provided herein shall extend to any finding of comparative or contributory negligence attributable to you, your Owners, officers, directors, employees, independent contractors or Affiliates. For purposes of this indemnification, "claims" includes all obligations, damages (actual, consequential, exemplary or other) and costs reasonably incurred in the defense of any claim against any of the Indemnified Parties, including, without limitation, accountants', mediators', arbitrators', attorneys' and expert witness fees, costs of investigation and proof of facts, court costs, other expenses of litigation, arbitration or alternative dispute resolution and travel and living expenses. We have the right to defend any such claim against us. This indemnity will continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement. Under no circumstances will we or any other Indemnified Party be required to seek recovery from any insurer or other third party, or otherwise to mitigate our, their or your losses and expenses, in order to maintain and recover fully a claim against you. You agree that a failure to pursue such recovery or mitigate a loss will in no way reduce or alter the amounts we or another Indemnified Party may recover from you. The terms of this Article XVI. shall survive the termination, expiration or transfer of this Agreement or any interest herein.

XVII. INDEPENDENT CONTRACTOR

A. Independent Contractor. You agree that the relationship created by this Agreement is not a fiduciary, special, or any other similar relationship, but rather is an arm's-length business relationship, and we owe you no duties except as expressly provided in this Agreement. You are an independent contractor, and nothing in this Agreement is intended to constitute either party an agent, legal representative, subsidiary, joint venturer, partner, employee, joint employer or servant of the other for any purpose. During the term of this Agreement, you agree to hold yourself out to the public as an independent contractor conducting the operations of the Card My Yard business pursuant to the rights granted by us. Nothing in this Agreement authorizes you or any of your Owners to make any contract, agreement, warranty or representation on our behalf, or to incur any debt or other obligation in our name, and we will in no event assume liability for, or be deemed liable under this Agreement as a result of, any such action, or for any act or omission of you or any of your Owners or any claim or judgment arising therefrom.

B. Employer Responsibilities. You are required to maintain proper staffing in the Card My Yard business to meet the Card My Yard business standards. You have sole responsibility for all employment decisions and functions relating to the Card My Yard business, including but not limited to decisions related to recruiting, screening,

hiring, firing, scheduling, training (other than the training described in Section VIII above), compensation, benefits, wage and hour requirements, recordkeeping, supervision, safety, security and discipline of employees. Any information we provide about employment matters, whether voluntarily or in response to your request, and whether directly or by means of any technology tools, is a recommendation only and not intended to exercise control over the wages, hours or working conditions of your employees or the means and manner by which they carry out their duties. You alone will direct and control all employees of the Card My Yard business, subject only to the Card My Yard standards that we prescribe to protect the goodwill associated with our Marks (which may include the requirement of initial and periodic drug testing and background checks). You must clearly inform all workers, before hiring and periodically thereafter, that Franchisee, and not Franchisor, is their employer and that Franchisor does not assume and will not accept any employer, co-employer, or joint employer obligations. You agree to indemnify us for any liability, cost, expense, loss or damage, including attorney's fees and costs, arising from any claim or allegation that Franchisor or any affiliate is the employer, co-employer, or joint employer of Franchisee, its owners, or any workers in the Card My Yard business.

XVIII. TERMINATION

A. Automatic Termination. You will be deemed to be in default under this Agreement, and all rights granted herein shall automatically terminate without notice to you, if you become insolvent or make a general assignment for the benefit of creditors; or if you file a voluntary petition under any section or chapter of federal bankruptcy law or under any similar law or statute of the United States or any state thereof, or admit in writing your inability to pay your debts when due; or if you are adjudicated as bankrupt or insolvent in proceedings filed against you under any section or chapter of federal bankruptcy laws or under any similar law or statute of the United States or any state; or if a bill in equity or other proceeding for the appointment of a receiver or other custodian for your business or assets is filed and consented to by you; or if a receiver or other custodian (permanent or temporary) of your assets or property, or any part thereof, is appointed by any court of competent jurisdiction; or if proceedings for a composition with creditors under any state or federal law are instituted by or against you; or if a final judgment against you remains unsatisfied or of record for thirty (30) days or longer (unless supersedeas bond is filed); or if you are dissolved; or if execution is levied against your business or property; or if judicial, non-judicial or administrative proceedings to foreclose any lien or mortgage against the Card My Yard business premises or equipment is instituted against you and not dismissed within thirty (30) days; or if the real or personal property of your Card My Yard business shall be sold after levy thereupon by any sheriff, marshal or constable or is otherwise sold by means of a foreclosure sale or a public or private auction or sale conducted in accordance with applicable law.

B. Termination on Notice; No Cure. You will be deemed to be in material default and we may, at our option, terminate this Agreement and all rights granted hereunder, without affording you any opportunity to cure the default, effective immediately upon notice to you, upon the occurrence of any of the following events:

- (1) If you operate the Card My Yard business or sell any products or services authorized by us at any location other than the Franchise Location without our prior written consent;
- (2) If you fail to construct the Card My Yard business in accordance with Article III;
- (3) If you fail to open the Card My Yard business for business within the period specified in Section III.E.;
- (4) If you at any time cease to operate or otherwise abandon the Card My Yard business, or lose the right to occupy the Franchise Location (excluding a change of your personal residence to another location within your Protected Territory if your personal residence is your Franchise Location), or otherwise forfeit the right to do or transact business in the jurisdiction where the Card My Yard business is located; provided, that this provision shall not apply upon the occurrence of an event of Force Majeure, if you apply within thirty (30) days after such event for our approval to relocate or reconstruct the Card My Yard business and you diligently pursue such reconstruction

or relocation. Our approval will not be unreasonably withheld but may be conditioned upon the payment of an agreed minimum fee to us during the period in which the Card My Yard business is not in operation;

(5) If a threat or danger to public health or safety results from the construction or operation of the Card My Yard business;

(6) If you or any of your Owners is convicted of, or has entered a plea of guilty or nolo contendere to, a felony, a crime involving moral turpitude, or any other crime, offense or inappropriate action that we believe is reasonably likely to have an adverse effect on the System, the Marks, the goodwill associated therewith, or our interests therein;

(7) If you or any of your Owners transfer or attempt to transfer any rights or obligations under this Agreement or any interest in you or the Card My Yard business contrary to the terms of this Agreement, or if a transfer upon death or permanent disability is not made in accordance with Section XV.E.;

(8) If, contrary to the terms of Section XI.B., you or any of your Owners disclose or divulge any Confidential Information;

(9) If you knowingly maintain false books or records, or submit any false reports to us;

(10) If you breach in any material respect any of the covenants, or have falsely made any of the representations or warranties, set forth in Article VII., or if you make any material misstatement or omission in an application for this franchise or in any other information provided to us;

(11) If you fail to comply with our quality assurance program (including any applicable cure periods provided under such program);

(12) If you or any of your Owners repeatedly commit an event of default under this Agreement, whether or not such defaults are of the same or different nature and whether or not such defaults have been cured by you after notice by us;

(13) If your assets, property or interests are 'blocked' or otherwise restricted under any law, ordinance or regulation relating to terrorist activities or if you are otherwise in violation of any such law, ordinance or regulation; or

(14) If you or any of your Affiliates are in default of any other franchise agreement or other agreements with us and fail to cure such default within the applicable cure period, if any.

C. Termination on Notice; Opportunity to Cure. Except as provided in Sections XVIII.A. and XVIII.B. of this Agreement, upon any default which is capable of being cured, we may terminate this Agreement by giving you written notice of termination stating the nature of the default and the time period within which the default must be cured. You may avoid termination by immediately initiating a remedy to cure such default and curing it to our satisfaction within the time period set forth below or any longer period that applicable law may require ("cure period"). If the default is not cured within the cure period, this Agreement shall terminate without further notice to you effective immediately upon the expiration of the cure period. Defaults which are susceptible of cure hereunder may include, but are not limited to, the following:

(1) If you fail to procure and maintain the insurance policies required by Section XIII. and fail to cure such default within seven (7) days following notice from us;

(2) If you misuse or make any unauthorized use of the Marks or otherwise materially impair the goodwill associated therewith or our rights therein and fail to cure such default within twenty-four (24) hours following notice from us;

(3) If you fail to obtain the execution of the confidentiality and related covenants as required under Section XI.G. of this Agreement within ten (10) days after we request and fail to cure such default within thirty (30) days following notice from us;

(4) If you or any of your Affiliates fail, refuse, or neglect to promptly pay any monies owed to us or any of our Affiliates when due, or fail to submit the financial or other information we require under this Agreement, and do not cure such default within five (5) days following notice from us;

(5) If you or any of your Owners fail to comply with the restrictions against competition or solicitation set forth in Article XI. of this Agreement and fail to cure such default within ten (10) days following notice from us;

(6) If you fail to maintain or observe any of the standards, specifications or procedures prescribed by us in this Agreement or otherwise in writing, and fail to cure such default within thirty (30) days following notice from us;

(7) If you fail to secure all required state, county or local license(s) by the date the Card My Yard business is otherwise ready (and/or required) to open for business and fail to cure such default within ten (10) days following notice from us; or

(8) If you fail to comply with any other requirement imposed by this Agreement, or fail to carry out the terms of this Agreement in good faith and fail to cure such default within thirty (30) days following notice from us.

D. Our Right to Provide Interim Management. If we have given you notice that you are in default, then we may (but are not obligated to) assume interim management of the Card My Yard business during the pendency of any cure period or in lieu of immediately terminating this Agreement. If we elect to assume interim management of the Card My Yard business (i) our election will not relieve you of your obligations under this Agreement; (ii) we will not be liable for any debts, losses, costs or expenses incurred in the operation of the Card My Yard business during any such interim management period; (iii) we will have the right to charge a reasonable fee for our management services; and (iv) you agree to, and hereby do, indemnify and hold us harmless against any and all claims, demands, judgments, fines, losses, liabilities, costs, amounts paid in settlement and reasonable expenses (including, but not limited to attorneys' fees) incurred in connection with our interim management of the Card My Yard business, other than those arising solely from our gross negligence or willful misconduct.

XIX. POST-TERMINATION

A. Your Obligations Upon Termination. Upon the termination or expiration of this Agreement for any reason, all rights granted to you will terminate, and you must:

(1) Immediately cease to operate the Card My Yard business under this Agreement, and shall not thereafter, directly or indirectly, represent to the public or hold yourself out as one of our present or former franchisees.

(2) Immediately and permanently cease to use, in any manner whatsoever, the Marks and any Confidential Information associated with the System. Without limitation of the foregoing, you must cease to use

all signs, advertising materials, displays, stationery, forms and any other items which display the Marks.

(3) Take such action as may be necessary to cancel any assumed name, fictitious name or equivalent registration which contains the mark "Card My Yard" or any other Mark, and furnish us with satisfactory evidence of compliance within five (5) days after termination or expiration of this Agreement.

(4) Not use any reproduction, counterfeit, copy or colorable imitation of the Marks which is likely to cause confusion, mistake, or deception, or which is likely to dilute our rights in and to the Marks, nor shall you use any designation of origin or description or representation which falsely suggests or represents an association or connection with us constituting unfair competition.

(5) Promptly pay all sums owing to us and our Affiliates, and all damages, costs and expenses, including reasonable attorneys' fees and costs, incurred by us as a result of any default by you or in connection with obtaining injunctive or other relief for the enforcement of any provisions of this Article XIX., which obligation shall give rise to and remain a lien in favor of us against any and all of your assets, until such obligations are paid in full.

(6) Promptly deliver to us all Manuals, Software Programs, Confidential Information, and other materials related to the operation of the Card My Yard business in your possession or control, and all copies thereof, all of which are acknowledged to be our property, and retain no copy or record of any of the foregoing, except your copy of this Agreement and of any correspondence between you and us and any other documents which you reasonably need for compliance with any provision of law. Such shall expressly include all branded materials, signs purchased from us, and all other materials relating to or arising out of the operation of the Card My Yard business, which must be delivered within ten (10) business days to us, at our cost.

(7) Comply with the restrictions against the disclosure of Confidential Information and against competition contained in Article XI. of this Agreement and cause any other person required to execute similar covenants pursuant to Article XI. to also comply with such covenants.

(8) Promptly furnish to us an itemized list of all advertising and sales promotion materials bearing the Marks, whether located at the Card My Yard business or at any other location under your control. We will have the right to inspect these materials and the option, exercisable within thirty (30) days after such inspection, to purchase any or all of the materials at your cost. Materials we do not purchase cannot be used by you or any other person for any purpose unless authorized in writing by us.

(9) At our option, assign to us all rights to the URLs (uniform resource locators) and telephone numbers of the Card My Yard business and any related business listings and execute all forms and documents required by us to transfer such service and numbers to us. You agree to use different telephone numbers at or in connection with any subsequent business conducted by you.

(10) Make such modifications or alterations to the premises as are necessary to distinguish the appearance of the Franchise Location from that of the Card My Yard businesses, and, if you fail or refuse to do so, we shall have the right to enter upon the premises, without being guilty of trespass or any other crime or tort, to make or cause such changes to be made, at your expense.

B. Our Post-Term Options. Upon the termination or expiration of this Agreement, we shall have the following options:

(1) The option, exercisable by giving written notice to you within sixty (60) days from the date of such termination or expiration, as applicable, to require you to immediately transfer, assign and deliver all yard

letters and yard signs to us at no cost (except that we will pay reasonable shipping costs), and the option to otherwise acquire all or some of the other assets of the Card My Yard business from you. The date on which we notify you whether or not we are exercising our options is referred to as the "Notification Date." We will have the unrestricted right to assign these options, and we or our assignee will be entitled to all customary warranties and representations in connection with the asset transfer, including, without limitation, representations and warranties as to ownership and condition of and title to assets; liens and encumbrances on assets; validity of contracts and agreements; and liabilities affecting the assets, contingent or otherwise; and a general release.

(2) If we exercise our option under subsection (1) to acquire the assets of the Card My Yard business from you, the purchase price for your yard letters and yard signs will be zero (\$0), and the purchase price for the other Card My Yard business assets we wish to acquire will be their fair market value, determined in a manner consistent with reasonable depreciation of the Card My Yard business' leasehold improvements, equipment, fixtures, furnishings, signs, materials and supplies. The age and condition of the improvements, equipment, fixtures, furnishings, decor, and signs of the Card My Yard business, will also be considered in determining the fair market value. We may exclude from the assets we elect to purchase cash or its equivalent and any leasehold improvements, equipment, fixtures, furnishings, signs, materials and supplies that are not necessary or appropriate (in function or quality) to the Card My Yard business' operation or that we have not approved as meeting the standards for Card My Yard businesses, and the purchase price will reflect such exclusions.

(3) If we and you are unable to agree on the fair market value of the Card My Yard business' assets, or the fair rental value of the Franchise Location, such fair market value (or fair rental value) will be determined by three (3) independent appraisers who collectively will conduct one (1) appraisal. We will appoint one appraiser, you will appoint one appraiser, and those appraisers will appoint the third appraiser. You and we agree to select our respective appraisers within fifteen (15) days after the Notification Date, and we and you agree that we will instruct the two appraisers so chosen to appoint the third appraiser within fifteen (15) days after the date on which the last of our appointed appraisers is appointed. You and we will each bear the cost of our own appraiser and share equally the fees and expenses of the third appraiser. We and you agree that we will instruct the three (3) appraisers to complete their appraisal within thirty (30) days after the third appraiser's appointment.

(4) The purchase price, if applicable, will be paid at the closing of the purchase, which will take place not later than ninety (90) days after the determination of the purchase price. We will have the right to set off against the purchase price, and thereby reduce the purchase price by, any and all amounts you or your Owners owe to us. At the closing, you agree to deliver instruments transferring to us: (i) good and merchantable title to the assets purchased, free and clear of all liens and encumbrances, with all sales and other transfer taxes paid by you; and (ii) all licenses and permits of the Card My Yard business which may be assigned or transferred. If you cannot deliver clear title to all of the purchased assets, or if there are other unresolved issues, the closing of the sale will be accomplished through an escrow. You and your Owners further agree to execute general releases, in form satisfactory to us, of any and all claims against us and our subsidiaries, shareholders, officers, directors, employees, agents, successors and assigns.

(5) We may assign our options under this Section XIX.B. to any person or entity without your consent.

C. Liquidated Damages/Unauthorized Closure Fee. Upon any unauthorized closure of the Card My Yard business by you or any termination of this Agreement in connection with a breach by you, you will be required to promptly pay us liquidated damages in an amount equal to the greater of (a) \$6,600 or (b) the total royalties paid by you under this Agreement during the previous 12 months multiplied by two (or if your Card My Yard business has not been open for at least 12 months then your liquidated damages amount will be \$6,600). Such amount shall be due

and payable to us in one lump sum payment promptly upon our written request. Such liquidated damages are in addition to, and not in lieu of, any other remedies available to us under this Agreement and shall be due and payable to us regardless of whether we terminate this Agreement or take other remedial actions.

D. Liquidated Damages/Non-Reporting or Under-Reporting Fee. An amount equal to \$5,000 per occurrence will be owed for each instance when we document your intentional non-reporting or under-reporting of revenues that you realize and receive from your Card My Yard business. Upon such an occurrence, in addition to such fees, we will have a right to terminate the franchise without a right to cure.

XX. MISCELLANEOUS

A. Notices. Any and all notices required or permitted under this Agreement shall be in writing and shall be personally delivered or mailed by expedited delivery service or certified or registered mail, return receipt requested, first-class postage prepaid, or sent by electronic mail to the respective parties at the following addresses unless and until a different address has been designated by written notice to the other party:

Notices to us:	CMY Franchising, LLC 761 W. 1200 N., Suite 300 Springville, Utah 78734 Attention: Joshua Arnold Telephone: (512) 943-2693 e-mail: josh@cardmyyard.com
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Notices to you and your Owners:	Name: _____ Street Address: _____ City, State Zip: _____ Attention: _____ Telephone: _____ e-mail: _____
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Any notice shall be deemed to have been given at the time of personal delivery or, in the case of expedited delivery service, on the next Business Day, or, in the case of or registered or certified mail, three (3) Business Days after the date and time of mailing, or, in the case of electronic mail, upon transmission (provided confirmation is sent by expedited delivery service or registered or certified mail).

B. No Waiver. No delay, waiver, omission or forbearance on our part to exercise any right, option, duty or power arising out of any breach or default by you or your Owners under this Agreement shall constitute a waiver by us to enforce any such right, option, duty or power against you or your Owners, or as to a subsequent breach or default by you or your Owners.

C. Approval or Consent. Whenever this Agreement requires our prior approval or consent, you must make a timely written request to us, and such approval or consent shall be obtained in writing. No waiver, approval, consent, advice or suggestion given to you, and no neglect, delay or denial of any request therefor, shall constitute a warranty or guaranty by us, nor do we assume any liability or obligation to you or any third party as a result thereof.

D. Force Majeure. Upon the occurrence of an event of Force Majeure, the party affected thereby shall give prompt notice thereof to the other party, together with a description of the event, the duration for which the party expects its ability to comply with the provisions of the Agreement to be affected, and a plan for resuming operation under the Agreement, which the party shall promptly undertake and maintain with due diligence. An affected party shall be liable for failure to give timely notice only to the extent of damage actually caused. If an event of Force Majeure shall occur, then, in addition to payments required under Section XVIII.B.(4), you must continue to pay to

us any and all amounts that you have duly become obligated to pay in accordance with the terms of this Agreement prior to the occurrence of such event and the Indemnitees shall continue to be indemnified and held harmless by you in accordance with Article XVI. Except as provided in Section XVIII.B.(4) and the immediately preceding sentence, neither party shall be held liable for a failure to comply with any terms and conditions of this Agreement when such failure is caused by an event of Force Majeure.

E. **Severability.** Except as expressly provided to the contrary in this Agreement, each portion, section, part, term and provision of this Agreement shall be considered severable; and if, for any reason, any portion, section, part, term or provision is determined to be invalid and contrary to, or in conflict with, any existing or future law or regulation by a court or agency having valid jurisdiction, this shall not impair the operation of, or have any other effect upon, the other portions, sections, parts, terms or provisions of this Agreement that may remain otherwise intelligible, and the latter shall continue to be given full force and effect and bind the parties; the invalid portions, sections, parts, terms or provisions shall be deemed not to be part of this Agreement; and there shall be automatically added such portion, section, part, term or provision as similar as possible to that which was severed which shall be valid and not contrary to or in conflict with any law or regulation.

F. Dispute Resolution.

1 Intent, Meeting, and Mediation

You and we believe that it is important to resolve disputes amicably, quickly, cost-effectively, and professionally and return to business as soon as possible. You agree that you will communicate professionally with us and with our team at all times, including when communicating any dispute. You and we agree that the provisions of this Article support these mutual, practical business objectives, and, therefore, agree as follows:

a. All provisions of this Franchise Agreement (including the language of this Article) will be fully enforced, including those relating to arbitration, waiver of jury trial, limitation of damages, venue, choice of laws, and shortened periods in which to bring claims.

b. **All of the terms, covenants, and conditions of this Article, including the choice of law, choice of venue, and use of arbitration are mandatory and not permissive.**

c. The Parties rely on the federal preemption of state laws under the Federal Arbitration Act (9 U.S.C. §1 et seq.) (FAA) with the understanding that the FAA and not state law will control any matters concerning mediation and arbitration and, as a result, the provisions of this Franchise Agreement will be enforced only according to its terms and through the alternative dispute mechanism found in this Article. The Parties further agree that each Party intends that any state law attempting to prohibit arbitration or attempting to void out-of-state forums for arbitration are preempted by the Federal Arbitration Act and that arbitration will be held as provided in this Article.

d. Except as expressly provided in this Franchise Agreement, **EACH PARTY KNOWINGLY WAIVES ALL RIGHTS TO A COURT OR JURY TRIAL AND, INSTEAD, SELECTS FACE-TO-FACE MEETINGS, MEDIATION AND FINALLY BINDING ARBITRATION AS THE SOLE MEANS TO RESOLVE DISPUTES UNDERSTANDING THAT FACE-TO-FACE MEETINGS, MEDIATION AND ARBITRATION MAY BE LESS FORMAL THAN A COURT OR JURY TRIAL, MAY USE DIFFERENT RULES OF PROCEDURE AND EVIDENCE, THAT AN APPEAL PROCESS IS GENERALLY LESS AVAILABLE, AND THAT THE FEES AND COSTS ASSOCIATED WITH MEDIATION AND ARBITRATION MAY BE SUBSTANTIALLY GREATER THAN IN CIVIL LITIGATION.**

Initials as to the above three subsections:

Initials of Franchisee

Initials of Franchisee

Initials of Franchisor

- i. Notwithstanding the fact that a Party is or may become a party to a court action or special proceeding with a third party or otherwise, and whether or not such pending court action or special proceeding: (i) may include issues of law, fact, or otherwise that arise out of the same transaction (or series of related transactions) as any arbitrable matter between or involving the Parties; (ii) involves a possibility of conflicting rulings on issues of law, fact, or otherwise; and (iii) such pending court action or special proceeding may involve a third party who cannot be compelled to arbitrate the terms, covenants, and conditions of this Franchise Agreement, the Parties still agree any dispute between the Parties to this Franchise Agreement will be enforced according to the terms found herein, including the obligation to perform under this Article.
- ii. Before arbitration, each Party agrees to adhere to the following procedure:
 1. First, in the event of a disagreement between us, we agree to meet face-to-face within 30 days after one Party gives written notice to the other;
 2. Second, if the issues between us cannot be so resolved, then the disagreement must be submitted to non-binding mediation before the Judicial Arbitration and Mediation Service (**JAMS**) or its successor (or an organization designated by JAMS or its successor). If JAMS is unable or unwilling to conduct such proceedings, and the Parties to the dispute cannot agree on an appropriate organization or person to conduct such proceedings, mediation will be heard by the American Arbitration Association. (**AAA**).

A. You and we will agree upon a single mediator. If we cannot agree upon the mediator, then the senior-most officer, director, or manager of the association under which the mediation is to take place will choose a neutral and disinterested mediator, and such choice will be final and binding.

B. Mediation must begin 30 days after the face-to-face meeting. Any Party may be represented by counsel and may bring persons appropriate to the proceeding with permission of the mediator.

C. Each Party will bear the Person's costs associated with attending mediation. Each Party will equally split the cost of the mediator.

3. If mediation does not resolve the matter, you and we agree that the disagreement will be submitted to and finally resolved by binding arbitration.

2 Resolution under Arbitration

a. Subject to the terms of this Article, Arbitration must begin by the earlier of 90 days after the end of mediation or the last day of the one year identified in this Article.

b. Arbitration will be held before and under the arbitration rules of JAMS or its successor (or an organization designated by JAMS or its successor). If JAMS is unable or unwilling to conduct such proceedings, and the Parties cannot agree on an appropriate organization or person to conduct such proceedings, the arbitration will be heard by a single arbitrator from the AAA. The arbitrator must be experienced in franchising. If the Parties cannot agree upon the arbitrator, the senior-most officer, director, or manager of the association under which the arbitration is to take place will choose a neutral and disinterested arbitrator, and such choice will be final and binding upon the Parties.

- c. Any Party may be represented by counsel and may, with permission of the arbitrator, bring persons appropriate to the proceeding.
- d. The arbitrator’s judgment on any preliminary matter and the final arbitration award will be final and binding and may be entered in any court having jurisdiction.
- i. The arbitrator’s award will be in writing. On request by any party to the arbitration, the arbitrator will provide to all disputants a reasoned opinion with findings of fact and conclusions of law, and the Party so requesting will pay the arbitrator’s fees and costs.
- ii. There will be no right to appeal any preliminary finding or ruling, and there is no right to appeal the final award.
- e. The Parties agree that they will equally split the fees paid to start arbitration and the fees paid to the arbitrator until the arbitrator awards fees and other costs to the Prevailing Party.

3 Confidentiality:

The Parties to any meeting, mediation, or arbitration will sign confidentiality agreements, excepting only public disclosures and filings as are required by law.

4 Choice of Law, Venue and Jurisdiction

- a. Any meeting, mediation, or arbitration will be conducted exclusively at a neutral location within 15 miles of our then-current headquarters without regard to conflict of law provisions or *forum non-conveniens* demand to the contrary.
- b. The arbitrator will apply all applicable laws and equity permitted under the laws of the state of Utah, without regard to conflicts of law provisions. Any dispute requiring resolution before a court shall be brought in the appropriate state or federal court situated in Utah County, Utah, or the most proximate thereto, with the parties hereby irrevocably consenting to the exclusive jurisdiction and venue therein.
- c. The terms of this Section and the terms of this Article generally **are mandatory and not permissive** and will control any matters of jurisdiction, venue, and choice of law; and by initialing below, you and we have agreed to the mandatory terms of this Article generally and to the mandatory terms of this Section specifically.

Initials as to this entire Section

Initials of Franchisee

Initials of Franchisee

Initials of Franchisor

a. Scope, Discovery, other Procedural Matters, Fees, and Costs

- a. The arbitrator will decide any factual, procedural, or legal questions relating to the dispute, including any decision as to whether there is a franchise contract between the Parties; whether this Article is applicable and enforceable; and all other matters, including issues relating subject matter, timeliness, scope, remedies, unconscionability, and any alleged fraud in the inducement.

b. The Parties to the dispute have the same discovery rights as are available under the rules of the arbitration association hosting the arbitration.

c. Each participant must submit or file any claim which would constitute a “compulsory counter-claim” (as defined by the applicable rule under the Federal Rules of Civil Procedure) within the same proceeding as the claim to which it relates. Any such compulsory counter-claim that is not submitted or filed in such proceeding will be forever barred.

d. The arbitrator may issue summary orders disposing of all or part of a claim and provide for temporary restraining orders, preliminary injunctions, injunctions, attachments, claim and delivery proceedings, temporary protective orders, receiverships, and other equitable, interim or final relief.

i. Each Party consents to the enforcement of such orders, injunctions, etc., by any court having jurisdiction.

ii. The arbitrator has subpoena powers limited only by the laws of the state of Utah.

e. In addition to any other remedy, the arbitrator will award the “**Prevailing Party**” their costs, fees, reasonable attorney’s fees, expert witness fees, and the like that Party expended in preparation for and the prosecution of the case at arbitration. The Prevailing Party will be the Party that has obtained the greatest “**net judgment**” in terms of money or money equivalent. If money or money equivalent has not been awarded, then the Prevailing Party will be that Party that has prevailed on a majority of the material issues decided. The “**net judgment**” is determined by subtracting the smallest award of money or money equivalent from the largest award. If there is a mixed decision involving an award of money or money equivalent and equitable relief, or if the arbitrator deems it to be in the best interest of justice, the arbitrator using their reasonable judgment, will award the above fees to the Party that it deems has prevailed over the other Party. This award applies to all matters decided by the arbitrator, including matters concerning misrepresentation or fraud.

b. Disputes Not Subject to the Mediation or Arbitration

a. Claims or disputes relating primarily to the Marks, to any intellectual property licensed to you, to any matter governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. §§ 1051 et seq.), are subject to court proceedings in a court of competent jurisdiction. Only the portion of any claim or dispute identified in this Section is subject to court action, but only to the extent that such action is necessary to protect the Marks, the intellectual property, and any matters governed by the Lanham Act.

b. Matters relating solely to the collection of money by one Party against the other are not subject to a face-to-face meeting, mediation, or arbitration. Such matters include collection efforts against you or us solely for the failure to make timely payment of any amount due to the other. In such an event, such matter may be brought in a court of competent jurisdiction and venue. If, however, one Party to such action pleads another claim, cross-claim, counter-claim or affirmative defense based on anything other than the mere collection of money, or if the other Party alleges facts concerning fraud or any other equitable defense, then the entire matter, including the collection-of-money effort will be subject to the alternative dispute resolution procedures of this Article.

c. To the extent that either of us seeks injunctive relief before the face-to-face meeting or mediation, the same may be applied to a court of competent jurisdiction. The court will hear only the application for injunctive relief, and the mere fact that the court exercised jurisdiction in considering the injunction will not serve to eliminate the alternative dispute resolution requirements of this Article. If the temporary injunction is granted, then the Party that made the application must begin the alternative dispute resolution process under this Article.

5 Other Matters

We each understand and specifically agree that any matters concerning the relationship between us and any dispute arising, as a result, will be determined on an individual basis and will not be brought as a class action or with multiple unrelated franchisees

(whether as a result of attempted consolidation, joinder, or otherwise). This is prudent from a business standpoint because (a) the mediation and arbitration procedures function most effectively on an individual case basis; (b) there are significant factors present in each individual franchisee’s situation which should be respected; and (c) class-wide or multiple plaintiff disputes do not foster quick, amicable, and economic dispute resolutions.

6 One Year Limitation of Action

- a. Except for an alleged violation of the Marks or any intellectual property licensed to you (which may be brought at any time), and except for the enforcement of our right to indemnification under Article 14 and subsection (c) just below, **YOU AND WE ARE LIMITED TO BRINGING ANY ARBITRATION AGAINST THE OTHER WITHIN ONE YEAR OF THE DATE THAT THE FACTS WHICH GIVE RISE TO THE CLAIM WERE DISCOVERED, OR ONE YEAR FROM THE DATE THAT SUCH FACTS REASONABLY SHOULD HAVE BEEN DISCOVERED.** The one-year period begins to run and will not be tolled merely because the claiming party was unaware of legal theories, statutes, regulations, or case law upon which the claim might be based. If the Parties have begun mediation on the day that the one-year expires, then the one-year will be extended by 90 days from the unsuccessful end of mediation within which a Party must bring arbitration. If arbitration is not brought by 5:00 p.m. Mountain Time on the 90th day after mediation ends, then the right to bring arbitration expires, and the Parties will have no other opportunity to try, arbitrate or receive any other relief because of the action, matter, dispute, or disagreement underlying the claim.
- b. Notwithstanding the foregoing, if any federal or state law provides for a shorter limitation period than is described in this Section, then such a shorter period will govern.
- c. This Section will not apply to issues of indemnification, and such actions under the indemnification covenant may be brought within the period provided by any limitation-of-action statute under the laws of the state in which our headquarters is then located.

Initials as to this entire Section

Initials of Franchisee

Initials of Franchisee

Initials of Franchisor

7 Survival of Obligations

Each provision of this Subsection F is self-executing and will continue in full force and effect after a Transfer, expiration, termination, rescission, or finding of unenforceability of this Agreement (or any part of it).

- A. Costs and Attorneys’ Fees. If we incur expenses in connection with your failure to pay when due amounts owed to us, or to submit when due any reports, information or supporting records, or otherwise to comply with this Agreement, you agree to reimburse us for any of the costs and expenses which we incur, including, without limitation, court costs and any accounting, attorneys’, mediators’, arbitrators’ and related fees.
- B. Binding Effect. This Agreement is binding upon us and you and your and our respective executors, administrators,

heirs, beneficiaries, assigns and successors in interest.

- C. Modification of Agreement. Except for those changes permitted to be made unilaterally by us hereunder, no amendment, change or variance from this Agreement shall be binding on either you or us unless mutually agreed to and executed by our and your authorized officers or agents in writing.
- D. Consents And Approvals. Except where this Agreement expressly obligates us reasonably to approve or not unreasonably to withhold our approval of any of your actions or requests, we have the absolute right to refuse any request you make or to withhold our approval of any of your proposed or effected actions that require our approval.
- E. Owners. If two or more persons are at any time the “Franchisee” under this Agreement, whether as partners or joint venturers, their obligations and liabilities to us will be joint and several.
- F. Counterpart Execution. This Agreement may be executed in multiple counterparts, each of which when so executed shall be an original, and all of which shall constitute one and the same instrument.
- G. Headings. The captions used in connection with the articles, sections and subsections of this Agreement are inserted only for purpose of reference. Such captions shall not be deemed to govern, limit, modify or in any other manner affect the scope, meaning or intent of the provisions of this Agreement or any part thereof nor shall such captions otherwise be given any legal effect.
- H. Survival. Any obligation of you or the Owners that contemplates performance of such obligation after termination or expiration of this Agreement or the transfer of any interest in you, shall be deemed to survive such termination, expiration or transfer. Without limitation of the foregoing, the provisions of Sections XX.F., G. and H. will continue in full force and effect subsequent to and notwithstanding this Agreement’s expiration or termination.
- I. Gender. All references herein to the masculine, neuter or singular shall be construed to include the masculine, feminine, neuter or plural, where applicable.
- J. Remedies Cumulative. All rights and remedies of the parties to this Agreement shall be cumulative and not alternative, in addition to and not exclusive of any other rights or remedies which are provided for herein or which may be available at law or in equity in case of any breach, failure or default or threatened breach, failure or default of any term, provision or condition of this Agreement or any other agreement between you or any of your Affiliates, and us or any of our Affiliates. The rights and remedies of the parties to this Agreement shall be continuing and shall not be exhausted by any one or more uses thereof, and may be exercised at any time or from time to time as often as may be expedient; and any option or election to enforce any such right or remedy may be exercised or taken at any time and from time to time. The expiration, earlier termination or exercise of our rights pursuant to Section XVIII. of this Agreement shall not discharge or release you or any of the Owners from any liability or obligation then accrued, or any liability or obligation continuing beyond, or arising out of, the expiration, the earlier termination or the exercise of such rights under this Agreement.
- K. No Third Party Beneficiary. Except as expressly provided to the contrary herein, nothing in this Agreement is intended, nor shall be deemed, to confer upon any person or legal entity other than you, us, our officers, directors and personnel and such of your and our respective successors and assigns as may be contemplated (and, as to you, authorized by Section XV.), any rights or remedies under or as a result of this Agreement.
- L. Further Assurances. You and we agree to promptly execute and deliver such further documents and take such further action as may be necessary in order to effectively carry out the intent and purposes of this Agreement.
- M. Agreement Effective Upon Execution by Us. This Agreement shall not become effective until signed by one of our

authorized representatives.

- N. Entire Agreement. This Agreement, and the exhibits hereto, which are incorporated herein by reference, constitute the entire, full and complete Agreement between the parties hereto concerning the subject matter hereof, and they supersede any and all prior negotiations, understandings, representations and agreements; **provided, however, that nothing in this or any related agreement is intended to disclaim the representations made in the franchise disclosure document that we furnished to you.** You acknowledge and agree that no other representations by us or any third party have induced you to execute this Agreement.

XXI. FRANCHISEE'S ACKNOWLEDGEMENTS

A. Consultation With Advisors. Franchisee acknowledges that Franchisee has received and read this Agreement and the related Attachments and agreements and that Franchisor has afforded Franchisee the opportunity to consult with advisors selected by Franchisee about the potential benefits and risks of entering into this Agreement.

B. Development of the System. Franchisee acknowledges and agrees that some aspects of Franchisor's franchise program and the System are currently under development and that Franchisor expects that there will be some significant variations in the System in different markets which may exist for an initial or transitional period, or on a permanent basis. Franchisee acknowledges and agrees that no variations from the System or Manuals are permitted without Franchisor's prior written consent and that over time during the term of this Agreement Franchisor and its affiliates will continue to develop and refine various aspects of the System and that as new products, operating procedures, trade dress and other refinements are introduced, Franchisor may, in its sole discretion, cease to allow some or all variations from the System and Manuals and may require local, regional or national uniformity among Card My Yard businesses with regard to aspects of the System and Manuals for which Franchisor previously permitted variations.

C. WASHINGTON STATE FRANCHISE INVESTMENT PROTECTION ACT. The Acknowledgments set forth in this Article XXI do not waive any liability the franchisor may have under the Washington Franchise Investment Protection Act, RCW 19.100, and the rules adopted thereunder.

[SIGNATURES ON FOLLOWIN PAGE]

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be executed by its duly authorized representative as of the date indicated below.

FRANCHISOR:

CMY FRANCHISING, LLC,
a Delaware limited liability company

By:

Name: Joshua Arnold
Title: Chief Executive Officer
Date:

FRANCHISEE: _____

By: _____	By: _____	By: _____
Name: _____	Name: _____	Name: _____
Title: _____	Title: _____	Title: _____
Date: _____	Date: _____	Date: _____

EXHIBIT A TO THE FRANCHISE AGREEMENT

OWNERS' GUARANTY AND ASSUMPTION AGREEMENT

This Guaranty and Assumption Agreement (the "Guaranty") is given and entered into as of _____, by the undersigned in connection with the Franchise Agreement dated _____ between CMY Franchising, LLC ("Franchisor") and _____ ("Franchisee").

In consideration of, and as an inducement to, the execution of the Franchise Agreement by Franchisor, each of the undersigned and any other parties who sign counterparts of this Guaranty (individually, a "Guarantor" and collectively, the "Guarantors") hereby personally and unconditionally guarantee to Franchisor and its successors and assigns, that Franchisee will punctually perform its obligations and pay all amounts due under the Franchise Agreement, including, without limitation, amounts due for initial franchise fees, royalties, marketing fund contributions and purchases of equipment, materials, and supplies.

Each Guarantor waives:

- (i) acceptance and notice of acceptance by Franchisor of the foregoing undertakings; and
- (ii) notice of demand for payment of any indebtedness or nonperformance of any obligations hereby guaranteed; and
- (iii) protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed; and
- (iv) any right he or she may have to require that an action be brought against Franchisee or any other person as a condition of liability; and
- (v) all rights to payments and claims for reimbursement or subrogation which he or she may have against Franchisee arising as a result of his or her execution of and performance under this Guaranty (including by way of counterparts); and
- (vi) any and all other notices and legal or equitable defenses to which he or she may be entitled.

Each Guarantor consents and agrees that:

- (i) his or her direct and immediate liability under this Guaranty will be joint and several not only with Franchisee, but also among the Guarantors; and
- (ii) he or she will render any payment or performance required under the Agreement upon demand if Franchisee fails or refuses punctually to do so; and
- (iii) such liability will not be contingent or conditioned upon pursuit by Franchisor of any remedies against Franchisee or any other person; and
- (iv) such liability will not be diminished, relieved or otherwise affected by any subsequent rider or amendment to the Franchise Agreement or by any extension of time, credit or other indulgence that Franchisor may from time to time grant to Franchisee or to any other person, including, without limitation, the acceptance of any partial payment or performance, or the compromise or release of

any claims, none of which will in any way modify or amend this Guaranty, which will be continuing and irrevocable throughout the term of the Franchise Agreement and for so long thereafter as there are any monies or obligations owing by Franchisee to Franchisor under the Franchise Agreement; and

- (v) Franchisee's written acknowledgment, accepted in writing by Franchisor, or the judgment of any court or arbitration panel of competent jurisdiction establishing the amount due from Franchisee will be conclusive and binding on the undersigned as Guarantors.

Each Guarantor also makes all of the covenants, representations, warranties and agreements of the Owners set forth in the Franchise Agreement and is obligated to perform thereunder, including, without limitation, under Articles VII., XI., XV., XVI. and XIX. and Sections XX.F. through N (which include, among other things, the mediation of disputes and WAIVERS OF JURY TRIAL RIGHTS AND PUNITIVE DAMAGES).

If Franchisor is required to enforce this Guaranty in an administrative, judicial or arbitration proceeding, and prevails in such proceeding, Franchisor will be entitled to reimbursement of its costs and expenses, including, but not limited to, legal and accounting fees and costs, administrative, mediators', arbitrators' and expert witness fees, costs of investigation and proof of facts, court costs, other expenses of an administrative, judicial or arbitration proceeding and travel and living expenses, whether incurred prior to, in preparation for or in contemplation of the filing of any such proceeding. If Franchisor is required to engage legal counsel in connection with any failure by the undersigned to comply with this Guaranty, the Guarantors will reimburse Franchisor for any of the above-listed costs and expenses incurred by it.

IN WITNESS WHEREOF, each Guarantor has hereunto affixed his signature on the same day and year as the Franchise Agreement was executed.

GUARANTORS:

By: _____	By: _____	By: _____
Name: _____, individually	Name: _____, individually	Name: _____, individually
Date: _____	Date: _____	Date: _____
By: _____	By: _____	By: _____
Name: _____, individually	Name: _____, individually	Name: _____, individually
Date: _____	Date: _____	Date: _____

EXHIBIT B TO THE FRANCHISE AGREEMENT

CONFIDENTIALITY AND NONCOMPETITION AGREEMENT

This Agreement is made and entered into as of _____, between CMY Franchising, LLC, a Delaware limited liability company (“Franchisor,” “we,” “us,” or “our”)¹, _____, a(n) _____, (“Franchisee”) and _____ and _____ (“Covenantor” or “you”) in connection with a Franchise Agreement between us and Franchisee dated _____ (“Franchise Agreement”). Initially capitalized terms used, but not defined in this Agreement, have the meanings given to them in the Franchise Agreement.

RECITALS

We have the right to use and license the use of a System for the establishment and operation of Card My Yard businesses.

The System is identified by certain Marks including, the mark “Card My Yard,” and includes certain Confidential Information which provides economic advantages to us and licensed users of the System.

We have granted Franchisee the right to operate a Card My Yard business pursuant to the Franchise Agreement.

You are employed by or associated with Franchisee and it will be necessary for you to have access to some or all of the Confidential Information.

We and Franchisee have agreed on the importance of restricting the use, access and dissemination of the Confidential Information, and Franchisee therefore has agreed to obtain from you a written agreement protecting the Confidential Information and further protecting the System against unfair competition.

You acknowledge that receipt of and the right to use the Confidential Information constitutes independent valuable consideration for the representations, promises and covenants made by you herein.

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

Confidentiality Agreement

1. You shall, at all times, maintain the confidentiality of the Confidential Information and shall use such Confidential Information only in the course of your employment by or association with Franchisee in connection with the operation of a Card My Yard business under the Franchise Agreement.

¹ If Franchisor will not be a party, delete reference and modify the agreement to reflect, including the addition of the following third party beneficiary language: “We and our successors and assigns shall be third party beneficiaries of this Agreement, with the full and independent right, at our and their option and in our and their sole discretion, to enforce this Agreement.”

2. You shall not at any time make copies of any documents or compilations containing some or all of the Confidential Information without our express written permission.

3. You shall not at any time disclose or permit the disclosure of the Confidential Information except to Franchisee's other authorized employees and only to the limited extent necessary to train or assist such other employees in the operation of the Card My Yard business.

4. You shall surrender any material containing some or all of the Confidential Information to Franchisee or us, upon request, or upon termination of your employment by or association with Franchisee.

5. You shall not at any time, directly or indirectly, do any act or omit to do any act that would or would likely be injurious or prejudicial to the goodwill associated with the System.

6. You acknowledge that all Manuals are loaned by us to Franchisee for limited purposes only and remain our property. You agree that no Manuals may be reproduced, in whole or in part, without our written consent.

Covenants Not to Compete

In order to protect the goodwill of the System, and in consideration for the disclosure of the Confidential Information to you, you agree that, during the term of your association with or employment by Franchisee, and for a period of two (2) years following the earlier of (i) the termination thereof, or (ii) the termination, expiration or transfer of Franchisee's interest in the Franchise Agreement, you will not, without our prior written consent or as permitted under other valid Franchise Agreements for Card My Yard businesses between Franchisee and us:

a. Directly or indirectly divert, or attempt to divert any business opportunity or customer of Card My Yard businesses to any competitor; and

b. Directly or indirectly, for yourself or through, on behalf of, or in conjunction with any other person, persons, partnership, corporation, limited liability company, or other association or entity, own, maintain, operate, engage in or have any financial or beneficial interest in, advise, assist or make loans to, any business which is the same as or similar to a Card My Yard business (including any business that offers yard greeting services or other celebratory display items or services of any kind, including but not limited to, balloon displays, lighted displays, etc.) and which is, or is intended to be, located within the United States, its territories or commonwealths, or any other country, province, state or geographic area in which we or our Affiliates have used, sought registration of or registered the Marks or similar marks or operate or license others to operate a business under the Marks or similar marks; provided that during the two year-period following termination, expiration or transfer of the Franchise Agreement, the non-compete restrictions shall be limited to operations: (i) at the Franchise Location, (ii) within the Protected Area, (iii) within a twenty-five (25)-mile radius of the Franchise Location, or (iv) within a twenty-five (25)-mile radius of any Card My Yard business then in existence or under construction.

Franchisee's Undertaking

Franchisee agrees to make all commercially reasonable efforts to ensure that you act as required by this Agreement.

Miscellaneous

1. You agree that:

a. Each of the covenants herein contain reasonable limitations as to time, geographical area, and scope of activity to be restrained and do not impose a greater restraint than is necessary to protect the goodwill of the System or our other business interests.

b. Each of the foregoing covenants shall be construed as independent of any other covenant or provision of this Agreement. If all or any portion of a covenant in this Agreement is held unreasonable or unenforceable by a court or agency having valid jurisdiction in any unappealed final decision to which we is a party, you agree to be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separately stated in and made a part of this Agreement.

c. In the event of a breach of this Agreement, we and the Franchisee would be irreparably injured and without an adequate remedy at law and, therefore, upon any such breach or attempted breach of any provision hereof, you agree that we and/or the Franchisee shall be entitled, in addition to any other remedies which we or it may have at law or in equity, to a temporary and/or permanent injunction and a decree for the specific performance of the terms of this Agreement, without the necessity of showing actual or threatened harm and without being required to furnish a bond or other security.

2. You agree to pay all expenses (including court costs and reasonable attorneys' fees and costs) incurred by us and/or the Franchisee in enforcing this Agreement.

3. Any failure by us or Franchisee to object to or take action with respect to any breach of any provision of this Agreement by you shall not operate or be construed as a waiver of or consent to that breach of any subsequent breach by you.

4. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF UTAH, WITHOUT REFERENCE TO TEXAS CONFLICT OF LAW PRINCIPLES. YOU HEREBY IRREVOCABLY SUBMITS YOURSELF TO THE JURISDICTION OF THE STATE AND FEDERAL DISTRICT COURTS LOCATED IN UTAH COUNTY, UTAH AND THE STATE, COUNTY OR JUDICIAL DISTRICT IN WHICH OUR PRINCIPAL PLACE OF BUSINESS IS LOCATED. YOU HEREBY WAIVE ALL QUESTIONS OF PERSONAL JURISDICTION OR VENUE FOR THE PURPOSE OF CARRYING OUT THIS PROVISION. YOU HEREBY AGREE THAT SERVICE OF PROCESS MAY BE MADE UPON YOU IN ANY PROCEEDING RELATING TO OR ARISING UNDER THIS AGREEMENT OR THE RELATIONSHIP CREATED BY THIS AGREEMENT BY ANY MEANS ALLOWED BY UTAH OR FEDERAL LAW. YOU FURTHER AGREE THAT VENUE FOR ANY PROCEEDING RELATING TO OR ARISING OUT OF THIS AGREEMENT SHALL BE THE STATE OR FEDERAL COURTS LOCATED IN UTAH COUNTY, UTAH OR THE COUNTY OR JUDICIAL DISTRICT IN WHICH OUR PRINCIPAL PLACE OF BUSINESS IS LOCATED; PROVIDED, HOWEVER, WITH RESPECT TO ANY ACTION WHICH INCLUDES INJUNCTIVE RELIEF OR OTHER EXTRAORDINARY RELIEF, WE OR FRANCHISEE MAY BRING SUCH ACTION IN ANY COURT IN ANY STATE WHICH HAS JURISDICTION.

5. This Agreement contains the entire agreement of the parties regarding the subject matter hereof. This Agreement may be modified only by a duly authorized writing executed by all parties.

6. Any and all notices required or permitted under this Agreement shall be in writing and shall be personally delivered or mailed by expedited delivery service or certified or registered mail, return receipt requested, first-class postage prepaid, or sent by electronic mail to the respective parties at the following addresses unless and until a different address has been designated by written notice to the other parties.

If directed to Franchisor, the notice shall be addressed to:

CMY Franchising, LLC 761
W. 1200 N., Suite 300
Springville, Utah 78734
Attention: Joshua Arnold
Telephone: (512) 943-2693
e-mail: josh@cardmyyard.com

If directed to Franchisee, the notice shall be addressed to:

Name: _____
Street Address: _____
City, State Zip: _____
Attention: _____
Telephone: _____
e-mail: _____

If directed to Covenantor, the notice shall be addressed to:

Franchisee Name:	2 nd Franchisee Name:	3 rd Franchisee Name:
_____	_____	_____
Street Address:	Street Address:	Street Address:
_____	_____	_____
City, State Zip:	City, State Zip:	City, State Zip:
_____	_____	_____
Attention:	Attention:	Attention:
_____	_____	_____
Telephone:	Telephone:	Telephone:
_____	_____	_____
e-mail:	e-mail:	e-mail:
_____	_____	_____
Guarantor Name:	2 nd Guarantor Name:	3 rd Guarantor Name:
_____	_____	_____
Street Address:	Street Address:	Street Address:
_____	_____	_____
City, State Zip:	City, State Zip:	City, State Zip:
_____	_____	_____
Telephone:	Telephone:	Telephone:
_____	_____	_____
e-mail:	e-mail:	e-mail:
_____	_____	_____

Any notice shall be deemed to have been given at the time of personal delivery or, in the case of expedited delivery service on the next Business Day, or, in the case of registered or certified mail, three (3) Business Days after the date and time of mailing, or, in the case of electronic mail, upon transmission (provided confirmation is sent by expedited delivery service or registered or certified mail).

7. Our rights and remedies under this Agreement are fully assignable and transferable and shall inure to the benefit of our Affiliates, successors and assigns. Your obligations and those of the Franchisee may not be assigned without our prior written consent.

IN WITNESS WHEREOF, the undersigned have entered into this Confidentiality and Noncompetition Agreement as witnessed by their signatures below.

FRANCHISOR:
CMY FRANCHISING, LLC,

By: _____
Name: Joshua Arnold
Title: Chief Executive Officer
Date: _____

FRANCHISEE:

By: _____	By: _____	By: _____
Name: _____	Name: _____	Name: _____
Title: _____	Title: _____	Title: _____
Date: _____	Date: _____	Date: _____

COVENANTORS:

By: _____	By: _____	By: _____
Name: _____	Name: _____	Name: _____
Date: _____	Date: _____	Date: _____
By: _____	By: _____	By: _____
Guarantor Name: _____	Guarantor Name: _____	Guarantor Name: _____
Date: _____	Date: _____	Date: _____

EXHIBIT C TO THE FRANCHISE AGREEMENT

**SELECTED TERMS:
DESIGNATED SEARCH AREA, FRANCHISE LOCATION, PROTECTED AREA,
AND OPENING DATE**

1. DESIGNATED SEARCH AREA:

The Designated Search Area in which your Card My Yard business may be located is:

NOT APPLICABLE

2. FRANCHISE LOCATION:

The Card My Yard business shall be located at the following address:

3. PROTECTED AREA:

The Protected Area shall be:

4. OPENING DATE: The Opening Date of the Card My Yard business is _____

EXHIBIT D TO THE FRANCHISE AGREEMENT

OWNERSHIP AND MANAGEMENT INFORMATION

1. The following is a list of all shareholders, partners, members or other investors owning a direct or indirect interest in you, and a description of the nature of their interest:

NAME	OWNERSHIP INTEREST IN YOU	NATURE OF INTEREST

2. Your Principal Owner is: _____
3. Your General Manager (if applicable) is: NOT APPLICABLE

EXHIBIT E TO THE FRANCHISE AGREEMENT

STATE SPECIFIC ADDENDA

CALIFORNIA

In recognition of the requirements of the California Franchise Investment Law §§ 31000 through 31516, and the California Franchise Relations Act, California Business and Professions Code §§ 20000 through 20043, the Franchise Agreement, for franchises in the State of California, is amended to include the following:

1. Sections IV(B)(7), XV(B)(3) and XIX(B)(5) of the Franchise Agreement are amended by adding the following at the end of these sections:

This release will not apply to claims as you may have under the California Franchise Investment Law and the California Franchise Relations Act."

2. The Franchise Agreement is governed by Utah law. This requirement may be unenforceable under California law.
3. The Franchise Agreement contains a covenant not to compete which extends beyond the termination of the franchise. This provision may not be enforceable under California law.
4. The Franchise Agreement contains a liquidated damage clause. Under California Civil Code Section 1671, certain liquidated damage clauses are unenforceable.
5. The Franchise Agreement currently requires that any litigation be conducted in Utah. This provision may not be enforceable under California law.

FRANCHISOR:
CMY FRANCHISING, LLC,
a Delaware limited liability company

By: _____

Name: Joshua Arnold
Title: Chief Executive Officer
Date:

FRANCHISEE:

By: _____

Name: _____

Title: _____

Date: _____

By: _____

Name: _____

Title: _____

Date: _____

By: _____

Name: _____

Title: _____

Date: _____

HAWAII

Notwithstanding anything to the contrary set forth in the Franchise Agreement, the following provision will supersede and apply to all franchises offered and sold in the State of Hawaii:

1. Any provision of the Franchise Agreement that requires you, at the time you enter into the Agreement, to assent to a release, assignment, novation, or waiver which would relieve any person from liability imposed by Hawaii Franchise Investment Law is deleted from the Franchise Agreement.

FRANCHISOR:
CMY FRANCHISING, LLC,
a Delaware limited liability company

By:

Name: Joshua Arnold

Title: Chief Executive Officer

Date:

FRANCHISEE:

By: _____

By: _____

By: _____

Name: _____

Name: _____

Name: _____

Title: _____

Title: _____

Title: _____

Date: _____

Date: _____

Date: _____

ILLINOIS

Notwithstanding anything to the contrary set forth in the Franchise Agreement, the following provisions will supersede and apply to all franchises offered and sold in the State of Illinois:

1. Illinois law governs the Franchise Agreement.
2. Payment of Initial Franchise Fees will be deferred until Franchisor has met its initial obligations to franchisee, and franchisee has commenced doing business. This financial assurance requirement was imposed by the Office of the Illinois Attorney General due to Franchisor's financial condition.
3. In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.
4. Your rights upon Termination and Non-Renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.
5. In conformance with section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act **or any other law of Illinois** is void.

FRANCHISOR:
CMY FRANCHISING, LLC,
a Delaware limited liability company

By:

Name: Joshua Arnold

Title: Chief Executive Officer

Date:

FRANCHISEE:

By: _____

By: _____

By: _____

Name: _____

Name: _____

Name: _____

Title: _____

Title: _____

Title: _____

Date: _____

Date: _____

Date: _____

INDIANA

Notwithstanding anything to the contrary set forth in the Franchise Agreement, the following provisions will supersede and apply to all franchises offered and sold in the State of Indiana:

1. The laws of the State of Indiana supersede any provisions of the disclosure document, the Franchise Agreement, or Utah law, if the provisions are in conflict with Indiana law.
2. The prohibition by Indiana Code 23-2-2.7-1(7) against unilateral termination of the franchise without good cause or in bad faith, good cause being defined therein as including any material breach of the Franchise Agreement, will supersede the provisions of Article XVIII of the Franchise Agreement to the extent Article XVIII may be inconsistent with this prohibition.
3. Any provision in the Franchise Agreement which would require you to prospectively assent to a release, assignment, novation, waiver or estoppel which purports to relieve any person from liability imposed by the Indiana Deceptive Franchise Practices Law is void to the extent that the provision violates this law.
4. Section XI.C of the Franchise Agreement will be modified to the extent necessary to comply with Indiana Code 23-2-2.7-1 (9).
5. The following provision will be added to the Franchise Agreement as a second paragraph to Section XX.K:

Notwithstanding the foregoing provisions of this Section XX.K, any provision in this Agreement which limits in any manner whatsoever litigation brought for breach of the Agreement will be void to the extent that any contractual provision violates the Indiana Deceptive Franchise Practices Law.

FRANCHISOR:
CMY FRANCHISING, LLC,
a Delaware limited liability company

By:

Name: Joshua Arnold

Title: Chief Executive Officer

Date:

FRANCHISEE:

By: _____

By: _____

By: _____

Name: _____

Name: _____

Name: _____

Title: _____

Title: _____

Title: _____

Date: _____

Date: _____

Date: _____

MARYLAND

Notwithstanding anything to the contrary set forth in the Franchise Agreement, the following provisions will supersede and apply to all residents of the State of Maryland, all franchises to be operated in the State of Maryland, and all franchises offered and sold in the State of Maryland:

1. Section V.A of the Franchise Agreement is amended to add the following text at the end of such section:

Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by you under this Agreement shall be deferred until the franchisor completes its pre-opening obligations under this Agreement.

2. The general release required under the Franchise Agreement as a condition of the renewal, sale and/or assignment/transfer of the franchise agreement shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

3. A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

4. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three (3) years after the grant of the franchise.

5. With regard to the Franchise Agreement, the representations requiring prospective franchisees to assent to a release, estoppel, or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

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

The undersigned does hereby acknowledge receipt of this addendum dated _____.

FRANCHISOR:

CMY FRANCHISING, LLC

By:

Name: Joshua Arnold

Title: Chief Executive Officer

FRANCHISEE:

By: _____

By: _____

By: _____

Name: _____

Name: _____

Name: _____

Title: _____

Title: _____

Title: _____

Date: _____

Date: _____

Date: _____

MINNESOTA

- **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.**

Notwithstanding anything to the contrary set forth in the Franchise Agreement, the following provisions will supersede and apply to all franchises offered and sold in the State of Minnesota:

1. Any provision in the Franchise Agreement which would require you to assent to a release, assignment, novation or waiver that would relieve any person from liability imposed by Minnesota Statutes, Sections 80C.01 to 80C.22 will be void to the extent that the contractual provision violates this law.
2. Minnesota Statute § 80C.21 and Minnesota Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in the disclosure document or Franchise Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction. Any provision in the Franchise Agreement which would require you to waive your rights to any procedure, forum or remedies provided for by the laws of the State of Minnesota is deleted from any Agreement relating to franchises offered and sold in the State of Minnesota; provided, however, that this paragraph will not affect the obligation in the Agreement relating to exclusive mediation.
3. The following language will appear as a second paragraph of Section XX.K of the Agreement: Pursuant to Minnesota Statutes, Section 80C.21, Section XX.K of this Agreement will not in any way abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C.
4. With respect to franchises governed by Minnesota law, we will comply with Minnesota Statute Section 80C.14, Subds. 3, 4, and 5 which require, except in certain specified cases, that you be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the Franchise Agreement.
5. Section V.A of the Franchise Agreement is amended to add the following text at the end of such section: Based upon the franchisor's financial condition, the Minnesota Commerce Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by you under this Agreement shall be deferred until the franchisor completes its pre-opening obligations and you have begun operations under this Agreement.
6. We will protect your rights under this Franchise Agreement to use the Marks, or indemnify you from any loss, costs or expenses arising out of any third-party claim, suit or demand regarding your use of the Marks, if your use of the Marks is in compliance with the provisions of the Franchise Agreement and the System Standards.
7. Under Minnesota law, you cannot consent to us obtaining injunctive relief. We may seek injunctive relief. See Minn. Rule 2860.4400J. A court will determine if a bond is required.
8. Under Minnesota law, Section XX.K of the Franchise Agreement (and any other franchise agreement provisions regarding limitations of claims) must comply with Minnesota Statutes, Section 80C.17, Subd. 5, and will be void to the extent that such contractual provisions violate Minnesota Statutes, Section 80C.17, Subd. 5.

The undersigned does hereby acknowledge receipt of this addendum, dated _____.

[SIGNATURES ON FOLLOWING PAGE]

FRANCHISOR:
CMY FRANCHISING, LLC,
a Delaware limited liability company

By:

Name: Joshua Arnold

Title: Chief Executive Officer

Date:

FRANCHISEE:

By: _____

By: _____

By: _____

Name: _____

Name: _____

Name: _____

Title: _____

Title: _____

Title: _____

Date: _____

Date: _____

Date: _____

NEW YORK

Notwithstanding anything to the contrary set forth in the Franchise Agreement, the following provision will supersede and apply to all franchises offered and sold in the State of New York:

1. No release language set forth in the Franchise Agreement will relieve us or any other person, directly or indirectly, from liability imposed by the laws concerning franchising of the State of New York.
2. Section XV.A is amended by the addition of the following sentence immediately after the first sentence of that section:

Notwithstanding the foregoing, no assignment will be made by us except to an assignee who, in our good faith judgment, is willing and able to assume our obligations under this Agreement (to the extent assigned).

FRANCHISOR:
CMY FRANCHISING, LLC,
a Delaware limited liability company

By:

Name: Joshua Arnold

Title: Chief Executive Officer

Date:

FRANCHISEE:

By: _____

By: _____

By: _____

Name: _____

Name: _____

Name: _____

Title: _____

Title: _____

Title: _____

Date: _____

Date: _____

Date: _____

NORTH DAKOTA

Notwithstanding anything to the contrary set forth in the Franchise Agreement, the following provisions will supersede and apply to all franchises offered and sold in the State of North Dakota:

1. Covenants not to compete upon termination or expiration of the Franchise Agreement are subject to Section 9-08-06, N.D.C.C., and may be generally unenforceable in the State of North Dakota.
2. Section IV.B.7 of the Franchise Agreement is hereby amended to state that franchisee shall not be required to sign a general release upon renewal of the Franchise Agreement.
3. Sections XIX.A.5 & XIX.C of the Franchise Agreement are hereby amended to delete any requirement that franchisee consent to termination or liquidated damages.
4. To the extent that Article XX of the Franchise Agreement would otherwise violate North Dakota law, these sections are amended by providing that all litigation by or between you and us, involving a franchised business operating in the State of North Dakota, will be commenced and maintained, at our election, in the state courts of North Dakota or the United States District Court for North Dakota, with the specific venue in either court system determined by appropriate jurisdiction and venue requirements.
5. North Dakota law applies to this transaction and supersedes any conflicting provisions of the Franchise Agreement or Utah law.
6. Article XX of the Franchise Agreement is amended to include a statement that in the event that either party will make a demand for mediation, such mediation will be conducted in a mutually agreed upon site.
7. Article XX of the Franchise Agreement requires the franchisee to consent to a waiver of trial by jury. This jury trial waiver is deemed deleted and shall not in any way abrogate or reduce any rights of the franchisee as provided for in the North Dakota Franchise Investment Law, including the right to a trial by jury and the right to submit matters to the jurisdiction of the Courts of North Dakota.
8. Article XX of the Franchise Agreement includes a waiver of exemplary and punitive damages. That requirement will not apply to North Dakota franchisees and is deemed deleted in each place it appears in the Agreement.
9. Article XX of the Franchise Agreement requires the franchisee to consent to a limitation of claims within one year. That requirement will not apply to North Dakota franchisees and is deemed amended to allow claims to be brought within the applicable statute of limitations under North Dakota law.
10. Article XX.N of the Franchise Agreement states that franchisee must pay all costs and expenses incurred by franchisor in enforcing the Agreement. Such provision is hereby amended to state that the prevailing party in any enforcement action is entitled to recover all of its costs and expenses, including its attorneys' fees.

FRANCHISOR:
CMY FRANCHISING, LLC,
a Delaware limited liability company

By:

Name: Joshua Arnold

Title: Chief Executive Officer

Date:

FRANCHISEE:

By: _____

By: _____

By: _____

Name: _____

Name: _____

Name: _____

Title: _____

Title: _____

Title: _____

Date: _____

Date: _____

Date: _____

RHODE ISLAND

Notwithstanding anything to the contrary set forth in the Franchise Agreement, the following provision will supersede and apply to all franchises offered and sold in the State of Rhode Island:

1. To the extent that Article XX of the Franchise Agreement would otherwise violate Rhode Island law, these sections are amended by providing that all litigation by or between you and us, involving a business operating in the State of Rhode Island, will be commenced and maintained, at our election, in the state courts of Rhode Island or the United States District Court for Rhode Island, with the specific venue in either court system determined by appropriate jurisdiction and venue requirements.

FRANCHISOR:
CMY FRANCHISING, LLC,
a Delaware limited liability company

By:

Name: Joshua Arnold

Title: Chief Executive Officer

Date:

FRANCHISEE:

By: _____

By: _____

By: _____

Name: _____

Name: _____

Name: _____

Title: _____

Title: _____

Title: _____

Date: _____

Date: _____

Date: _____

SOUTH DAKOTA

The following statement is added to Section V.A. of the Franchise Agreement:

The South Dakota Department of Labor and Regulation’s Division of Securities requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement.

FRANCHISOR:
CMY FRANCHISING, LLC,
a Delaware limited liability company

By:
Name: Joshua Arnold
Title: Chief Executive Officer
Date:

FRANCHISEE:

By: _____	By: _____	By: _____
Name: _____	Name: _____	Name: _____
Title: _____	Title: _____	Title: _____
Date: _____	Date: _____	Date: _____

VIRGINIA

1. **The Virginia State Corporation Commission’s Division of Securities and Retail Franchising requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement.**

2. Pursuant to Section 31.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the franchise agreement does not constitute “reasonable cause” as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

FRANCHISOR:
CMY FRANCHISING, LLC,
a Delaware limited liability company

By:

Name: Joshua Arnold

Title: Chief Executive Officer

Date:

FRANCHISEE:

By: _____

By: _____

By: _____

Name: _____

Name: _____

Name: _____

Title: _____

Title: _____

Title: _____

Date: _____

Date: _____

Date: _____

**WASHINGTON ADDENDUM TO THE FRANCHISE AGREEMENT
AND RELATED AGREEMENTS**

Notwithstanding anything to the contrary set forth in the Franchise Agreement, the following provisions will supersede and apply to all franchises offered and sold in the State of Washington.

1. The State of Washington has a statute, RCW 19.100.180, which may supersede the Franchise Agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the Franchise Agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.
2. In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.
3. A release or waiver of rights signed by a franchisee will not include rights under the Washington Franchise Investment Protection Act or any order or rule thereunder except when signed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, rights or remedies under the Act such as the right to a jury trial may not be enforceable.
4. Transfer fees are collectable to the extent they reflect the franchisor's reasonable estimated or actual cost in effecting a transfer.
5. Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.
6. RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.
7. In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.
8. Pursuant to RCW 19.100.050 and WAC 460-80-400, the Securities Division of the Washington Department of Financial Institutions requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees until we have completed our pre-opening obligations under the franchise agreement and other documents and you have commenced operation of your franchised business pursuant to the franchise agreement.

The undersigned does hereby acknowledge receipt of this addendum dated _____.

[SIGNATURES ON FOLLOWING PAGE]

FRANCHISOR:
CMY FRANCHISING, LLC,
a Delaware limited liability company

By:

Name: Joshua Arnold

Title: Chief Executive Officer

Date:

FRANCHISEE:

By: _____

By: _____

By: _____

Name: _____

Name: _____

Name: _____

Title: _____

Title: _____

Title: _____

Date: _____

Date: _____

Date: _____

WISCONSIN

Notwithstanding anything to the contrary set forth in the Franchise Agreement, the following provision will supersede and apply to all franchises offered and sold in the State of Wisconsin:

1. The Wisconsin Fair Dealership Law, Chapter 135, Stats. supersedes any provisions of the Franchise Agreement that are inconsistent with that law.

FRANCHISOR:
CMY FRANCHISING, LLC,
a Delaware limited liability company

By:

Name: Joshua Arnold

Title: Chief Executive Officer

Date:

FRANCHISEE:

By: _____

By: _____

By: _____

Name: _____

Name: _____

Name: _____

Title: _____

Title: _____

Title: _____

Date: _____

Date: _____

Date: _____

EXHIBIT F TO THE FRANCHISE AGREEMENT

LEASE ADDENDUM TERMS

(a) Landlord acknowledges that Tenant is a franchisee of CMY Franchising, LLC, a Delaware limited liability company (“we,” “us,” or “our”), and that the Card My Yard business located at the Premises (“Unit”) is operated under the Card My Yard business franchise system, pursuant to a franchise agreement (“Franchise Agreement”) between Tenant and us. Landlord consents to Tenant’s use at the Premises of such marks and signs, decor items, color schemes and related components of the Card My Yard business system as we may prescribe for the Unit. During the term of the Franchise Agreement, the Premises may be used only for the operation of the Unit.

(b) Landlord agrees to furnish to us copies of any and all letters and notices sent to Tenant pertaining to the Lease and the Premises at the same time that such letters and notices are sent to Tenant. Without limiting the foregoing, in the event of any default by Tenant, Landlord shall give us written notice of such default. If Tenant has failed to cure such default at the expiration of the applicable cure period, Landlord shall give us further written notice of such failure (“Franchisor Notice”). Following our receipt of the Franchisor Notice, we shall have the right (but not the obligation) to cure Tenant’s default before Landlord shall exercise any of Landlord’s remedies arising as a consequence of Tenant’s default. Any such cure shall be effected within fifteen (15) days following our receipt of the Franchisor Notice. Any cure by us shall not be deemed to be an election to assume the terms, covenants, obligations and conditions of the Lease.

(c) If we cure Tenant’s default, or if we notify Landlord that the Franchise Agreement has been terminated (which termination shall constitute a non-curable default pursuant to the Lease upon Landlord’s receipt of our notice thereof), Landlord agrees, upon our written request, to assign to us any and all rights that Landlord may have under the Lease to remove and evict Tenant from the Premises and shall cooperate with us in order to pursue such action to a conclusion.

(d) If we cure Tenant’s default or notify Landlord of the termination of the Franchise Agreement, we shall have the right and option, upon written notice to Landlord, to do the following:

1. Undertake to perform the terms, covenants, obligations and conditions of the Lease on behalf of the Tenant (notwithstanding any removal or eviction of Tenant) for a period not to exceed six (6) months from the first (1st) date of any cure by us; or

2. At any time within or at the conclusion of such six (6) month period, assume the terms, covenants, obligations and conditions of the Lease for the remainder of the term, together with any applicable renewal options. In such event, Landlord and we shall enter into an agreement to document such assumption. We are not a party to the Lease and shall have no liability under the Lease unless and until said Lease is assigned to, and assumed by, us as herein provided.

(e) If, during the six (6) month period set forth in section (d)(1) above or at any time after the assignment contemplated in section (d)(2), we shall notify Landlord that the franchise for the Unit is being granted to another Card My Yard business franchisee, Landlord shall permit the assignment of the Lease to said franchisee without the payment of any fee or other cost requirement, provided that said franchisee meets Landlord’s reasonable financial qualifications. Landlord shall not unreasonably withhold consent to such assignment. Thereafter, we shall be released from any and all further liabilities under the Lease. The parties agree to execute any commercially reasonable documents in furtherance of this section.

(f) Tenant will not assign the Lease or renew or extend the term thereof without the prior written

consent of us, nor shall Landlord and Tenant amend or otherwise modify the Lease in any manner that could materially affect any of the foregoing requirements without our prior written consent.

(g) We shall have the right to enter the Premises to make any modification or alteration necessary to protect the Card My Yard business system and marks or to cure any default under the Franchise Agreement or under the Lease, without being guilty of trespass or any other crime or tort. Landlord shall not be responsible for any expenses or damages arising from any such action by us. Tenant hereby releases, acquits and discharges us and Landlord, and our and Landlord's respective subsidiaries, Affiliates, successors and assigns and the officers, directors, shareholders, partners, employees, agents and representatives of each of them, from any and all claims, demands, accounts, actions and causes of action, known or unknown, vested or contingent, which any of them may have, ever had, now has, or may hereafter have by reason of any event, transaction or circumstance arising out of or relating to the exercise of our rights pursuant to this Addendum.

(h) All notices sent pursuant to this Addendum shall be sent in the manner set forth in the Lease, and delivery of such notices shall be effective as of the times provided for in the Lease. For purposes of notice under the Lease, our mailing address shall be CMY Franchising, LLC, 761 W. 1200 N., Suite 300, Springville, Utah 78734, Attention: Joshua Arnold, which address may be changed by written notice to Landlord in the manner provided in the Lease.

EXHIBIT G TO THE FRANCHISE AGREEMENT

ASSIGNMENT OF URLS AND TELEPHONE NUMBERS

For value received, the undersigned (hereinafter called the "Franchisee") hereby irrevocably assigns, effective upon the date of termination or expiration of the Franchise Agreement, the URLs (uniform resource locators) and, if applicable, the telephone listings and numbers stated below to CMY FRANCHISING, LLC (hereinafter called "Franchisor") upon the following terms and conditions:

1. This assignment is made pursuant to the terms of a Franchise Agreement of even date herewith (hereinafter called "Agreement") between Franchisor and Franchisee, which in part pertains to the URLs (uniform resource locators), telephone listing and numbers used by the Franchisee in the operation of the Card My Yard business contemplated by the Agreement.

2. The Franchisee shall retain the limited right to use the URLs (uniform resource locators), and, if applicable, telephone listing and numbers solely for the transaction and advertising of the business while the Agreement between Franchisor and the Franchisee shall remain in full force and effect, but upon termination or expiration of the Agreement for any reason whatsoever, the limited right of use of the URLs (uniform resource locators), telephone listing and numbers by the Franchisee shall also terminate.

IN WITNESS WHEREOF, the Franchisee has hereunto set his/her hand on this day of _____.

FRANCHISEE:

By: _____	By: _____	By: _____
Name: _____	Name: _____	Name: _____
Title: _____	Title: _____	Title: _____
Date: _____	Date: _____	Date: _____

EXHIBIT B TO FRANCHISE DISCLOSURE DOCUMENT

STATE SPECIFIC ADDENDA TO FRANCHISE DISCLOSURE DOCUMENT

CALIFORNIA

In recognition of the requirements of the California Franchise Investment Law, California Corporations Code §§ 31000 through 31516, and the California Franchise Relations Act, California Business and Professions Code §§ 20000 through 20043, the Disclosure Document for CMY Franchising, LLC in connection with the offer and sale of franchises for use in the State of California is amended to including the following:

1. The following statements are added to Item 5 of the FDD:

The California Department of Financial Protection and Innovation requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement and the franchisee has opened for business.

2. The California Franchise Investment Law requires a copy of all proposed agreements relating to the sale of the franchise to be delivered together with this disclosure document.
3. Neither the franchisor nor any person included in Item 2 of this disclosure document is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling such persons from membership in such association or exchange.
4. California Business and Professions Code 20000 through 20043 provides rights to franchisees concerning termination, transfer or non-renewal of a franchise. If the franchise agreement attached to this disclosure document contains a provision that is inconsistent with the law, the law will control.
5. Item 6 of this disclosure document is amended to include the following statement: The franchise agreement attached to this disclosure document provides for interest to be paid (at a rate equal to the lesser of 18% per year or the maximum lawful rate) on any past due amounts owed to the franchisor. The maximum lawful rate of interest under California law is 10% per annum.
6. The franchise agreement attached to this disclosure document provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 et seq.).
7. The franchise agreement attached to this disclosure document contains a covenant not to compete which extends beyond the termination of the franchise agreement. This provision may not be enforceable under California law.
8. The franchise agreement attached to this disclosure document contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

9. The franchise agreement attached to this disclosure document does not require disputes to be settled through binding arbitration.
10. The franchise agreement attached to this disclosure document requires disputes to be settled in Utah under Utah law. Prospective franchisees are encourage to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of the franchise agreement restricting venue to a forum outside the State of California.
11. The franchise agreement attached to this disclosure document requires application of the laws of Utah. This provision may not be enforceable under California law.
12. Section 31125 of the California Corporations Code requires us to give you a disclosure document, in a form containing the information that the commissioner may by rule or order require, before a solicitation of a proposed material modification of an existing franchise.
13. You must sign a general release if you renew or transfer your franchise. California Corporations Code §31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code §§31000 through 31516). Business and Professions Code §20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code §§20000 through 20043).
14. Item 19 of this disclosure document is revised to add the following statement:

“The financial performance representation figure(s) does (do) not reflect the costs of sales, operating expenses, or other costs or expenses that must be deducted from the gross revenue or gross sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your franchise business. Franchisees or former franchisees, listed in the offering circular, may be one source of this information.”
15. Regarding our website, www.cardmyyard.com, please note the following:

OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION at www.dfpi.ca.gov.
16. THE ANTIRUST LAW SECTION OF THE OFFICE OF THE CALIFORNIA ATTORNEY GENERAL VIEWS MINIMUM AND MAXIMUM PRICE AGREEMENTS AS PER SE VIOLATIONS OF THE CARTWRIGHT ACT.
17. The franchise agreement attached to this disclosure document states that we reserve the right, to the fullest extent allowed by applicable law, to establish maximum, minimum or other pricing requirements with respect to the prices you may charge for products or services, but California’s Cartwright Act limits our ability to set maximum, minimum, or other pricing requirements with respect to prices be charged by franchisees in the State of California.

HAWAII

THESE FRANCHISES WILL BE/HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS OR A FINDING BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, OR SUBFRANCHISOR, AT LEAST SEVEN (7) DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN (7) DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE, OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE DISCLOSURE DOCUMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

THIS DISCLOSURE DOCUMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

A. As of the date of this disclosure document, we have not registered or filed a disclosure document in any state.

1. Unless exempt, the registration or filing of this disclosure document is pending in the States shown on the State Effective Dates page to this disclosure document.
2. No states have refused, by order or otherwise, to register these franchises.
3. No states have revoked or suspended the right to offer these franchises.
4. The proposed registration of these franchises has not been withdrawn in any state.

B. Any provision of the Franchise Agreement that would require you, at the time you enter into the Agreement, to assent to a release, assignment, novation, or waiver which would relieve any person from liability imposed by Hawaii Franchise Investment Law is void to the extent that the provision violates this law.

ILLINOIS

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

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

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

The conditions under which your franchise can be terminated, and your rights upon non-renewal of a franchise agreement, are found in sections 19 and 20 of the Illinois Franchise Disclosure Act.

FRANCHISOR PERFORMS ALL BILLING AND COLLECTION FOR YOUR BUSINESS AND THEN PAYS YOU FROM THE NET PROCEEDS. YOU ARE RESPONSIBLE FOR ENSURING THAT YOUR CUSTOMERS PAY BEFORE THEY RECEIVE ANY PRODUCTS/SERVICES FROM YOU.

OVER 96% OF FRANCHISOR'S ASSETS ARE INTANGIBLE. THIS MEANS THAT FRANCHISOR LACKS READILY AVAILABLE FINANCIAL RESOURCES TO PROVIDE SERVICES AND SUPPORT TO YOU.

Item 5 of this Disclosure Document is amended to include the following text at the end of Item 5: To assure its capability to meet its financial and other pre-opening obligations to new Illinois franchisees, and in accordance with section 200.508 of the Illinois Administrative Rules, Franchisor has been ordered to defer payment of any pre-opening amounts payable to Franchisor under the Franchise Agreement until your franchised business has begun operating. As a result, you are not required to pay an initial franchise fee or any other fees to Franchisor until your franchised business has begun operating. The Illinois Attorney General's office imposed this deferral requirement due to Franchisor's financial condition.

INDIANA

The following provisions supersede any inconsistent provisions in the disclosure document, and apply to all franchises offered and sold in the State of Indiana:

1. The laws of the State of Indiana supersede any provisions of the disclosure document, the Franchise Agreement or Utah law, if these provisions are in conflict with Indiana law.
2. The prohibition by Indiana Code 23-2-2.7-1(7) against unilateral termination of the franchise without good cause or in bad faith, good cause being defined therein as including any material breach of the Franchise Agreement, will supersede the provisions of Article XVIII of the Franchise Agreement to the extent such sections may be inconsistent with this prohibition.

3. Any provision in the Franchise Agreement which would require you to prospectively assent to a release, assignment, novation, waiver or estoppel which purports to relieve any person from liability imposed by the Indiana Deceptive Franchise Practices Law is void to the extent that the provision violates this law.

4. The following provision will be added to the Franchise Agreement at the end of Section XX.K.:

No Limitation on Litigation. Notwithstanding the foregoing provisions of this Section XX.K, any provision in the Franchise Agreement which limits in any manner whatsoever litigation brought for breach of the Agreement will be void to the extent that any contractual provision violates the Indiana Deceptive Franchise Practices Law.

MARYLAND

The following provisions supersede any inconsistent provisions in the disclosure document, and apply to all residents of the State of Maryland, all franchises to be operated in the State of Maryland, and all franchises offered and sold in the State of Maryland:

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

Item 5 of the FDD is amended to include the following disclosures:

Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement.

Item 17 of the FDD is amended to include the following disclosures:

1. Any provision in the Franchise Agreement which terminates the franchise upon the bankruptcy of the franchisee may not be enforceable under federal bankruptcy law.
2. The general release required as a condition of the renewal, sale and/or assignment/transfer of the franchise agreement shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.
3. A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.
4. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

MINNESOTA

The following provisions supersede any inconsistent provisions in the disclosure document and apply to all franchises offered and sold in the State of Minnesota:

1. Any provision in the Franchise Agreement which would require you to assent to a release, assignment, novation, or waiver that would relieve any person from liability imposed by Minnesota Statutes sections 80C.01 to 80C.22 will be void to the extent that the contractual provision violates this law.

2. Minnesota Statute §80C.21 and Minnesota Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in the disclosure document or agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction. Any provision in the Franchise Agreement which would require you to waive your rights to any procedure, forum or remedies provided for by the laws of the State of Minnesota is deleted from any Franchise Agreement relating to franchises offered and sold in the State of Minnesota; provided, however, that this paragraph will not affect any obligation in the Franchise Agreement relating to exclusive mediation.

3. The following language will appear as Section XX.AA of any Franchise Agreement issued in the State of Minnesota.

XX.AA. No Abrogation. Pursuant to Minnesota Statutes, Section 80C.21, the provisions contained in this Agreement, including this Section XX, will not in any way abrogate or reduce any of your rights as provided for in the Minnesota Statutes, Chapter 80C.

4. Item 17 of this disclosure document is amended by the addition of the following language:

With respect to franchises governed by Minnesota law, we will comply with Minnesota Statute Section 80C.14, Subds. 3, 4, and 5 which require, except in certain specified cases, that you be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the franchise agreement; and that consent to the transfer of the franchise will not be unreasonably withheld.

5. Item 13 of this disclosure document is amended by the addition of the following language:

We will protect your rights under the Franchise Agreement to use the Marks, or indemnify you from any loss, costs or expenses arising out of any third-party claim, suit or demand regarding your use of the Marks, if your use of the Marks is in compliance with the provisions of the Franchise Agreement and our Card My Yard Standards.

6. Item 5 of this disclosure document is amended to add the following language:

Based upon the franchisor's financial condition, the Minnesota Commerce Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by you under the Franchise Agreement shall be deferred until the franchisor completes its pre-opening obligations and you have begun operations under the Franchise Agreement.

NEW YORK

1. The following information is added to the cover page of the Franchise Disclosure Document:

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT D OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND THE APPROPRIATE STATE OR PROVINCIAL AUTHORITY. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

2. The following is added at the end of Item 3:

Except as provided above, with regard to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

A. No such party has an administrative, criminal or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable civil or misdemeanor allegations.

B. No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.

C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10-year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership

in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. The following is added to the end of the “Summary” sections of Item 17(c), titled “Requirements for franchisee to renew or extend,” and Item 17(m), entitled “Conditions for franchisor approval of transfer”:

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687(4) and 687(5) be satisfied.

4. The following language replaces the “Summary” section of Item 17(d), titled “Termination by franchisee”:

You may terminate the agreement on any grounds available by law.

5. The following is added to the end of the “Summary” sections of Item 17(v), titled “Choice of forum”, and Item 17(w), titled “Choice of law”:

The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or upon the franchisee by Article 33 of the General Business Law of the State of New York.

NORTH DAKOTA

The following provisions supersede any inconsistent provisions in the disclosure document and apply to all franchises offered and sold in the State of North Dakota:

1. The following statements are added to Item 5:

The North Dakota Securities Department requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees until we have completed our pre-opening obligations under the applicable franchise agreement and other documents and you have commenced operation of your franchised business pursuant to the franchise agreement.

2. Covenants not to compete upon termination or expiration of the Franchise Agreement are subject to Section 9-08-06, N.D.C.C., and may be generally unenforceable in the State of North Dakota.

3. Item 17(c) is hereby amended to state that franchisee shall not be required to sign a general release upon renewal of the Franchise Agreement.

5. Item 17(i) is hereby amended to delete any requirement that franchisee consent to termination or liquidated damages.

6. Item 17(u) and (v) are hereby amended to state that in the event that either party will make a demand for mediation, such mediation will be conducted in a mutually agreed upon site.

6. To the extent that Article XX of the Franchise Agreement would otherwise violate North Dakota law, these sections are amended by providing that all litigation by or between you and us, involving a franchised business operating in the State of North Dakota, will be commenced and maintained, at our election, in the state courts of North Dakota or the United States District Court for North Dakota, with the specific venue in either court system determined by appropriate jurisdiction and venue requirements.

7. North Dakota law applies to this transaction and supersedes any conflicting provisions of the Franchise Agreement or Utah law.

8. The Franchise Agreement requires the franchisee to consent to a waiver of trial by jury. The jury trial waiver provision is deemed deleted and shall not in any way abrogate or reduce any rights of the franchisee as provided for in the North Dakota Franchise Investment Law, including the right to a trial by jury and the right to submit matters to the jurisdiction of the Courts of North Dakota.

9. The Franchise Agreement includes a waiver of exemplary and punitive damages. That requirement will not apply to North Dakota franchisees and is deemed deleted in each place it appears in the Disclosure Document and the Franchise Agreement.

10. The Franchise Agreement requires the franchisee to consent to a limitation of claims within one year. That requirement will not apply to North Dakota franchisees and is deemed amended to allow claims to be

brought within the applicable statute of limitations under North Dakota law.

RHODE ISLAND

The following provision supersedes the disclosure document and applies to all franchises offered and sold in the State of Rhode Island:

1. To the extent that Article XX of the Franchise Agreement would otherwise violate Rhode Island law, these sections are amended by providing that all litigation by or between you and us, involving a Franchised Business operating in the State of Rhode Island, will be commenced and maintained, at our election, in the state courts of Rhode Island or the United States District Court for Rhode Island, with the specific venue in either court system determined by appropriate jurisdiction and venue requirements.

SOUTH DAKOTA

The following provisions supersede any inconsistent provisions in the disclosure document and apply to all franchises offered and sold in the State of South Dakota.

1. The following statement is added to Item 5 of the Franchise Disclosure Document:

The South Dakota Department of Labor and Regulation's Division of Securities requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement.

2. Covenants not to compete upon termination or expiration of the Franchise Agreement are generally unenforceable in the State of South Dakota, except in certain instances as provided by law.

3. Franchise registration, employment, covenants to compete, and other matters of local concern will be governed by the laws of the State of South Dakota; but as to contractual and all other matters, this Agreement and all provisions of this instrument will be and remain subject to the application, construction, enforcement, and interpretation under the governing law of the State of Utah.

4. To the extent that Article XX of the Franchise Agreement would otherwise violate South Dakota law, these sections are amended by providing that all litigation by or between you and us, involving a Franchised Business operating in the State of South Dakota, will be commenced and maintained, at our election, in the state courts of South Dakota or the United States District Court for South Dakota, with the specific venue in either court system determined by appropriate jurisdiction and venue requirements.

5. Termination provisions covering breach of the Franchise Agreement, failure to meet performance and quality standards, and failure to make royalty payments contained in the disclosure document, and Franchise Agreement will afford you thirty (30) days written notice with an opportunity to cure the default before termination.

VIRGINIA

The following provisions supersede any inconsistent provisions in the disclosure document and apply to all franchises offered and sold in the State of Virginia:

In recognition of the restrictions contained in Section 31.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for CMY Franchising, LLC for use the Commonwealth of Virginia shall be amended as follows:

Additional Disclosures:

The following statements are added to Item 5:

The Virginia State Corporation Commission's Division of Securities and Retail Franchising requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement.

The following statements are added to Item 17.h:

Pursuant to Section 31.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the franchise agreement does not constitute "reasonable cause" as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

WASHINGTON

The following provisions supersede any inconsistent provisions in the disclosure document and apply to all franchises offered and sold in the State of Washington:

1. In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.

2. The State of Washington has a statute, RCW 19.100.180, which may supersede the Franchise Agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the Franchise Agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. If any of the provisions in this disclosure document or Franchise Agreement are inconsistent with the relationship provisions of RCW 19.100.180 or other requirements of the Washington Franchise Investment Protection Act, the provisions of the Act will prevail over the inconsistent provisions of the disclosure document and Franchise Agreement, as applicable, with regard to any franchise sold in the State of Washington.

3. A release or waiver of rights signed by a franchisee will not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when signed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, rights or remedies under the Act such as the right to a jury trial may not be enforceable. Any provision in the Franchise Agreement which would require you to assent to a release, assignment, novation, or waiver which would relieve any person from liability imposed by the Washington Franchise Investment Protection Act will be void to the extent that the provision violates the Act.

4. Transfer fees are collectable to the extent they reflect the franchisor's reasonable estimated or actual cost in effecting a transfer.

5. The following statements are added to Item 5:

Pursuant to RCW 19.100.050 and WAC 460-80-400, the Securities Division of the Washington Department of Financial Institutions requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees until we have completed our pre-opening obligations under the applicable franchise agreement and other documents and you have commenced operation of your franchised business pursuant to the franchise agreement.

6. In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

7. Pursuant to RCW 49.62.020, a non-competition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a non-competition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

8. RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

WISCONSIN

The following provision supersedes any inconsistent provision in the disclosure document and applies to all franchises offered and sold in the State of Wisconsin:

1. The Wisconsin Fair Dealership Law, Chapter 135, Stats., supersedes any provisions of this disclosure document and the Franchise Agreement that are inconsistent with that law.

EXHIBIT C TO FRANCHISE DISCLOSURE DOCUMENT

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EXHIBIT D TO FRANCHISE DISCLOSURE DOCUMENT

LIST OF STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS

1. State Franchise Administrators

We intend to register this Disclosure Document in some or all of the following states, in accordance with the applicable state law. The following are the state administrators responsible for the review, registration, and oversight of registrations in that state:

<u>CALIFORNIA</u> Commissioner of Financial Protection and Innovation Department of Financial Protection and Innovation 2101 Arena Blvd. Sacramento, California 95834 (415) 972-8559 or toll-free at (866) 275-2677	<u>MARYLAND</u> Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, Maryland 21202-2020 (410) 576-6360
<u>HAWAII</u> Commissioner of Securities Department of Commerce and Consumer Affairs 335 Merchant Street, Room 203 Honolulu, Hawaii 96813 (808) 586-2722	<u>MICHIGAN</u> Consumer Protection Division Franchise Section Attn: Marilyn McEwen 670 Law Building Lansing, Michigan 48913 (517) 373-7117
<u>ILLINOIS</u> Illinois Attorney General Franchise Bureau 500 South Second Street Springfield, Illinois 62706 (217) 782-4465	<u>MINNESOTA</u> Commissioner of Commerce Department of Commerce 85 7th Place East, Suite 280 St. Paul, Minnesota 55101 (651) 539-1600
<u>INDIANA</u> Indiana Secretary of State Franchise Section 302 West Washington, Room E-111 Indianapolis, Indiana 46204 (317) 232-6681	<u>NEW YORK</u> New York State Department of Law Investor Protection Bureau 28 Liberty Street, 21 st Floor New York, New York 10005 (212) 416-8222

<u>NORTH DAKOTA</u> North Dakota Securities Department 600 East Boulevard Avenue State Capital, 5 th Floor (Dept. 414) Bismarck, North Dakota 58505 (701) 328-4712	<u>VIRGINIA</u> Securities and Retail Franchising Division State Corporation Commission 1300 East Main Street Richmond, Virginia 23219 (804) 371-9051
<u>RHODE ISLAND</u> Department of Business Regulation John O. Pastore Complex, Bldg 69-1 1511 Pontiac Avenue Cranston, Rhode Island 02920 (401) 277-3048	<u>WASHINGTON</u> Dept. of Financial Institutions Securities Administrator 150 Israel Road SW Tumwater, Washington 98501 (360) 902-8760
<u>SOUTH DAKOTA</u> Department of Labor and Regulation Division of Insurance Securities Regulation 124 S. Euclid, Suite 104 Pierre, South Dakota 57501 (605) 773-3563	<u>WISCONSIN</u> Office of the Commissioner of Securities Fourth Floor 101 East Wilson Street Madison, Wisconsin 53702 (608) 266-8559

2. Agents For Service Of Process

We intend to register this Disclosure Document as a “franchise” in some or all of the following states, in accordance with the applicable state law. If and when we pursue franchise registration (or otherwise comply with the franchise investment laws) in these states, we will designate the following state offices or officials as our agents for service of process in those states:

<u>CALIFORNIA</u> Commissioner of Financial Protection and Innovation Department of Financial Protection and Innovation 2101 Arena Blvd. Sacramento, California 95834 (415) 972-8559 or toll-free at (866) 275-2677	<u>MARYLAND</u> Maryland Securities Commissioner 200 St. Paul Place Baltimore, Maryland 21202-2020 (410) 576-6360
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<u>HAWAII</u> Commissioner of Securities Department of Commerce and Consumer Affairs 335 Merchant Street, Room 203 Honolulu, Hawaii 96813 (808) 586-2722	<u>MICHIGAN</u> Consumer Protection Division Franchise Section 670 Law Building Lansing, Michigan 48913 (517) 373-7117
<u>ILLINOIS</u> Illinois Attorney General Franchise Bureau 500 South Second Street Springfield, Illinois 62706 (217) 782-4465	<u>MINNESOTA</u> Commissioner of Commerce Department of Commerce 85 7th Place East, Suite 280 St. Paul, Minnesota 55101 (651) 539-1600
<u>INDIANA</u> Indiana Secretary of State Franchise Section 302 West Washington, Room E-111 Indianapolis, Indiana 46204 (317) 232-6681	<u>NEW YORK</u> New York Secretary of State 99 Washington Avenue Albany, New York 12231 (518) 473-2492
<u>NORTH DAKOTA</u> Securities Commissioner 600 East Boulevard Avenue State Capital, 5 th Floor (Dept. 414) Bismarck, North Dakota 58505 (701) 328-4712	<u>VIRGINIA</u> Clerk of State Corporation Commission 1300 East Main Street Richmond, Virginia 23219 (804) 371-9051
<u>RHODE ISLAND</u> Director of Department of Business Regulation John O. Pastore Complex, Bldg 69-1 1511 Pontiac Avenue Cranston, Rhode Island 02920 (401) 277-3048	<u>WASHINGTON</u> Department of Financial Institutions Securities Division 150 Israel Rd SW Tumwater, Washington 98501 (360) 902-8760

<u>SOUTH DAKOTA</u> Department of Labor and Regulation Division of Insurance Securities Regulation 124 S. Euclid, Suite 104 Pierre, South Dakota 57501 (605) 773-3563	<u>WISCONSIN</u> Commissioner of Securities Fourth Floor 101 East Wilson Street Madison, Wisconsin 53702 (608) 266-8559
<u>TEXAS</u> Joshua Arnold 3917 Double Dome Road Austin, Texas 78734	

EXHIBIT E TO FRANCHISE DISCLOSURE DOCUMENT

FINANCIAL STATEMENTS

SEE FOLLOWING PAGE



CMY FRANCHISING, LLC

FINANCIAL STATEMENTS

DECEMBER 31, 2023, 2022, and 2021

WITH

INDEPENDENT AUDITOR'S REPORT

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INDEPENDENT AUDITOR'S REPORT

To the Member
CMY Franchising, LLC

Qualified Opinion

We have audited the financial statements of CMY Franchising, LLC (the Company), which comprise the balance sheet as of December 31, 2023, the related statements of operations and member's equity, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, except for the effects of not recording share-based compensation as described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Qualified Opinion

The Company has not recognized the effect of share-based compensation in the accompanying financial statements or made disclosures related to share-based compensation in the accompanying financial statements as required by accounting principles generally accepted in the United States of America. The effects on the financial statements or the related disclosures have not been determined.

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

Other Matter

The financial statements of the Company, as of and for the years ended December 31, 2022 and 2021, were audited by other auditors, whose report, dated February 17, 2023, expressed an unmodified opinion on those statements.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

The image shows a handwritten signature in black ink that reads "Hogan Taylor LLP". The signature is written in a cursive, flowing style.

Oklahoma City, Oklahoma
April 4, 2024

CMY FRANCHISING, LLC

BALANCE SHEETS

December 31, 2023, 2022, and 2021

	2023	2022	2021
Assets			
Current assets:			
Cash and cash equivalents	\$ 116,538	\$ 52,016	\$ 124,805
Accounts receivable	32,901	-	18,000
Inventory	50,466	87,484	71,916
Prepaid expenses	15,335	21,978	340,537
Deposits, current	11,611	-	-
Total current assets	226,851	161,478	555,258
Property and equipment, net	15,983	30,932	45,880
Intangible assets:			
Website	99,013	93,658	56,623
Goodwill	14,411,064	14,411,064	14,411,064
	14,510,077	14,504,722	14,467,687
Accumulated amortization	(4,744,944)	(3,284,958)	(1,824,976)
Intangible assets, net	9,765,133	11,219,764	12,642,711
Noncurrent assets:			
Operating lease right-of-use assets	26,004	129,503	-
Deposits, less current portion	6,700	11,611	11,611
Total assets	<u>\$ 10,040,671</u>	<u>\$ 11,553,288</u>	<u>\$ 13,255,460</u>
Liabilities and Member's Equity			
Current liabilities:			
Accounts payable	\$ 58,488	\$ 38,233	\$ 158,968
Credit card payable	17,253	32,111	19,294
Accrued expenses	640,992	150,000	386,375
Deferred revenue, current	146,375	79,740	75,125
Note payable to member	370,000	125,000	-
Current portion of operating lease liabilities	26,383	105,013	-
Total current liabilities	1,259,491	530,097	639,762
Noncurrent liabilities:			
Deferred revenue, less current portion	255,021	213,266	135,000
Operating lease liabilities, less current portion	-	26,383	-
Total noncurrent liabilities	255,021	239,649	135,000
Total liabilities	1,514,512	769,746	774,762
Member's equity	<u>8,526,159</u>	<u>10,783,542</u>	<u>12,480,698</u>
Total liabilities and member's equity	<u>\$ 10,040,671</u>	<u>\$ 11,553,288</u>	<u>\$ 13,255,460</u>

See notes to financial statements.

CMY FRANCHISING, LLC

STATEMENTS OF OPERATIONS AND MEMBER'S EQUITY

Years ended December 31, 2023, 2022, and 2021

	2023	2022	2021
Revenues:			
Royalties	\$ 2,349,533	\$ 2,658,960	\$ 3,957,477
Franchise fees	400,660	431,653	593,100
Boutique sales	764,972	1,243,391	2,667,220
CARDference fees	6,400	38,950	-
Total revenues	3,521,565	4,372,954	7,217,797
Cost of sales	710,518	1,029,769	2,147,137
Gross profit	2,811,047	3,343,185	5,070,660
Operating expenses:			
Advertising and promotion	126,163	137,038	241,493
Amortization	1,459,986	1,459,983	1,459,980
Conferences	15,103	230,890	42,611
Credit card fees	343,045	410,140	606,030
Depreciation	14,949	14,948	11,333
Insurance	54,760	63,906	50,969
Legal and professional	303,127	295,456	328,966
Management and board fees	459,742	450,000	370,834
Payroll expenses and benefits	1,717,718	1,449,774	2,032,952
Rent	165,150	151,775	125,254
Software	241,922	255,850	225,151
Other	128,731	100,092	176,013
Total operating expenses	5,030,396	5,019,852	5,671,586
Loss from operations	(2,219,349)	(1,676,667)	(600,926)
Other income (expense):			
Interest expense	(23,948)	-	-
Charitable contributions	(15,000)	(20,750)	(37,233)
Other income	914	261	15,915
Other expense, net	(38,034)	(20,489)	(21,318)
Net loss	(2,257,383)	(1,697,156)	(622,244)
Member's equity, beginning of year	10,783,542	12,480,698	14,931,385
Member distributions	-	-	(1,828,443)
Member's equity, end of year	\$ 8,526,159	\$ 10,783,542	\$ 12,480,698

CMY FRANCHISING, LLC

STATEMENTS OF CASH FLOWS

Years ended December 31, 2023, 2022, and 2021

	2023	2022	2021
Cash Flows from Operating Activities			
Net loss	\$ (2,257,383)	\$ (1,697,156)	\$ (622,244)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:			
Amortization	1,459,986	1,459,983	1,459,980
Depreciation	14,949	14,948	11,333
Noncash operating lease expense	(1,514)	1,893	-
Changes in operating assets and liabilities:			
Accounts receivable	(32,901)	18,000	17,000
Inventory	37,018	(15,568)	(44,138)
Prepaid expenses	6,643	318,559	(279,327)
Deposits	(6,700)	-	(3,400)
Accounts payable	20,255	(120,735)	(20,293)
Credit card payable	(14,858)	12,817	8,650
Accrued expenses	490,992	(236,375)	379,787
Deferred revenue	108,390	82,881	210,125
Net cash provided by (used in) operating activities	(175,123)	(160,753)	1,117,473
Cash Flows from Investing Activities			
Purchases of property and equipment	-	-	(24,340)
Purchases of website additions	(5,355)	(37,036)	-
Net cash used in investing activities	(5,355)	(37,036)	(24,340)
Cash Flows from Financing Activities			
Net borrowings on revolving note payable to member	245,000	125,000	-
Member distributions	-	-	(1,828,443)
Net cash provided by (used in) financing activities	245,000	125,000	(1,828,443)
Net change in cash and cash equivalents	64,522	(72,789)	(735,310)
Cash and cash equivalents, beginning of year	52,016	124,805	860,115
Cash and cash equivalents, end of year	\$ 116,538	\$ 52,016	\$ 124,805
Supplemental Disclosure of Cash Flow Information			
Cash paid for interest	\$ 23,948	\$ -	\$ -

CMY FRANCHISING, LLC

NOTES TO FINANCIAL STATEMENTS

December 31, 2023, 2022, and 2021

Note 1 – Nature of Business and Summary of Significant Accounting Policies

Organization

CMY Franchising, LLC (the Company) is a Delaware limited liability company headquartered in Wilmington, Delaware. The Company was incorporated in September 2020 to franchise Card My Yard locations across the United States. The Company is a wholly owned subsidiary of CMY HoldCo, LLC (Holding Company).

As a limited liability company, unless the member otherwise obligates itself, the member is not personally liable for any debts, liabilities, or obligations of the Company beyond the member's equity accounts. Income and losses are allocated to the member.

Basis of accounting

The Company prepares its financial statements in accordance with United States Generally Accepted Accounting Principles (U.S. GAAP).

Use of estimates

The preparation of the Company's financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosures. Accordingly, actual results could differ from those estimates.

Revenue recognition

The Company recognizes revenue in accordance with Accounting Standards Codification (ASC) 606, *Revenue from Contracts with Customers*. In determining the appropriate amount to recognize, the Company applies the following five-step model: (i) identify contracts with customers; (ii) identify performance obligations in the contracts; (iii) determine the transaction price; (iv) allocate the transaction price to the performance obligations per the contracts; and (v) recognize revenue when (or as) the Company satisfies a performance obligation.

The Company derives revenue from franchise fees, royalties, boutique sales, and CARDference fees. The Company accounts for a contract with a franchisee when it has written approval, the contract is committed, the rights of the parties, including payment terms are identified, the contract has commercial substance and consideration is probable of collection. The Company recognizes revenue as control of products and services is transferred to franchisees.

Nature of products and services:

- *Franchise fees* – The Company has franchise agreements that predominantly cover a period of five or seven years. The Company recognizes franchise fees from independently owned and operated franchises under these agreements. Revenues from franchise sales include initial fees, renewal fees, transfer fees, zip code change fees, and termination fees. Initial franchise fees are collected upon agreement execution. Transfer fees and termination fees are collected prior to agreement execution.

Fees for zip code changes and renewals are collected at the time the event occurs. In conjunction with these franchise agreements, the Company provides operating manuals, an initial set of signs, stakes and other products, and training. The Company may, but is not obligated to, provide on-site pre-opening assistance. The Company also provides payment processing and software programs, collateral merchandise, and continuing advisory services to the franchisees. Under ASC 606, the Company recognizes revenue (based on amounts consistent with market rates) upon contract execution in the amount of 50% of contract fee once the initial performance obligation related to pre-opening activities including the issuance of operating manuals, initial set up of signs, stakes, and other products, is met. The Company's ongoing performance obligations pertaining to the franchise right (the remaining 50%) is recognized on a straight-line basis over the term of the franchise agreement. Deferred revenues represent deferred initial franchise fees to be recognized over the life of the agreement. The breakdown of franchise fees recognized by type are as follows for the years ended December 31:

	2023	2022	2021
Point in time	\$ 314,904	\$ 372,284	\$ 573,758
Over time	85,756	59,369	19,342
Franchise fees	<u>\$ 400,660</u>	<u>\$ 431,653</u>	<u>\$ 593,100</u>

- *Royalties* – Per the individual franchise agreements, once a franchise is in operation, the franchisees are to pay the Company a royalty fee of 25% of gross sales. These fees are transferred from the credit card processor at the time of customer payment. Beginning in 2022, franchise agreements have a required minimum royalty amount and the Company is able to collect the difference between the monthly royalty minimum amount and royalties earned from gross sales. The Company recognizes royalty fee revenue as earned, which is when the franchisee fulfills its performance obligation to its customer.
- *Boutique sales* – This includes sales of signs, stakes, and other miscellaneous products. The Company recognizes revenue when control of the product passes to the customer. Returns are typically not significant so they are recognized when they occur. Payment for boutique sales is collected at the time of order.
- *CARDference fees* – This includes registration fees for the Company hosting the franchisee annual conference. Fees are recognized as revenues upon the occurrence of the conference. Payment is collected at the time of registration.

Inventory

The Company's inventory consists of yard sign materials and supplies held for sale. Inventory is valued at the lower of cost or net realizable value.

Property and equipment

Property and equipment are stated at cost and depreciated using the straight-line method over the estimated useful lives of the assets, which generally range from three to five years. Leasehold improvements are amortized over the shorter of their estimated useful lives or the remaining terms of corresponding lease agreements. Maintenance and repairs are charged to expense in the period incurred. When property and equipment are disposed of, the carrying amount and related accumulated depreciation of each asset is removed from the balance sheet, and gains or losses resulting from disposals are recognized as other income or expense.

The Company reviews the carrying value of property and equipment for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. In cases where undiscounted expected future cash flows are less than the carrying value, an impairment loss is recognized as equal to an amount by which the carrying value exceeds the fair value of assets. The factors considered by management in performing this assessment include current operating results, trends, the manner in which the property is used, and the effects of obsolescence, demand, competition, and other economic factors. Based on this assessment, there was no impairment recorded for the years ended December 31, 2023, 2022 or 2021.

Intangible assets

Intangible assets include the website that is amortized over a period of three years and goodwill. The Company recognized \$14,411,064 of goodwill in connection with a previous acquisition, which was deemed to be the excess of the purchase price over the fair value of the net assets acquired. The Company amortizes goodwill on a straight-line basis over a ten-year period and tests for impairment as of the end of each year when a triggering event exists that indicates that the fair value may be below its carrying amount. For the years ended December 31, 2023, 2022, and 2021, goodwill amortization was \$1,441,112. At December 31, 2023, 2022, and 2021, there were no triggering events which would result in an evaluation as to whether goodwill had been impaired.

Leases

The Company determines if an arrangement contains an operating or finance lease at its inception and recognizes right-of-use assets and lease liabilities at the commencement date based on the present value of lease payments over the lease terms.

The Company has elected to discount lease liabilities using a risk-free discount rate for all asset classes. The Company does not combine lease and nonlease components to determine lease payments for any of its leases. The Company does not record leases with terms of 12 months or less on the balance sheet, but instead recognizes the lease payments as an expense on a straight-line basis over the term of the lease. The Company recognizes variable lease payments as expenses when incurred.

For operating leases, the expenses are generally recognized on a straight-line basis over the lease term.

Advertising

Advertising costs are expensed as incurred. Advertising and promotion expenses for the years ended December 31, 2023, 2022, and 2021 totaled \$126,163, \$137,038 and \$241,493, respectively.

Concentration of risk

The Company occasionally maintains cash and cash equivalents at financial institutions in excess of federally insured limits.

Income taxes

The Company is a wholly owned subsidiary of a pass-through entity under the Internal Revenue Code. Accordingly, any taxable income or loss from the Company is reported by the Holding Company and passed through to its individual members. Therefore, no provision or liability for income taxes has been included in the financial statements.

Reclassifications

Certain reclassifications have been made to the December 31, 2022 and 2021, financial statements to conform to the December 31, 2023 presentation. These reclassifications had no impact on previously reported net loss or member's equity.

Subsequent events

Management has evaluated subsequent events through April 4, 2024, the date on which the financial statements were available to be issued. See Note 7 for additional information.

Note 2 – Property and Equipment

The Company's property and equipment consists of the following at December 31:

	2023	2022	2021
Computers	\$ 9,875	\$ 9,875	\$ 9,875
Vehicles	24,302	24,302	24,302
Leasehold improvements	24,340	24,340	24,340
	58,517	58,517	58,517
Less: accumulated depreciation	(42,534)	(27,585)	(12,637)
Property and equipment, net	<u>\$ 15,983</u>	<u>\$ 30,932</u>	<u>\$ 45,880</u>

Note 3 – Leases

The Company determines whether an arrangement is a lease at inception of the lease agreement. The Company entered into a non-cancellable 36-month operating lease for office spaces on April 1, 2021. The lease expires March 31, 2024. The Company considered the terms of the lease agreement to establish their right-of-use asset and lease liability. The lease does not have any material residual value guarantees or material restrictive covenants. The lease does not provide an implicit rate; therefore, the Company uses a risk-free discount rate, using a period comparable with that of the lease term. The Company used the risk-free discount rate on the later of the lease commencement date or the transition to ASC 842, to determine the present value of the lease payments.

The Company's lease costs and other information are as follows for the year ended December 31, 2023:

Lease cost:	
Operating lease cost	<u>\$ 104,088</u>
Other information:	
Cash paid for amounts included in the measurement of lease liabilities:	
Operating cash flows from operating lease	<u>\$ 105,602</u>
Weighted-average remaining lease term	0.25 years
Weighted-average discount rate	0.79%

At December 31, 2023, the remaining lease payments to be paid in 2024 are \$26,400. This includes \$17 of imputed interest, which provides for a present value of lease liabilities as of December 31, 2023, of \$26,383. The Company's lease costs and other information were as follows for the year ended December 31, 2022:

Lease cost:	
Operating lease cost	<u>\$ 104,088</u>
Other information:	
Cash paid for amounts included in the measurement of lease liabilities:	
Operating cash flows from operating lease	<u>\$ 102,195</u>
Weighted-average remaining lease term	1.25 years
Weighted-average discount rate	0.79%

Subsequent to December 31, 2023, the Company entered into a new office lease. The lease is a 30-month lease beginning February 1, 2024, with a base monthly rate of \$6,700.

Note 4 – Contract Balances

Contract balances at December 31, are as follows:

	2023	2022	2021
Contract assets - accounts receivable	\$ 32,901	\$ -	\$ 18,000
Contract liabilities	(401,396)	(293,006)	(210,125)
	<u>\$ (368,495)</u>	<u>\$ (293,006)</u>	<u>\$ (192,125)</u>

The contract liabilities are comprised of unamortized initial franchise fees received (in excess of 50% of the initial franchise fee recognized as pre-opening activities) from franchisees when the franchise agreement was executed. In addition to the deferred franchise fees, the contract liabilities include deferred revenue for payments received for boutique sales not yet shipped as of December 31, 2023 and for prepayments for a conference that will take place during the following year of when payments are received. The contract liabilities balance also includes other miscellaneous prepayments received. A summary of the changes to the contract liability balances during 2021, 2022, and 2023 are presented as follows:

Balance at January 1, 2021	\$ -
Increase for initial franchise fees from contracts that became effective during the current period	766,700
Current year revenue recognized that was included in initial fees received from franchises during the period	(593,100)
Increase for fees received for 2022 conference	<u>36,525</u>
Balance at December 31, 2021	<u>\$ 210,125</u>

Balance at January 1, 2022	\$ 210,125
Increase for initial franchise fees from contracts that became effective during the current period	540,759
Current year revenue recognized that was included in initial fees received from franchises during the period	(431,653)
Current year revenue recognized for 2022 conference	(36,525)
Increase for fees received for 2023 conference	7,300
Increase for unearned revenue from renewal that was not executed as of December 31, 2022	<u>3,000</u>
Balance at December 31, 2022	<u><u>\$ 293,006</u></u>
Balance at January 1, 2023	\$ 293,006
Increase for initial franchise fees from contracts that became effective during the current period	468,575
Current year revenue recognized that was included in initial fees received from franchises during the period	(400,660)
Current year revenue recognized for 2023 conference	(6,400)
Increase for fees received for 2024 conference	7,050
Increase for unearned revenue from boutique sales	38,825
Other miscellaneous activity	<u>1,000</u>
Balance at December 31, 2023	<u><u>\$ 401,396</u></u>

Note 5 – Related Party Transactions

The Company pays management fees and oversight fees to a majority member of the Holding Company. The Company also reimburses the majority member of the Holding Company for certain expenses incurred on its behalf. For the years ended December 31, 2023, 2022, and 2021, management fees totaling \$300,000 were incurred. For the years ended December 31, 2023, 2022, and 2021, reimbursable expenses totaling \$159,742, \$150,000, and \$70,834, respectively, were incurred. As of December 31, 2023, and 2022, management fees and reimbursable expenses owed to the related party were \$640,992 and \$150,000, respectively, and are recorded as accrued expenses. There were no amounts payable at December 31, 2021.

In December 2022, the Company entered into a loan agreement with the member, the Holding Company. The agreement follows the terms of a revolving line of credit agreement between the Holding Company and a bank. The agreement states that funds can be drawn up to \$500,000 at a rate of 0.50% below the prime rate (8.0% as of December 31, 2023). The revolving note payable has a one-year term which automatically renews each December until the final maturity date of December 2024. Funds drawn by the Holding Company are transferred to the Company, and the Company remits payments to the Holding Company that are then remitted to the bank. As of December 31, 2023 and 2022, the outstanding balance of amounts drawn on this revolving note payable to the member was \$370,000 and \$125,000, respectively.

Note 6 – Retirement Plan

In January 2021, the Company established a 401(k) plan that is available to eligible classes of employees with 30 days of service. Effective August 15, 2021, participants may contribute up to 100% of their eligible compensation to the 401(k) plan, subject to certain limitations of the Internal Revenue Code, as either pretax or Roth deferrals. The 401(k) plan provides for the Company to make safe-harbor matching contributions equal to 100% of deferrals each payroll period up to 4% of a participant's compensation. The 401(k) plan

also provides for discretionary matching contributions of participant deferrals each year up to 6% of compensation with any discretionary matching contribution made on behalf of any participant not to exceed 4% of their compensation. The Company may also make discretionary nonelective contributions. For the years ended December 31, 2023, 2022, and 2021, the Company contributed \$40,327, \$54,416, and \$28,069, respectively, to the 401(k) plan.

Prior to the effective date of the elective deferral component of the 401(k) plan, the Company funded a Simplified Employee Pension Plan (SEP) plan. The SEP plan contributions made by the Company for the year ended December 31, 2021, totaled \$72,675.

Note 7 – Subsequent Event

Effective March 26, 2024, the Holding Company was acquired by FS PEP Holdco, LLC in exchange for equity interests in FS PEP Holdco, LLC. The sellers can earn additional cash consideration up to \$5,605,000 if certain sales metrics are met within the 36-month period after closing.

Right Answers, Right Here.



TANNER

Accountants & Advisors

FS PEP HOLDCO, LLC and SUBSIDIARIES

**Consolidated Financial Statements As
of December 31, 2024 and 2023 and
For the Years Then Ended**

Together with Independent Auditors' Report



TANNER

Independent Auditors' Report

To the Board of Managers of FS PEP Holdco, LLC

Opinion

We have audited the accompanying consolidated financial statements of FS PEP Holdco, LLC and subsidiaries (collectively, the Company), which comprise the consolidated balance sheets as of December 31, 2024 and 2023, and the related consolidated statements of operations, members' equity, and cash flows for the years then ended, and the related notes to consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of FS PEP Holdco, LLC and subsidiaries as of December 31, 2024 and 2023, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Due to the March 2024 acquisition of an entity under common control, CMY Holdco, LLC (Note 2), the historical activity prior to the acquisition of CMY Holdco, LLC and its wholly-owned subsidiary, Card my Yard Franchising, LLC, have been retrospectively combined in the consolidated financial statements of the Company. We did not audit the 2023 financial statements of Card my Yard Franchising, LLC, which statements reflect total assets of \$10,040,671, and total revenues of \$3,521,565. Those statements were audited by other auditors, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Card my Yard Franchising, LLC as of December 31, 2023, and for the year then ended, is based solely on the report of the other auditors.

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 *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditors' 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 auditors' 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 the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

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

Tanner LLC

April 23, 2025

Consolidated Balance Sheets

As of December 31,

	2024	2023
<u>Assets</u>		
Current assets:		
Cash	\$ 3,690,691	\$ 1,455,349
Restricted cash	-	840,143
Accounts receivable, net of an allowance for credit losses of \$74,296 and \$105,953, respectively	6,102,611	3,565,178
Other current receivable	820,000	-
Current portion of contract assets	1,797,429	1,382,859
Prepaid and other current assets	1,803,912	1,537,556
Total current assets	14,214,643	8,781,085
Goodwill, net	52,556,496	66,184,756
Intangible assets, net	45,678,810	50,358,496
Contract assets, net of current portion	13,317,603	10,981,453
Operating lease right-of-use assets	1,603,081	1,272,436
Other assets	2,206,748	828,551
Total assets	\$ 129,577,381	\$ 138,406,777
<u>Liabilities and Members' Equity</u>		
Current liabilities:		
Accounts payable	\$ 1,515,669	\$ 713,523
Accrued expenses	2,383,578	2,656,030
Current portion of contract liabilities	3,227,336	2,517,756
Current portion of operating lease liabilities	360,394	256,163
Revolving credit facility	1,100,000	-
Current portion of long-term debt, net of debt issuance costs	206,519	851,000
Total current liabilities	8,793,496	6,994,472
Contract liabilities, net of current portion	20,994,540	17,393,479
Operating lease liabilities, net of current portion	1,321,919	1,070,182
Long-term debt, net of current portion and debt issuance costs	46,197,321	46,148,366
Deferred income tax liabilities	4,942,067	5,507,405
Total liabilities	82,249,343	77,113,904
Commitments and contingencies (Notes 4, 5 & 6)		
Members' equity	47,328,038	61,292,873
Total liabilities and members' equity	\$ 129,577,381	\$ 138,406,777

Consolidated Statements of Operations

For the Years Ended December 31,

	2024	2023
Revenues	\$ 47,493,372	\$ 38,119,222
Cost of revenues	14,071,864	10,711,574
Gross profit	33,421,508	27,407,648
Operating expenses:		
Selling, general, and administrative	28,732,110	24,077,839
Depreciation and amortization	11,953,138	12,782,735
Total operating expenses	40,685,248	36,860,574
Loss from operations	(7,263,740)	(9,452,926)
Other income (expense): Interest expense	(5,462,474)	(5,530,375)
Other income (expense)	43,809	(218,954)
Total other expense, net	(5,418,665)	(5,749,329)
Loss before income taxes	(12,682,405)	(15,202,255)
Income tax benefit (provision)	432,399	(765,698)
Net loss	\$ (12,250,006)	\$ (15,967,953)

Consolidated Statements of Members' Equity

For the years ended December 31, 2024 and 2023

	Members' Equity
Balance as of January 1, 2023	<u>\$ 77,059,237</u>
Equity-based compensation	201,589
Net loss	<u>(15,967,953)</u>
Balance as of December 31, 2023	61,292,873
Equity-based compensation	163,300
Member units issued for acquisition (Note 2)	3,000,000
Repurchase of member units	(4,878,129)
Net loss	<u>(12,250,006)</u>
Balance as of December 31, 2024	<u>\$ 47,328,038</u>

Consolidated Statements of Cash Flows

For the Years Ended December 31,

2024

2023

Cash flows from operating activities:

Net loss	\$ (12,250,006)	\$ (15,967,953)
Adjustments to reconcile net loss to net cash used in operating activities:		
Amortization of goodwill and intangible assets	11,662,770	12,639,099
Depreciation of fixed assets	290,368	143,636
Amortization of deferred financing costs	255,474	237,783
Amortization of operating lease right-of-use assets	378,441	263,663
Equity-based compensation	163,300	201,589
Gain on disposal of fixed assets	(2,189)	(11,390)
Credit loss expense	466,027	47,293
Decrease (increase) in:		
Accounts receivable	(2,952,504)	(1,251,872)
Contract assets	(2,750,720)	(1,396,460)
Other assets	516,161	(385,204)
Increase (decrease) in:		
Accounts payable and accrued expenses	480,916	4,506
Contract liabilities	4,310,641	3,834,331
Operating lease liabilities	(353,118)	(243,367)
Deferred income taxes	(565,338)	424,255
Net cash used in operating activities	(349,777)	(1,460,091)
Cash flows from investing activities:		
Purchase of property and equipment	(1,813,949)	(441,815)
Net cash paid for acquisition	(991,946)	-
Proceeds from acquisition related legal settlement	4,950,000	-
Proceeds from sale of property and equipment	-	83,000
Purchase of intangibles	-	(5,355)
Net cash provided by (used in) investing activities	2,144,105	(364,170)
Cash flows from financing activities:		
Borrowing on line of credit	1,100,000	-
Borrowing on long-term debt	-	245,000
Repayment of long-term debt	(851,000)	(481,000)
Purchase of membership units	(648,129)	-
Net cash used in financing activities	(399,129)	(236,000)
Net change in cash and restricted cash	1,395,199	(2,060,261)
Cash and restricted cash at beginning of year	2,295,492	4,355,753
Cash and restricted cash at end of year	\$ 3,690,691	\$ 2,295,492

Consolidated Statements of Cash Flows - Continued

		<i>For the Years Ended December 31,</i>	
		2024	2023
Supplemental disclosure of cash flow information:			
Cash paid for interest	\$ 5,748,129		\$ 5,102,711
Cash paid for income taxes	644,566		110,538
Supplemental disclosure of non-cash investing and financing information:			
Operating lease right-of-use assets and liabilities added through new contracts		\$ 489,629	\$ 357,822
Reduction of of member units and related assets due to legal settlement		4,230,000	-
Reconciliation of cash and restricted cash:			
Cash		\$ 3,690,691	\$ 1,455,349
Restricted cash		-	840,143
Cash and restricted cash at end of year		<u>\$ 3,690,691</u>	<u>\$ 2,295,492</u>

Notes to Consolidated Financial Statements

1. Description of Organization and Summary of Significant Accounting Policies

Organization

FS PEP Holdco, LLC is a holding company established for the purpose of acquiring and operating home services related franchisor companies. Through its franchisor entities located throughout the United States, the Company seeks to establish profitable and sustainable franchise systems that provide franchise partners the tools to profitably operate and own a successful home service business.

Basis of Presentation and Principles of Consolidation

The consolidated financial statements are presented in conformity with accounting principles generally accepted in the United States of America (US GAAP) and include the accounts of FS PEP Holdco, LLC and its wholly owned subsidiaries: Five Star Connect, Inc.; Gotcha Covered Franchising, LLC; Ringside Development Company; Bio-One IP Group, LLC; Ringside Group, LLC; Mosquito Shield Franchise, LLC; 1-800-Packouts Holdco, LLC; CMY Holdco, LLC; Five Star Bath, Inc; Five Star Franchising, LLC; and its wholly owned subsidiary Five Star Bath, LLC.

FS PEP Holdco, LLC was formed on April 9, 2021, (date of inception) and during 2021 began acquiring operating companies. The consolidated financial statements reflect the operations of FS PEP Holdco, LLC and all of its subsidiaries (collectively the Company). All intercompany balances and transactions have been eliminated in consolidation.

Use of Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Concentrations of Credit Risk

The Company maintains its cash in bank deposit accounts which, at times, exceed federally insured limits. To date, the Company has not experienced a loss or lack of access to its invested cash and cash equivalents; however, no assurance can be provided that access to the Company's invested cash will not be impacted by adverse conditions in the financial markets.

Restricted Cash

Restricted cash balances relate to cash franchisees contribute to the Company's national branding funds. Cash contributed by franchisees to the national branding funds are to be used in accordance with the franchise agreements with a focus on marketing and advertising.

Accounts Receivable, net

Accounts receivable consist of amounts due on franchisee accounts for various fees including royalties, support fees, branding fees, insurance, training, and expendable equipment. The allowance for credit losses and other reserves are based upon the Company's historical experience with franchisees and considers the age of the receivable and the franchisees' ability to pay. Accounts are written-off when determined to be uncollectible and all reasonable efforts to collect the receivable have been exhausted. Accounts receivable do not include any amounts for interest.

The balances in accounts receivable and the allowance for credit losses were as follows as of December 31:

	2024	2023	2022
Accounts receivable	\$ 6,176,907	\$ 3,671,131	\$ 2,419,259
Allowance for credit losses	(74,296)	(105,953)	(58,660)

Notes Receivable

Some franchise agreements allow for the financing of initial franchising fees over a term of one to five years. These receivables bear interest ranging from 4% to 10% and are reviewed for collectability by assessing the franchisee's completion of training, commencing operations, and revenue generation. As of December 31, 2024 and 2023, the Company had \$66,850 and \$239,770 outstanding on notes receivable, which have been included in the other assets account on the accompanying consolidated balance sheets. Management has determined that no allowance for credit loss is necessary for these notes receivable as of December 31, 2024 or 2023.

Contract Assets

The Company incurs broker and sales commission expenses paid to third parties to obtain franchise agreements with franchisees. The commissions are related to franchise fee revenue and are capitalized as contract assets and recognized over the term of the respective franchise agreement.

Goodwill and Intangible Assets

Goodwill represents the excess purchase price over fair value of net assets acquired that is not allocable to separately identifiable intangible assets. Other identifiable intangible assets primarily consist of trade names and franchise agreements in place. These assets are amortized using the straight-line method over the estimated useful life of the asset acquired.

The Company amortizes goodwill over a period of ten years. The Company evaluates the recoverability of the carrying amount of goodwill at the entity level whenever events or circumstances indicate the carrying amount may not be recoverable. Management has determined there was no impairment as of December 31, 2024 and 2023.

Debt Issuance Costs

The Company defers costs related to issuing debt and amortizes the costs using the effective interest method, to interest expense over the term of the related debt.

Revenue Recognition

The Company primarily derives revenue from royalties, call center services, franchise and license fees, equipment and product sales, and advertising services. Revenue is recognized from these contracts with customers by applying the following steps:

- Identification of the contract, or contracts, with a customer.
- Identification of the performance obligations in a contract.
- Determination of the transaction price.
- Allocation of the transaction price to the performance obligations in the contract.
- Recognition of revenue when, or as, performance obligations are satisfied.

Royalties

The Company sells individual franchises as well as territory agreements (Franchise Agreements) that grant the right to operate a location, using the Company's software and trademarks, generally for a period of five or ten years. The franchisees are equipped with certain equipment and samples and are trained at the Company's facilities. The Franchise Agreements require franchisees to pay continuing fees, or royalties, on a monthly basis based on the terms of the Franchise Agreement. Royalty income is based on either a percentage (generally ranging from 6% to 25%) of franchisee gross sales, minimum monthly payments, or other calculated amounts as defined in the Franchise Agreement and is recognized as the royalties are at the franchisees' point of sale.

Call Center Services

The Company provides certain sales and marketing support services for franchisees, including the operation of a call center for inbound-customer and marketing related calls. The fees associated with the call center are structured as either a fixed monthly fee or a variable fee based on the monthly usage of the call center. Revenue for call center services are recognized during the month that the services are performed.

Franchise Fees

The Franchise Agreements require the franchisee to pay an initial fee to obtain the rights associated with the Franchise Agreements. Initial franchise fee revenue is partially recognized upon substantial completion of the startup services required of the Company. The remainder of the franchise fee revenue is recognized over the term of the Franchise Agreement. All fees collected in advance are deferred until performance obligations are met, and revenue is earned. Deferred amounts are classified as contract liabilities in the accompanying consolidated balance sheets. The balance of contract liabilities was \$24,221,876,

\$19,911,235, and \$15,968,514, as of December 31, 2024, 2023, and 2022, respectively.

Franchise sales resulting from leads furnished by independent franchise brokers are subject to a sales commission. The costs of commissions paid to franchise brokers are capitalized and recognized over the same period as the related revenue.

Equipment and Product Sales

Revenue from the sale of equipment and products is recognized when title and risk of loss transfers to the buyer, which is generally upon shipment.

Advertising Services

Under the terms of the Franchise Agreements, the Company may establish national branding funds and charge a fee of up to 3% of the franchisees' gross receipts to pay for marketing costs that benefit multiple franchises and are used to promote the brands. Marketing revenues and expenses are recognized in equal amounts as marketing expenses are incurred. Any amounts collected but unspent at the end of the year are accrued for as a liability on the accompanying consolidated balance sheets until the related expense has been incurred.

Installation Sales

Company-operated franchises provide shower and bath installations that are generally completed within 1-2 days. Revenue is recognized at the point-in-time the product installation is completed and accepted by the customer.

Vendor Rebates

The Company receives rebates from certain vendors used by franchisees. Vendor rebate revenue is recognized at the point-in-time the associated sales to vendors are recorded and the rebate is earned.

Other Revenues

Other revenues include fees generated by consulting services, monthly technology access fees and other miscellaneous fees allowable under the terms of the Franchise Agreements. Consulting and other fees are recognized as revenue once the consulting or other services have been performed, these services are short term in nature and provided on a month-to-month basis. Monthly technology access fees are recognized during the month that services are performed.

Amounts recognized as revenue for the different revenue types were as follows for the years ended December 31, 2024 and 2023:

	2024	2023
Royalties	\$ 16,760,701	\$ 13,797,504
Advertising services	8,154,242	7,184,067
Other revenues	6,665,981	5,113,894
Franchise fees	5,798,078	5,023,575
Equipment and product sales	3,878,525	2,414,926
Call center services	3,018,653	2,799,481
Vendor rebates	2,782,697	1,785,775
Installation sales	434,495	-
	<u>\$ 47,493,372</u>	<u>\$ 38,119,222</u>

Contract Liabilities

Contract liabilities represent billings made to or payments received from franchisees for which the related performance obligation has not yet been fulfilled. This primarily consists of franchise fees that have been received but are deferred to be recognized over the term of the franchise agreement. Deposits for conferences and trainings are also deferred until the point at which the service has been provided.

Leases

Management determines if a contract is or contains a lease at inception or modification of a contract. A contract is or contains a lease if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration. Control over the use of the identified asset means the lessee has both (a) the right to obtain substantially all of the economic benefits from the use of the asset and (b) the right to direct the use of the asset. Such assets are classified as ROU assets with a corresponding lease liability.

For all arrangements where it is determined that a lease exists, the related ROU assets and lease liabilities are recorded as either operating or finance leases. At inception or modification, the Company calculates the present value of lease payments using the implicit rate determined from the contract or the Company's incremental borrowing rate applicable to the lease, which is determined by estimating what it would cost the Company to borrow a collateralized amount equal to the total lease payments over the lease term based on the contractual terms of the lease and the location of the leased asset. The present value is adjusted for prepaid lease payments, lease incentives, and initial direct costs. Lease expense is recognized for these leases on a straight-line basis over the expected lease term. Non-lease costs, such as common-area maintenance costs, taxes, and insurance, are not included in the measurement of the ROU assets and lease liabilities. The depreciable life of assets and leasehold improvements are limited by the expected lease term.

Sales Tax

The Company accounts for sales tax on a net basis and excluded from revenues.

Shipping and Handling Costs

The Company classifies freight billed to customers as sales revenue and the related freight costs as cost of sales.

Advertising and Marketing

Advertising and marketing costs included in operating expenses primarily consist of collateral marketing materials and are expensed as incurred. These costs are included in selling, general, and administrative expenses and were \$1,995,154 and \$2,089,788 during the years ended December 31, 2024 and 2023, respectively.

Income Taxes

The Company is a limited liability company under provisions of the Internal Revenue Code and has elected to be treated as a partnership for income tax purposes. As such, the payment and recognition of income taxes are the responsibility of the members of the Company.

The Company files income tax returns in the US federal and state jurisdictions. The Company is generally subject to US federal, state and local income tax examination by tax authorities for a period of three years from the date of filing. The Company is not currently under examination in any jurisdiction in which it operates.

The Company is required to determine whether its tax positions are more likely than not to be sustained upon examination by the applicable taxing authority, based on the technical merits of the position. The tax benefits recognized are measured as the largest amount of benefit that has a greater than 50% likelihood of being realized upon ultimate settlement with the relevant taxing authorities. Based on its analysis, the Company has determined that it has not incurred any liability for unrecognized tax benefits as of December 31, 2024. The Company does not expect that its assessment regarding unrecognized tax benefits will materially change over the next 12 months.

Certain subsidiaries of the Company recognize deferred income tax assets and liabilities for the expected future tax consequences of events that have been included in the subsidiary financial statements or tax returns. Under this method, deferred income tax assets and liabilities are determined based on the difference between financial statement and tax bases of assets and liabilities using estimated tax rates in effect for the year in which the differences are expected to reverse. Deferred tax assets are recognized only if it is more likely than not that the asset will be realized in future years.

Subsequent Events

Management has evaluated events and transactions for potential recognition or disclosure through April 23, 2025, which is the day the consolidated financial statements were available to be issued.

2. Acquisitions of Subsidiary Entities

CMY Holdco, LLC

On March 26, 2024, the Company entered into a contribution and exchange agreement to acquire 100% of the membership interests in CMY Holdco, LLC (CMY) from a common owner wherein the common owner was granted additional ownership interest in the Company. The agreement also includes contingent consideration of up to \$5,605,000 to be paid if CMY reaches certain system sales metrics over the 36 month period after the acquisition. Management has determined that it is not probable that the metrics will be achieved, and no liability related to the contingent consideration has been recorded in the accompanying consolidated balance sheets.

The acquisition of CMY qualified as a commonly controlled transaction which requires retrospective combination of the entities for all periods presented. In accordance with US GAAP, as of January 1, 2023, the beginning balances of assets, liabilities, and members' equity have been adjusted to include the historical cost values of CMY. The Company's consolidated statements of operations for the years ended December 31, 2024 and 2023, include all of CMY's operations as if CMY had been combined as of January 1, 2023.

Five Star Bath, Inc.

On December 13, 2024, the Company entered into a securities purchase agreement to acquire 100% of the shares of a franchisee, Five Star Bath, Inc. The securities purchase agreement included payment of rollover ownership interest of \$3,000,000 wherein the former owner was granted an ownership interest in the Company, and a cash payment of \$1,100,000.

The purchase consideration has been allocated based on the assessment of the fair market values of the acquired assets and liabilities assumed. The excess of the purchase price over the fair value of the net assets gives rise to goodwill.

The following table sets forth the allocation of the purchase consideration to the assets acquired and liabilities assumed:

Total consideration	\$ 4,100,000
Rollover equity	(3,000,000)
Cash acquired	(108,054)
Net cash paid	\$ 991,946
Cash	\$ 108,054
Accounts receivable	50,956
Prepays and other assets	634,944
Operating lease right-of-use asset	219,457
Goodwill	3,354,824
Operating lease liability	(219,457)
Other liabilities assumed	(48,778)
Total purchase price	\$ 4,100,000

Legal Settlement

During 2024, the Company entered into a settlement agreement for claims made under the indemnity clause of the purchase agreement for the 2022 acquisition agreement of 1-800 Packouts, LLC (Packouts). The Company claimed they incurred losses due to alleged breaches of franchise-related representations and warranties by the former owner of Packouts and member of the Company. In March 2024, both parties entered into a settlement agreement to resolve these claims. Under the terms of the agreement, the Company received a total settlement of \$10,000,000. The settlement stipulated that the Company would repurchase the former owner's membership interest in the Company in exchange for a reduction of the legal settlement receivable at an agreed value of \$4,230,000. The remaining settlement amount would be received as periodic cash payments. During the year ended December 31, 2024, the Company received cash payments totaling \$4,950,000 and the remaining receivable amount of \$820,000 is due in September 2025.

The Company determined that since this settlement was related to the acquisition of Packouts, the settlement of amount would be treated as a reduction in the related purchase price and the acquired assets.

3. Goodwill and Intangible Assets

Goodwill and intangible assets consist of the following as of December 31:

	2024	2023
Trade name	\$ 27,550,000	\$ 27,550,000
Franchise agreements	30,900,000	30,900,000
Goodwill	80,483,637	87,128,812
Total intangible assets	138,933,637	145,578,812
Less: accumulated amortization	(40,698,331)	(29,035,560)
Intangible assets, net	\$ 98,235,306	\$ 116,543,252

Amortization expense resulting from goodwill and intangible assets was \$11,662,770 and \$12,639,099 for the years ended December 31, 2024 and 2023, respectively.

The future aggregate amounts of amortization expense to be recognized related to definite-lived intangible assets as of December 31, 2024, are as follows:

Years Ending December 31,	
2025	\$ 11,668,434
2026	11,668,434
2027	11,668,434
2028	11,668,434
2029	11,668,434
Thereafter	39,893,136
	\$ 98,235,306

4. Long-Term Debt and Revolving Credit Facility

In connection with the acquisitions of subsidiary companies in prior years, the Company entered into a financing arrangement with Deerpath Fund Services, LLC (Deerpath) that matures on September 3, 2026. Under the financing arrangement, the Company received an initial term loan with a principal amount of \$28,000,000, to be used for acquisitions which occurred in 2021, as well as amounts available for future transactions as follows: (1) up to an aggregate of \$15,000,000 available as delayed draw term loans, and (2) contingent amounts of up to \$25,000,000 available for future financing to be negotiated. The loans bear an interest rate of a 3-month term SOFR plus 5.65% (10.24% as of December 31, 2024). As of December 31, 2024 and 2023, the total amount that has been drawn on the facility was \$48,100,000. The arrangement also provides for a revolving credit facility with available draws up to \$2,000,000, of which the Company had drawn \$1,100,000 as of December 31, 2024.

As of December 31, 2024, the Company had future maturities of notes payable as follows:

Years Ending December 31,	
2025	\$ 481,000
2026	46,416,500
	46,897,500
Less: debt issuance costs	(493,660)
	\$ 46,403,840

Future amortization of debt issuance costs for the Company's notes payables as of December 31, 2024, are as follows: Years Ending December

31,	
2025	\$ 274,481
2026	219,179
	<u>\$ 493,660</u>

5. Operating Leases

The Company has entered into certain operating leases for office space under operating lease arrangements. As of December 31, 2024, there was a weighted average of 4.3 years remaining on the original lease terms. The Company estimated their incremental borrowing rate in calculating the ROU asset and operating lease liability as the rate implicit in the leases were not known. The weighted average incremental borrowing rate used was 5.77%.

The following table reconciles the undiscounted future cash flows to the operating lease liability recorded on the accompanying consolidated balance sheet as of December 31, 2024:

Years Ending December 31,	
2025	\$ 511,334
2026	456,597
2027	312,535
2028	231,112
2029	203,190
Thereafter	213,394
Total lease payments	1,928,162
Less: interest	<u>(245,849)</u>
	<u>\$ 1,682,313</u>

The Company elected the short-term lease recognition exemption and short-term leases, which have an initial term of 12 months or less, are not included in right-of-use assets or corresponding lease liabilities. The components of lease cost were as follows for the years ended December 31:

	2024	2023
Operating lease cost	\$ 425,914	\$ 406,131
Short-term lease cost	<u>133,893</u>	<u>200,074</u>
Total	\$ 559,807	\$ 606,205

6. Commitments and Contingencies

Litigation

The Company is involved in legal proceedings from time to time arising in the normal course of business. Management, after consultation with legal counsel, believes that the outcome of these proceedings will not have a material impact on the Company's consolidated financial position, results of operations, or liquidity.

Employee Agreements

The Company has entered into employment agreements with certain officers and employees of the Company, which require that certain severance payments are made in the event of termination without cause.

Indemnification Agreements

Under the Company's organizational documents, the Company's officers, employees and directors are indemnified against certain liabilities arising out of the performance of their duties. The Company's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Company that have not yet occurred. However, based on experience, the Company expects any risk of loss to be remote. The Company also has an insurance policy for its directors and officers to insure them against liabilities arising from the performance of their duties in their positions with the Company or its subsidiaries.

7. Related Party Transactions

The Company pays a management fee to a certain member of the Company on an annual basis based on revenues. The Company made payments of management fees of \$784,283 and \$870,389 for services rendered during the years ended December 31, 2024 and 2023, respectively.

The Company provided call center and other management services to another franchisor that is under common ownership. Additionally, the Company incurred certain expenses on behalf of that related franchisor and billed them for costs incurred. Amounts charged for services performed during the years ended December 31, 2024 and 2023, amounted to \$0 and \$250,031, respectively, and are included in revenues. As of December 31, 2024 and 2023, accounts receivable due from this related party were \$0 and \$250,031, respectively. As of March 2024, this franchisor was no longer under common ownership.

8. Income Taxes

The benefit (provision) for income taxes consists of the following for the years ended December 31, 2024 and 2023:

	2024	2023
Current:		
Federal	\$ (133,183)	\$ (262,480)
State	244	(78,963)
Total current	(132,939)	(341,443)
Deferred:		
Federal	453,482	(292,567)
State	111,856	(131,688)
Total deferred	565,338	(424,255)
Total benefit (provision) for income taxes	\$ 432,399	\$ (765,698)

Significant components of the Company's deferred income tax assets (liabilities) are as follows as of December 31:

	2024	2023
Deferred income tax assets (liabilities):		
Intangible assets	\$ (5,284,048)	\$ (5,747,861)
Deferred costs	(153,662)	(16,114)
Fixed assets	(36,969)	(44,540)
Deferred revenue	249,196	140,945
NOL carryforwards	287,562	166,613
Other	(4,146)	(6,448)
	<u>\$ (4,942,067)</u>	<u>\$ (5,507,405)</u>

The benefit (provision) for income taxes attributable to income before benefit (provision) for income taxes differed from the amount obtained by applying the federal statutory income tax rate to income (loss) before income taxes due to tax rate adjustments, state taxes, permanent differences in deductible goodwill amortization, and prior period adjustments and true-ups.

As of December 31, 2024, the Company had U.S. federal and state tax-basis net operating loss carryforwards (NOLs) of approximately \$1,182,000 and \$1,045,000, respectively. The federal and state NOLs will begin to expire in 2038 and 2036, respectively.

The Company has concluded that there are no significant uncertain tax positions requiring disclosure, and there are no material amounts of unrecognized tax benefits.

9. Subsequent Events

In February 2025, the Company completed an acquisition of a Bio-One franchisee, Phillips & O'Brien, LLC, for a purchase price of \$300,000.

Right Answers, Right Here.



TANNER

Accountants & Advisors

FS PEP HOLDCO, LLC and SUBSIDIARIES

**Consolidated Financial Statements
As of December 31, 2025 and 2024
and For the Years Then Ended**

Together with Independent Auditors' Report



TANNER

Independent Auditors' Report

**To the Board of Managers of
FS PEP Holdco, LLC**

Opinion

We have audited the accompanying consolidated financial statements of FS PEP Holdco, LLC and subsidiaries (collectively, the Company), which comprise the consolidated balance sheets as of December 31, 2025 and 2024, and the related consolidated statements of operations, members' equity, and cash flows for the years then ended, and the related notes to consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of FS PEP Holdco, LLC and subsidiaries as of December 31, 2025 and 2024, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Due to the March 2024 acquisition of an entity under common control, CMY Holdco, LLC (Note 2), the historical activity prior to the acquisition of CMY Holdco, LLC and its wholly-owned subsidiary, Card my Yard Franchising, LLC, have been retrospectively combined in the consolidated financial statements of the Company.

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 *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditors' 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 auditors' 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 the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

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

Tanner LLP

April 1, 2026

Consolidated Balance Sheets

As of December 31,

	2025	2024
<u>Assets</u>		
Current assets:		
Cash	\$ 4,539,992	\$ 3,690,691
Accounts receivable, net of an allowance for credit losses of \$441,212 and \$74,296, respectively	9,557,463	6,102,611
Other current receivable	-	820,000
Current portion of contract assets	2,094,653	1,797,429
Prepaid and other current assets	2,703,573	1,803,912
Total current assets	18,895,681	14,214,643
Goodwill, net	49,709,291	52,556,496
Intangible assets, net	42,587,632	45,678,810
Contract assets, net of current portion	13,973,962	13,317,603
Operating lease right-of-use assets	1,411,994	1,603,081
Other assets	3,765,821	2,206,748
Total assets	\$ 130,344,381	\$ 129,577,381
<u>Liabilities and Members' Equity</u>		
Current liabilities:		
Accounts payable	\$ 2,393,312	\$ 1,515,669
Accrued expenses	3,864,563	2,383,578
Current portion of contract liabilities	5,562,715	3,227,336
Current portion of operating lease liabilities	523,286	360,394
Revolving credit facility	-	1,100,000
Current portion of long-term debt, net of debt issuance costs	565,996	206,519
Total current liabilities	12,909,872	8,793,496
Contract liabilities, net of current portion	21,102,341	20,994,540
Operating lease liabilities, net of current portion	1,011,953	1,321,919
Long-term debt, net of current portion and debt issuance costs	50,597,210	46,197,321
Revolving credit facility	1,100,000	-
Deferred income tax liabilities	4,626,115	4,942,067
Total liabilities	91,347,491	82,249,343
Commitments and contingencies (Notes 4, 5 & 6)		
Members' equity	38,996,890	47,328,038
Total liabilities and members' equity	\$ 130,344,381	\$ 129,577,381

See accompanying notes to consolidated financial statements.

1

Consolidated Statements of Operations

	<i>For the Years Ended December 31,</i>	
	2025	2024
Revenues	\$ 75,322,650	\$ 47,493,372
Cost of revenues	24,352,610	14,071,864
Gross profit	50,970,040	33,421,508
Operating expenses:		
Selling, general, and administrative	40,837,272	28,732,110
Depreciation and amortization	12,794,667	11,953,138
Total operating expenses	53,631,939	40,685,248
Loss from operations	(2,661,899)	(7,263,740)
Other income (expense):		
Interest expense	(5,763,645)	(5,462,474)
Other income (expense)	(176,690)	43,809
Total other expense, net	(5,940,335)	(5,418,665)
Loss before income taxes	(8,602,234)	(12,682,405)
Income tax benefit (provision)	(33,882)	432,399
Net loss	\$ (8,636,116)	\$ (12,250,006)

See accompanying notes to consolidated financial statements.

2

Consolidated Statements of Members' Equity

For the years ended December 31, 2025 and 2024

	Members' Equity
Balance as of January 1, 2024	\$ 61,292,873
Equity-based compensation	163,300
Member units issued for acquisition (Note 2)	3,000,000
Repurchase of member units	(4,878,129)
Net loss	<u>(12,250,006)</u>
Balance as of December 31, 2024	47,328,038
Equity-based compensation	204,968
Member units issued for acquisition (Note 2)	100,000
Net loss	<u>(8,636,116)</u>
Balance as of December 31, 2025	<u>\$ 38,996,890</u>

Consolidated Statements of Cash Flows

For the Years Ended December 31,

	2025	2024
Cash flows from operating activities:		
Net loss	\$ (8,636,116)	\$ (12,250,006)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Amortization of goodwill and intangible assets	11,968,566	11,662,770
Depreciation of fixed assets	826,101	290,368
Amortization of deferred financing costs	334,614	255,474
Amortization of operating lease right-of-use assets	432,840	378,441
Equity-based compensation	204,968	163,300
Gain on disposal of fixed assets	-	(2,189)
Credit loss expense	1,045,996	466,027
Decrease (increase) in:		
Accounts receivable	(4,497,955)	(2,952,504)
Contract assets	(953,583)	(2,750,720)
Other assets	(784,749)	516,161
Increase (decrease) in:		
Accounts payable and accrued expenses	2,146,131	480,916
Contract liabilities	1,441,376	4,310,641
Operating lease liabilities	(388,827)	(353,118)
Deferred income taxes	(315,952)	(565,338)
Net cash provided by (used in) operating activities	2,823,410	(349,777)
Cash flows from investing activities:		
Purchase of property and equipment	(1,985,719)	(1,813,949)
Net cash paid for acquisition	(445,892)	(991,946)
Proceeds from acquisition related legal settlement	820,000	4,950,000
Net cash provided by (used in) investing activities	(1,611,611)	2,144,105
Cash flows from financing activities:		
Payment of debt issuance costs	(245,980)	-
Borrowing on line of credit	-	1,100,000
Borrowing on long-term debt	416,915	-
Repayment of long-term debt	(533,433)	(851,000)
Purchase of membership units	-	(648,129)
Net cash used in financing activities	(362,498)	(399,129)
Net change in cash	849,301	1,395,199
Cash at beginning of year	3,690,691	2,295,492
Cash at end of year	\$ 4,539,992	\$ 3,690,691

See accompanying notes to consolidated financial statements.

4

Consolidated Statements of Cash Flows - Continued

	<i>For the Years Ended December 31,</i>	
	2025	2024
Supplemental disclosure of cash flow information:		
Cash paid for interest	\$ 5,377,981	\$ 5,748,129
Cash paid for income taxes	73,651	644,566
Supplemental disclosure of non-cash investing and financing information:		
Operating lease right-of-use assets and liabilities added through new contracts	\$ 165,441	\$ 489,629
Reduction of member units and related assets due to legal settlement	-	4,230,000

See accompanying notes to consolidated financial statements.

5

Notes to Consolidated Financial Statements

1. Description of Organization and Summary of Significant Accounting Policies

Organization

FS PEP Holdco, LLC is a holding company established for the purpose of acquiring and operating home services related franchisor companies. Through its franchisor entities located throughout the United States, the Company seeks to establish profitable and sustainable franchise systems that provide franchise partners the tools to profitably operate and own a successful home service business.

Basis of Presentation and Principles of Consolidation

The consolidated financial statements are presented in conformity with accounting principles generally accepted in the United States of America (US GAAP) and include the accounts of FS PEP Holdco, LLC and its wholly owned subsidiaries: Five Star Connect, Inc.; Gotcha Covered Franchising, LLC; Ringside Development Company, and its wholly owned subsidiary Bio-One Atlanta, LLC; Bio-One IP Group, LLC; Ringside Group, LLC; Mosquito Shield Franchise, LLC, and its wholly owned subsidiary MS SEPA, LLC; 1-800-Packouts Holdco, LLC; CMY Holdco, LLC; Five Star Bath, Inc; Five Star Franchising, LLC, and its wholly owned subsidiary Five Star Bath, LLC; and In and Out Floors, LLC.

FS PEP Holdco, LLC was formed on April 9, 2021, and during 2021 began acquiring operating companies. The consolidated financial statements reflect the operations of FS PEP Holdco, LLC and all of its subsidiaries (collectively the Company). All intercompany balances and transactions have been eliminated in consolidation.

Use of Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Concentrations of Credit Risk

The Company maintains its cash in bank deposit accounts which, at times, exceed federally insured limits. To date, the Company has not experienced a loss or lack of access to its invested cash and cash equivalents; however, no assurance can be provided that access to the Company's invested cash will not be impacted by adverse conditions in the financial markets.

Accounts Receivable

Accounts receivable consists of amounts due on franchisee accounts for various fees including royalties, support fees, branding fees, insurance, training, and expendable equipment. The allowance for credit losses and other reserves are based upon the Company's historical experience with franchisees and considers the age of the receivable and the franchisees' ability to pay. Accounts are written off when determined to be uncollectible and all reasonable efforts to collect the receivable have been exhausted. Accounts receivable does not include any amounts for interest.

The balances in accounts receivable and the allowance for credit losses were as follows as of December 31:

	2025	2024	2023
Accounts receivable	\$ 9,998,675	\$ 6,176,907	\$ 3,671,131
Allowance for credit losses	(441,212)	(74,296)	(105,953)
Accounts receivable, net	\$ 9,557,463	\$ 6,102,611	\$ 3,565,178

Contract Assets

The Company incurs broker and sales commission expenses paid to third parties to obtain franchise agreements with franchisees. The commissions are related to franchise fee revenue and are capitalized as contract assets and recognized over the term of the respective franchise agreement.

Goodwill and Intangible Assets

Goodwill represents the excess purchase price over fair value of net assets acquired that is not allocable to separately identifiable intangible assets. Other identifiable intangible assets primarily consist of trade names and franchise agreements in place. These assets are amortized using the straight-line method over the estimated useful life of the asset acquired.

The Company amortizes goodwill over a period of ten years. The Company evaluates the recoverability of the carrying amount of goodwill at the entity level whenever events or circumstances indicate the carrying amount may not be recoverable. Management has determined there was no impairment as of December 31, 2025 and 2024.

Debt Issuance Costs

The Company defers costs related to issuing debt and amortizes the costs using the effective interest method, to interest expense over the term of the related debt.

Revenue Recognition

The Company primarily derives revenue from royalties, call center services, franchise and license fees, equipment and product sales, and advertising services. Revenue is recognized from these contracts with customers by applying the following steps:

- Identification of the contract, or contracts, with a customer.
- Identification of the performance obligations in a contract.
- Determination of the transaction price.
- Allocation of the transaction price to the performance obligations in the contract.
- Recognition of revenue when, or as, performance obligations are satisfied.

Royalties

The Company sells individual franchises as well as territory agreements (Franchise Agreements) that grant the right to operate a location, using the Company's software and trademarks, generally for a period of five or ten years. The franchisees are equipped with certain equipment and samples and are trained at the Company's facilities. The Franchise Agreements require franchisees to pay continuing fees, or royalties, on a monthly basis based on the terms of the Franchise Agreement. Royalty income is based on either a percentage (generally ranging from 6% to 25%) of franchisee gross sales, minimum monthly payments, or other calculated amounts as defined in the Franchise Agreement and is recognized as the royalties are at the franchisees' point of sale.

Call Center Services

The Company provides certain sales and marketing support services for franchisees, including the operation of a call center for inbound-customer and marketing related calls. The fees associated with the call center are structured as either a fixed monthly fee or a variable fee based on the monthly usage of the call center. Revenue for call center services are recognized during the month that the services are performed.

Franchise Fees

The Franchise Agreements require the franchisee to pay an initial fee to obtain the rights associated with the Franchise Agreements. Initial franchise fee revenue is partially recognized upon substantial completion of the startup services required of the Company. The remainder of the franchise fee revenue is recognized over the term of the Franchise Agreement. All fees collected in advance are deferred until performance obligations are met, and revenue is earned. Deferred amounts are classified as contract liabilities in the accompanying consolidated balance sheets. The balance of contract liabilities was \$26,665,056, \$24,221,876, and \$19,911,235, as of December 31, 2025, 2024, and 2023, respectively.

Franchise sales resulting from leads furnished by independent franchise brokers are subject to a sales commission. The costs of commissions paid to franchise brokers are capitalized and recognized over the same period as the related revenue.

Equipment and Product Sales

Revenue from the sale of equipment and products is recognized when title and risk of loss transfers to the buyer, which is generally upon shipment.

Advertising Services

Under the terms of the Franchise Agreements, the Company may establish national branding funds and charge a fee of up to 3% of the franchisees' gross receipts to pay for marketing costs that benefit multiple franchises and are used to promote the brands. Marketing revenues and expenses are recognized in equal amounts as marketing expenses are incurred. Any amounts collected but unspent at the end of the year are accrued for as a liability on the accompanying consolidated balance sheets until the related expense has been incurred.

Company-owned Franchise Operations

Company-owned franchises provide (i) residential installation services, including shower, bath, and flooring installations, (ii) bio-hazard cleanup and remediation services, and (iii) residential pest control services, including mosquito spraying and abatement.

Residential installation services, including shower, bath, and flooring installations, are typically completed within one to several days depending on the scope of the project. Revenue for these services is recognized at a point in time upon completion of the installation and customer acceptance, as this represents the transfer of control of the promised goods and services.

Bio-hazard cleanup and remediation services are generally short-term in nature and may be completed within a single day or over a limited number of days depending on the scope of the project. Revenue is recognized at a point in time upon completion of services and customer acceptance, as the customer simultaneously receives and consumes the benefits of the services and the Company has a right to payment upon completion.

Residential pest control services, including mosquito spraying and abatement, are typically performed on a recurring or contract basis over a defined service period. Revenue for these services is recognized over time as the services are performed, as the customer simultaneously receives and consumes the benefits of the services. For one-time treatments, revenue is recognized at a point in time upon completion of the service.

Vendor Rebates

The Company receives rebates from certain vendors used by franchisees. Vendor rebate revenue is recognized at the point-in-time the associated sales to vendors are recorded and the rebate is earned.

Other Revenues

Other revenues include fees generated by consulting services, monthly technology access fees and other miscellaneous fees allowable under the terms of the Franchise Agreements. Consulting and other fees are recognized as revenue once the consulting or other services have been performed, these services are short term in nature and provided on a month-to-month basis. Monthly technology access fees are recognized during the month that services are performed.

Amounts recognized as revenue for the different revenue types were as follows for the years ended December 31:

	2025	2024
Royalties	\$ 20,434,288	\$ 16,760,701
Company-owned franchise operations	16,724,007	434,495
Other revenues	9,131,670	6,665,981
Advertising services	8,620,322	8,154,242
Franchise fees	6,875,338	5,798,078
Call center services	5,390,396	3,018,653
Equipment and product sales	4,190,369	3,878,525
Vendor rebates	3,956,260	2,782,697
	<u>\$ 75,322,650</u>	<u>\$ 47,493,372</u>

Contract Liabilities

Contract liabilities represent billings made to or payments received from franchisees for which the related performance obligation has not yet been fulfilled. This primarily consists of franchise fees that have been received but are deferred to be recognized over the term of the franchise agreement. Deposits for conferences, trainings, and services are also deferred until the point at which the service has been provided.

Leases

Management determines if a contract is or contains a lease at inception or modification of a contract. A contract is or contains a lease if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration. Control over the use of the identified asset means the lessee has both (a) the right to obtain substantially all of the economic benefits from the use of the asset and (b) the right to direct the use of the asset. Such assets are classified as ROU assets with a corresponding lease liability.

For all arrangements where it is determined that a lease exists, the related ROU assets and lease liabilities are recorded as either operating or finance leases. At inception or modification, the Company calculates the present value of lease payments using the implicit rate determined from the contract or the Company's incremental borrowing rate applicable to the lease, which is determined by estimating what it would cost the Company to borrow a collateralized amount equal to the total lease payments over the lease term based on the contractual terms of the lease and the location of the leased asset. The present value is adjusted for prepaid lease payments, lease incentives, and initial direct costs. Lease expense is recognized for these leases on a straight-line basis over the expected lease term. Non-lease costs, such as common-area maintenance costs, taxes, and insurance, are not included in the measurement of the ROU assets and lease liabilities. The depreciable life of assets and leasehold improvements are limited by the expected lease term.

Sales Tax

The Company accounts for sales tax on a net basis and excluded from revenues.

Shipping and Handling Costs

The Company classifies freight billed to customers as sales revenue and the related freight costs as cost of sales.

Advertising and Marketing

Advertising and marketing costs included in operating expenses primarily consist of collateral marketing materials and are expensed as incurred. These costs are included in selling, general, and administrative expenses and were \$2,395,606 and \$1,995,154 during the years ended December 31, 2025 and 2024, respectively.

Income Taxes

The Company is a limited liability company under provisions of the Internal Revenue Code and has elected to be treated as a partnership for income tax purposes. As such, the payment and recognition of income taxes are the responsibility of the members of the Company.

The Company files income tax returns in the US federal and state jurisdictions. The Company is generally subject to US federal, state and local income tax examination by tax authorities for a period of three years from the date of filing. The Company is not currently under examination in any jurisdiction in which it operates.

The Company is required to determine whether its tax positions are more likely than not to be sustained upon examination by the applicable taxing authority, based on the technical merits of the position. The tax benefits recognized are measured as the largest amount of benefit that has a greater than 50% likelihood of being realized upon ultimate settlement with the relevant taxing authorities. Based on its analysis, the Company has determined that it has not incurred any liability for unrecognized tax benefits as of December 31, 2025. The Company does not expect that its assessment regarding unrecognized tax benefits will materially change over the next 12 months.

Certain subsidiaries of the Company recognize deferred income tax assets and liabilities for the expected future tax consequences of events that have been included in the subsidiary financial statements or tax returns. Under this method, deferred income tax assets and liabilities are determined based on the difference between financial statement and tax bases of assets and liabilities using estimated tax rates in effect for the year in which the differences are expected to reverse. Deferred tax assets are recognized only if it is more likely than not that the asset will be realized in future years.

Subsequent Events

Management has evaluated events and transactions for potential recognition or disclosure through April 1, 2026, which is the day the consolidated financial statements were available to be issued.

2. Acquisitions of Subsidiary Entities

During the year ended December 31, 2025, the Company entered into the following acquisition agreements:

Phillips & O'Brien, LLC (Bio-One Atlanta, LLC)

On February 14, 2025, the Company entered into a securities purchase agreement to acquire 100% of the equity interest of a franchisee, Phillips & O'Brien, LLC (Bio-One Atlanta, LLC). The securities purchase agreement included a cash payment of \$300,000.

MS SEPA, LLC

On May 13, 2025, the Company entered into a securities purchase agreement to acquire 100% of the equity interest of a franchisee, MS SEPA, LLC. The securities purchase agreement included payment of rollover ownership interest of \$100,000 wherein the former owner was granted an ownership interest in the Company, and a cash payment of \$4,900,000. The agreement also includes contingent consideration of up to \$1,000,000 to be paid if the acquired entity reaches certain system sales metrics in 2025. Management has determined that it is not probable that the metrics will be achieved, and no liability related to the contingent consideration has been recorded in the accompanying consolidated balance sheets.

In and Out Floors, LLC

On September 13, 2025, the Company entered into a securities purchase agreement to acquire 100% of the equity interest of In and Out Floors, LLC. The securities purchase agreement included a cash payment of \$300,000 and a contingent consideration of up to \$1,500,000 in 2026, \$2,200,000 in 2027, and \$2,800,000 in 2028 to be paid if the acquired entity reaches certain system sales metrics over the 36-month period after the year of the acquisition. Management has determined that it is not probable that the metrics will be achieved, and no liability related to the contingent consideration has been recorded in the accompanying consolidated balance sheets.

The purchase consideration for each of the acquisition has been allocated based on the assessment of the fair market values of the acquired assets and liabilities assumed. The excess of the purchase price over the fair value of the net assets gives rise to goodwill.

The following table sets forth the allocation of the purchase consideration to the assets acquired and liabilities assumed:

Consideration:	Bio-One Atlanta	MS SEPA	In and Out Floors
Total consideration	\$ 300,000	\$ 4,739,200	\$ 300,000
Rollover equity	-	100,000	-
Funded debt, net of issuance cost	-	(4,787,250)	-
Prorated expenses	-	77,075	-
Working capital adjustment	-	(240,000)	-
Transaction expenses	-	(37,875)	-
Cash acquired	(2,799)	-	(3,259)
Net cash paid	\$ 297,201	\$ (148,850)	\$ 296,741
Fair value of assets acquired and liabilities assumed:			
Cash	\$ 2,799	\$ -	\$ 3,259
Accounts receivable	2,893	-	-
Other assets	80,600	433,767	-
Operating lease right-of-use asset	-	-	76,312
Goodwill	260,556	5,374,132	-
Territory allocation	-	-	395,495
Contract liabilities	-	(1,001,804)	-
Operating lease liability	-	-	(76,312)
Other liabilities assumed	(46,848)	(66,895)	(98,754)
Total purchase price	\$ 300,000	\$ 4,739,200	\$ 300,000

During the year ended December 31, 2024, the Company entered into the following acquisition agreements:

CMY Holdco, LLC

On March 26, 2024, the Company entered into a contribution and exchange agreement to acquire 100% of the membership interests in CMY Holdco, LLC (CMY) from a common owner wherein the common owner was granted additional ownership interest in the Company. The agreement also includes contingent consideration of up to \$5,605,000 to be paid if CMY reaches certain system sales metrics over the 36 month period after the acquisition. Management has determined that it is not probable that the metrics will be achieved, and no liability related to the contingent consideration has been recorded in the accompanying consolidated balance sheets.

The acquisition of CMY qualified as a commonly controlled transaction which requires retrospective combination of the entities for all periods presented. In accordance with US GAAP, as of January 1, 2023, the beginning balances of assets, liabilities, and members' equity have been adjusted to include the historical cost values of CMY. The Company's consolidated statements of operations for the years ended December 31, 2025 and 2024, include all of CMY's operations as if CMY had been combined as of January 1, 2023.

Five Star Bath, Inc.

On December 13, 2024, the Company entered into a securities purchase agreement to acquire 100% of the shares of a franchisee, Five Star Bath, Inc. The securities purchase agreement included payment of rollover ownership interest of \$3,000,000 wherein the former owner was granted an ownership interest in the Company, and a cash payment of \$1,100,000.

The purchase consideration has been allocated based on the assessment of the fair market values of the acquired assets and liabilities assumed. The excess of the purchase price over the fair value of the net assets gives rise to goodwill.

The following table sets forth the allocation of the purchase consideration to the assets acquired and liabilities assumed:

Total consideration	\$	4,100,000
Rollover equity		(3,000,000)
Cash acquired		(108,054)
Net cash paid	\$	991,946
Cash	\$	108,054
Accounts receivable		50,956
Prepays and other assets		634,944
Operating lease right-of-use asset		219,457
Goodwill		3,354,824
Operating lease liability		(219,457)
Other liabilities assumed		(48,778)
Total purchase price	\$	4,100,000

Legal Settlement

During 2024, the Company entered into a settlement agreement for claims made under the indemnity clause of the purchase agreement for the 2022 acquisition agreement of 1-800 Packouts, LLC (Packouts). The Company claimed they incurred losses due to alleged breaches of franchise-related representations and warranties by the former owner of Packouts and member of the Company. In March 2024, both parties entered into a settlement agreement to resolve these claims. Under the terms of the agreement, the Company received a total settlement of \$10,000,000. The settlement stipulated that the Company would repurchase the former owner's membership interest in the Company in exchange for a reduction of the legal settlement receivable at an agreed value of \$4,230,000. The remaining settlement amount would be received as periodic cash payments. During the year ended December 31, 2025, the Company has received all of the remaining cash payments.

The Company determined that since this settlement was related to the acquisition of Packouts, the settlement of amount would be treated as a reduction in the related purchase price and the acquired assets.

3. Goodwill and Intangible Assets

Goodwill and intangible assets consist of the following as of December 31:

	2025	2024
Goodwill	\$ 86,118,325	\$ 80,483,637
Franchise agreements	30,900,000	30,900,000
Trade name	27,550,000	27,550,000
Territory allocation	395,495	-
Total intangible assets	144,963,820	138,933,637
Less: accumulated amortization	(52,666,897)	(40,698,331)
Intangible assets, net	\$ 92,296,923	\$ 98,235,306

Amortization expense resulting from goodwill and intangible assets was \$11,968,566 and \$11,662,770 for the years ended December 31, 2025 and 2024, respectively.

The future aggregate amounts of amortization expense to be recognized related to definite-lived intangible assets as of December 31, 2025, are as follows:

Years Ending December 31,		
2026	\$	12,258,258
2027		12,258,258
2028		12,258,258
2029		12,258,158
2030		11,897,810
Thereafter		31,366,181
	\$	92,296,923

4. Long-Term Debt and Revolving Credit Facility

In connection with the acquisitions of subsidiary companies in prior years, the Company entered into a financing arrangement with Deerpath Fund Services, LLC (Deerpath) that matures on September 3, 2027. Under the financing arrangement, the Company received an initial term loan with a principal amount of \$28,000,000, to be used for acquisitions which occurred in 2021, as well as amounts available for future transactions as follows: (1) up to an aggregate of \$15,000,000 available as delayed draw term loans, and (2) contingent amounts of up to \$25,000,000 available for future financing to be negotiated, which \$4,900,000 was used for the In and Out Floors acquisition in 2025. The loans bear an interest rate of a 3-month term SOFR plus 4.5% (9.94% as of December 31, 2025). As of December 31, 2025 and 2024, the total amount that has been drawn on the facility were \$53,000,000 and \$48,100,000. The arrangement also provides for a revolving credit facility with available draws up to \$2,000,000, of which the Company had drawn \$1,100,000 as of December 31, 2025.

During 2025, the Company entered into a promissory note with another financial institution that matures on February 3, 2032; interest rate is a fixed rate, 8% as of December 31, 2025. The Company's outstanding debt is secured by substantially all the Company's assets.

As of December 31, 2025, the Company had future maturities of notes payable as follows:

Years Ending December 31,		
2026	\$	565,996
2027		50,801,027
2028		42,267
2029		45,872
2030		49,734
Thereafter		63,336
		51,568,232
Less: debt issuance costs		(405,026)
	\$	51,163,206

Future amortization of debt issuance costs for the Company's notes payable as of December 31, 2025, are as follows:

Years Ending December 31,		
2026	\$	243,015
2027		162,011
	\$	405,026

The notes payable requires the Company to meet certain financial covenants. Management believes the Company was in compliance with these covenants as of December 31, 2025.

5. Operating Leases

The Company has entered into certain operating leases for office space under operating lease arrangements. As of December 31, 2025, there was a weighted average of 3.79 years remaining on the original lease terms. The Company estimated their incremental borrowing rate in calculating the ROU asset and operating lease liability as the rate implicit in the leases were not known. The weighted average incremental borrowing rate used was 5.88%.

The following table reconciles the undiscounted future cash flows to the operating lease liability recorded on the accompanying consolidated balance sheet as of December 31, 2025:

Years Ending December 31,		
2026	\$	590,779
2027		386,251
2028		269,803
2029		203,005
2030		209,095
Thereafter		56,533
Total lease payments		1,715,466
Less: interest		(180,227)
	\$	1,535,239

The Company elected the short-term lease recognition exemption and short-term leases, which have an initial term of 12 months or less, are not included in right-of-use assets or corresponding lease liabilities. The components of lease cost were as follows for the years ended December 31:

	2025	2024
Operating lease cost	\$ 539,273	\$ 425,914
Short-term lease cost	180,160	133,893
Total	\$ 719,433	\$ 559,807

6. Commitments and Contingencies

Litigation

The Company is involved in legal proceedings from time to time arising in the normal course of business. Management, after consultation with legal counsel, believes that the outcome of these proceedings will not have a material impact on the Company's consolidated financial position, results of operations, or liquidity.

Employee Agreements

The Company has entered into employment agreements with certain officers and employees of the Company, which require that certain severance payments are made in the event of termination without cause.

Indemnification Agreements

Under the Company's organizational documents, the Company's officers, employees and directors are indemnified against certain liabilities arising out of the performance of their duties. The Company's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Company that have not yet occurred. However, based on experience, the Company expects any risk of loss to be remote. The Company also has an insurance policy for its directors and officers to insure them against liabilities arising from the performance of their duties in their positions with the Company or its subsidiaries.

7. Equity

Profit Interest Units

The Company's grant agreement, approved on August 12, 2022, authorizes the grant of Class C Units to employees, officers, and managers of the Company. 50% of the grants are time vesting and have a vesting period of 4 years with 12.5% vesting on each of the anniversary of the grant date. The other 50% of the grants are vesting based on the performance condition of a liquidity event. As of December 31, 2025, the Company has granted a total of 53,167 Class C Units. Equity-based compensation for the years ended December 31, 2025 and 2024 was \$204,968 and \$163,300, respectively, which is included in selling, general, and administrative expenses in the accompanying consolidated statements of operations.

Discretionary and Liquidating Distribution

Distributions of net proceeds in connection with the consummation of a Liquidity Event or a liquidation of the Company shall be distributed in the following order and priority:

- (i) first, to the holders of Class A Units in proportion to their relative portion of the Undistributed Class A Preferred Return;

(ii) second, to the holders of Class A Units in proportion to their relative portion of the Unreturned Class A Contributions, until each holder of Class A Units has received Distributions in an aggregate amount equal to the aggregate Unreturned Class A Contributions with respect to such holder's Class A Units outstanding immediately prior to such Distribution;

(iii) third, to the holders of Class B Units in proportion to their relative Class B Pro Rata Share, until the holders of Class B Units have collectively received Distributions in an aggregate amount equal to the Class B Pro Rata Portion of the amount of aggregate Distributions to the holders of Class A Units and Class B Units;

(iv) fourth, if applicable, to the holder of Vested Class D Units, the Class D Distribution Amount; and

(v) thereafter, to the holders of Class A Units, Class B Units and Vested Class C Units in proportion to the number of Class A Units, Class B Units and Vested Class C Units held by such Members; provided, however, that the total Distributions to holders of Class A Units shall not exceed the greater of (A) the aggregate Distributions to holders of Class A Units and (B) their aggregate pro rata share of all Distributions distributed to the holders of Class A Units, Class B Units and Vested Class C Units.

8. Related Party Transactions

The Company pays a management fee to a certain member of the Company on an annual basis based on revenues. The Company made payments of management fees of \$881,427 and \$784,283 for services rendered during the years ended December 31, 2025 and 2024, respectively.

9. Income Taxes

The benefit (provision) for income taxes consists of the following for the years ended December 31, 2025 and 2024:

	2025	2024
Current:		
Federal	\$ (289,024)	\$ (133,183)
State	(60,810)	244
Total current	(349,834)	(132,939)
Deferred:		
Federal	296,189	453,482
State	19,763	111,856
Total deferred	315,952	565,338
Total benefit (provision) for income taxes	\$ (33,882)	\$ 432,399

Significant components of the Company's deferred income tax assets (liabilities) are as follows as of December 31:

	2025	2024
Deferred income tax assets (liabilities):		
Intangible assets	\$ (4,857,558)	\$ (5,284,048)
Deferred costs	(245,439)	(153,662)
Fixed assets	(66,591)	(36,969)
Deferred revenue	324,393	249,196
NOL carryforwards	120,271	287,562
Other	98,809	(4,146)
	<u>\$ (4,626,115)</u>	<u>\$ (4,942,067)</u>

The benefit (provision) for income taxes attributable to income before benefit (provision) for income taxes differed from the amount obtained by applying the federal statutory income tax rate to income (loss) before income taxes due to tax rate adjustments, state taxes, permanent differences in deductible goodwill amortization, and prior period adjustments and true-ups.

As of December 31, 2025, the Company had U.S. federal and state tax-basis net operating loss carryforwards (NOLs) of approximately \$509,000. The federal and state NOLs will begin to expire in 2038.

The Company has concluded that there are no significant uncertain tax positions requiring disclosure, and there are no material amounts of unrecognized tax benefits.

EXHIBIT F TO FRANCHISE DISCLOSURE DOCUMENT

GENERAL RELEASE

GENERAL RELEASE

THIS GENERAL RELEASE (“Release”) is signed on _____ by _____ (“Franchisee”) and _____ (“Guarantors”) as a condition of (1) the transfer of the Card My Yard Franchise Agreement dated _____ between CMY Franchising, LLC (“we”, “us” or “our”) and Franchisee (“Franchise Agreement”); or (2) the signing of a successor Franchise Agreement between Franchisee and us.

1. Release by Franchisee and Guarantors. Franchisee (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, in their corporate and individual capacities) and Guarantors (on behalf of themselves and their respective heirs, representatives, successors and assigns) (collectively, the “Releasors”) freely and without any influence forever release (i) us, (ii) our past and present officers, directors, shareholders, managers, members, partners, agents, and employees, in their corporate and individual capacities, and (iii) our parent, subsidiaries, and affiliates and their respective past and present officers, directors, shareholders, managers, members, partners, agents, and employees, in their corporate and individual capacities, (collectively, the “Released Parties”) from any and all claims, debts, demands, liabilities, suits, judgments, and causes of action of whatever kind or nature, whether known or unknown, vested or contingent, suspected or unsuspected (collectively, “Claims”), which any Releasor ever owned or held, now own or hold, or may in the future own or hold, including, without limitation, claims arising under federal, state, and local laws, rules, and ordinances and claims arising out of, or relating to, the Franchise Agreement and all other agreements between any Releasor and us or our parent, subsidiaries, or affiliates, arising out of, or relating to any act, omission or event occurring on or before the date of this Release, unless prohibited by applicable law.

2. Risk of Changed Facts. Franchisee and Guarantors understand that the facts in respect of which the release in Section 1 is given may turn out to be different from the facts now known or believed by them to be true. Franchisee and Guarantors accept and assume the risk of the facts turning out to be different and agree that the release in Section 1 will nevertheless be effective in all respects and not subject to termination or rescission by virtue of any difference in facts.

3. Covenant Not to Sue. Franchisee and Guarantors (on behalf of all Releasors) covenant 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 person or entity released under Section 1 with respect to any Claim released under Section 1.

4. No Prior Assignment and Competency. Franchisee and Guarantors represent and warrant that: (i) Releasors are the sole owners of all Claims and rights released in Section 1 and that Releasors have not assigned or transferred, or purported to assign or transfer, to any person or entity, any Claim released under Section 1; (ii) each Releasor has full and complete power and authority to sign this Release, and that the signing of this Release will not violate the terms of any contract or agreement between them or any court order; and (iii) this Release has been voluntarily and knowingly signed after each of them has had the opportunity to consult with counsel of their own choice.

5. California Release. California Civil Code §1542 provides as follows:

A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which, if known by him must have materially affected his settlement with the debtor.

CIVIL CODE §1542 IS WAIVED BY THE PARTIES, EXCEPT AS OTHERWISE PROVIDED IN THIS GENERAL RELEASE.

6. Complete Defense. Franchisee and Guarantors: (i) acknowledge that the release in Section 1 is a complete defense to any Claim released under Section 1; and (ii) consent to the entry of a temporary or permanent injunction to prevent or end the assertion of any Claim.

7. Successors and Assigns. This Release inures to the benefit of and binds the successors, assigns, heirs, and personal representatives of the Released Parties and each Releasor.

8. Counterparts. This Release may be signed in 2 or more counterparts (including by facsimile), each of which will be deemed an original, and all of which constitute one and the same instrument.

9. Capitalized Terms. Any capitalized terms that are not defined in this Release have the meaning given them in the Franchise Agreement.

10. WASHINGTON FRANCHISE INVESTMENT PROTECTION ACT. This General Release does not apply with respect to claims arising under the Washington Franchise Investment Protection Act, RCW 19.100, and the rules adopted thereunder.

IN WITNESS WHEREOF, Franchisee and Guarantors have signed this Release as of the date shown above.

Witness: _____ Name: Title:	FRANCHISEE: _____ By: _____ Name: Title: Date: _____
Witness: _____ Name: Title:	GUARANTORS: A _____ resident Date:



EXHIBIT G TO FRANCHISE DISCLOSURE DOCUMENT

**LIST OF CURRENT FRANCHISEES
AS OF DECEMBER 31, 2025**

Territory	Owner	Address	Phone Number
Card My Yard St. Louis - West, MO	Diane Bertel & Julie Subbert	348 Galahad Dr. Weldon Springs, MO 63304	3148533268
Card My Yard Carthage, TX	Casey Abernathy	416 County Road 408 Carthage, TX 75633	9037544111
Card My Yard Grand Rapids - West, MI	Megan Albro	7236 Water View Ln Allendale, MI 49401	6162017052
Card My Yard The Woodlands, TX	Kerry Allen	110 Lindenberry Cir Spring, TX 77389	3465886177
Card My Yard Seguin, TX	Kaitlyn Altenhoff	104 Plantation Dr Seguin, TX 78155	8302218768
Card My Yard Tucson - Northwest, AZ	Courtney Alvarado	3351 W Pepperwood Loop Tucson, AZ 85742	5202610699
Card My Yard Hermiston, OR	Katie Anderson	230 SE Crestline DR Hermiston, OR 97838	5416269040
Card My Yard Clover, SC	Scott Anderson	6016 Cicada Cir Clover, SC 29710	3303985053
Card My Yard Chatham, NJ	Adam Angus	410 Union Ave New Providence, NJ 07974	9085174340
Card My Yard Albuquerque, NM	Eric Kinsey & Anna Carlberg	11308 Morocco Rd NE Albuquerque, NM 87111	5052346343
Card My Yard Franklin Square, NY	Stephanie Antal	1064 Ferngate Drive Franklin Square, NY 11010	5163197624
Card My Yard Clinton, MD	Ronnetta Stanley & Antwine Stanley	9104 Morrissett Ct Clinton, MD 20735	3013833466
Card My Yard Leander, TX	Kaye Arnold	1680 Hero Way Leander, TX 78641	5124317784

Card My Yard Corpus Christi - North, TX	Tish & Jon Arnold	14342 Northwest Blvd Corpus Christi, TX 78410	3612488850
Card My Yard Needham, MA	Emma Bagnell	54 Gary Rd Needham, MA 02494	6175846185
Card My Yard El Dorado Hills, CA	Melissa Bailey	5026 Runway Dr Fair Oaks, CA 95628	9167044064
Card My Yard Boerne, TX	Tiffany Balderas	120 Escalera Cir Boerne, TX 78006	8303577375
Card My Yard Stone Mountain, GA	Shanterria Baldwin	4646 Garden Hills Dr Stone Mountain, GA 30083	4049020371
Card My Yard Oak Lawn, IL	Amy Bandstra	10918 Kilpatrick Apt 2NW Oak Lawn, IL 60453	7083595924
Card My Yard Tyler, TX	Sarah Barber	331 Hines Crossing Bullard, TX 75757	9035715529
Card My Yard Richmond - West, VA	Melissa Barlow	1402 Maple Ave Richmond, VA 23226	8044042986
Card My Yard Norman, OK	Leighanna Barnes	914 Clingmans Dome Rd. Norman, OK 73069	4055612162
Card My Yard Clarksville, IN	Jessica Barron	6036 Pebble Creek Dr Floyds Knobs, IN 47119	8122237650
Card My Yard Yukon, OK	Amy Barton	1225 Excalibur Court Yukon, OK 73099	4052658701
Card My Yard Indianapolis - South, IN	Olivia Basham	1629 Pinetree Way E Greenwood, IN 46143	3178868459
Card My Yard Rock Springs, WY	Jonathan Beattie	2490 Foxtail Ln Rock Springs, WY 82901	3073897658
Card My Yard Waco, TX	Megan Beatty	1104 Cimmarron Dr Wace, TX 76712	2546440428
Card My Yard Stillwater, OK	Elizabeth Beck	1526 S Culpepper Drive Stillwater, OK 74074	4796857400

Card My Yard Peachtree Corners, GA	Carrie Beck	3927 Crab Orchard Ln Peachtree Corners, GA 30092	7046044633
Card My Yard Queensbury, NY	Jennifer Beller	351 Reynolds Rd Fort Edward, NY 12828	5189440088
Card My Yard Jackson Twp, OH	Leigh Benton	6884 Thicket St NW Canton, OH 44708	3303247326
Card My Yard Tulsa - South, OK	Rachel Bersche	290 Fox Run Circle Jenks, OK 74037	4053385950
Card My Yard Perry Hall, MD	Kim Bickerstaff	9700 Morningview Cir Perry Hall, MD 21128	4102584856
Card My Yard Plainfield, IL	Tara Bistry	6913 Twin Falls Dr Plainfield, IL 60586	8155569848
Card My Yard Parker, CO	Stacy Blair	21612 Hill Gail Pl Parker, CO 80138	7202952663
Card My Yard Augusta, GA	Julie Blankenbeckler	1706 Kings Ct Grovetown, GA 30813	7068343068
Card My Yard Jacksonville - East, FL	Karen Blankenship	13859 Softwind Trl N Jacksonville, FL 32224	9049030516
Card My Yard Salem, OR	Ashley Board	2970 Center St NE Salem, OR 97301	5038774084
Card My Yard New Albany, OH	Julie Borth	450 Legacy Ct Westerville, OH 43082	7409131620
Card My Yard King - Winston Salem, NC	Madison Boswell	4255 Tobaccoville NC, 27050	3364665640
Card My Yard Meridian, ID	Sarah Boudinot	6096 S Phoebe Pl Meridian, ID 83642	2088803647
Card My Yard Columbia, SC	Ally Bowen	1711 Sewanee Drive West Columbia, SC 29169	8033607071
Card My Yard Kansas City - South, KS	Stephanie Bowlin	7904 W 140th Ter Overland Park, KS 66223	9135583399

Card My Yard Missouri City, TX	Lori Bramlett	11 Cline Way Missouri City, TX 77459	2817258126
Card My Yard Broadview, IL	Tasha Spencer & Brandi Hampton	928 Colfax Ave Elmhurst, IL 60126	6304741324
Card My Yard Tucson - Southeast, AZ	Kristin Breeding	7608 South Athel Tree Drive Tucson, AZ 85747	5203558155
Card My Yard Mansfield, TX	Sheila Brown	631 Tabasco Trl Arlington, TX 76002	6824724392
Card My Yard Richmond, VA	Tilithia Brown	2176 Mill Rd Henrico, VA 23231	8046775199
Card My Yard Lubbock, TX	Lauren Bruington	6514 68th St Lubbock, TX 79424	8064169885
Card My Yard Denver - North, CO	Shantelle Brungardt	1978 E 167th Ave Thornton, CO 80602	7203788195
Card My Yard St. Augustine, FL	Megan Bryant	195 Snowbell Ct St Augustine, FL 32095	9044953984
Card My Yard Wichita - West, KS	Kenny Bui	4600 W Kellogg Dr Wichita, KS 67209	3163906061
Card My Yard Austin - South, TX	Greg Burger	4705 Fieldstone Dr. Austin, TX 78735	5129130253
Card My Yard Chapel Hill, NC	Dustin Burke	208 Two Creeks Loop Chapel Hill, NC 27517	9193066428
Card My Yard East Valley - South, AZ	Katie Burleson	20207 E Poco Calle Queen Creek, AZ 85142	8087786391
Card My Yard Arnold, MO	Cintia Byrd	7159 Tournament Dr Saint Louis, MO 63129	6199946552
Card My Yard Charlotte, NC	Christi Cadd	2900 Forest Park Drive Charlotte, NC 28209	7046657899
Card My Yard Huntsville, TX	Kyla Caffarel	4137 Pecan Ln Madisonville, TX 77864	9363375688
Card My Yard Gulf Breeze, FL	Olivia Calloway	1317 El Sereno Place Gulf Breeze, FL 32563	8507764994

Card My Yard Boynton Beach, FL	Melissa Campanile	12 Fenwick Pl Boynton Beach, FL 33426	5614213242
Card My Yard Little Rock, AR	Amanda Campbell	2912 Mossy Creek Drive Little Rock, AR 72211	3184069302
Card My Yard Saratoga, CA	Patricia Carpio	2735 Twin Oaks Ln San Jose, CA 95127	4088774279
Card My Yard San Antonio, TX	Emily Carr	902 Grassy Meadow San Antonio, TX 78258	2103730598
Card My Yard Coeur d'Alene, ID	Melissa Carrasco	1815 N Corbin Rd Post Falls, ID 83854	2082178794
Card My Yard Pflugerville, TX	Angelica Carrete	799 Louis Henna Blvd Round Rock, TX 78664	5127494032
Card My Yard Grand Rapids - East, MI	Cheryl Carter	2780 Dunnigan Ave NE Grand Rapids, MI 49525	6168223232
Card My Yard Pembroke Pines, FL	Kari Castaneda	11732 SW 59th Ct Cooper City, FL 33330	9542284532
Card My Yard Greenville - East, SC	Mackenzie Casteel	607 Botany Rd Greenville, SC 29615	8438609845
Card My Yard Cedar Rapids, IA	Jill Cejka	385 Hillview Drive Marion, IA 52302	3193829046
Card My Yard Mason, OH	Jeanette Charles	6324 Bethany Rd Mason, OH 45040	4022165382
Card My Yard Littleton, CO	Vern Church	4498 W. Lake Cr South Littleton, CO 80123	7208121199
Card My Yard Martha's Vineyard, MA	Alexandra Clark	4 Windfarm Cir Oak Bluffs, MA 2557	5089222372
Card My Yard Cincinnati, OH	Heather Claspill	369 Fleming Rd Cincinnati, OH 45215	5132141847
Card My Yard Conroe, TX	DeAnna Clavell	4550 Coues Deer Ln Conroe, TX 77303	9366661256
Card My Yard Tucson - East, AZ	Rane Clements	7441 E Sabino Vista Dr Tucson, AZ 85750	5209712729

Card My Yard Deland, FL	Hilda Cockram	206 Victoria Trails Blvd Deland, FL 32724	4079029913
Card My Yard Canton, GA	Kristi Cohen	504 Lakewood Ct Canton, GA 30114	4702238135
Card My Yard Stephenville, TX	Krista Colby	875 Mockingbird St Stephenville, TX 76401	2545952504
Card My Yard San Clemente, CA	Shannon Coleman	33771 Avenida Calita San Juan Capistrano, CA 92675	9492309694
Card My Yard Union, KY	Renee Collins	Centennial Cir Florence, KY 41042	8595682822
Card My Yard Stafford, VA	Kara Colucci	5 Saint Johns Ct Court Stafford, VA 22556	5406930173
Card My Yard Baytown, TX	Angela Combs	880 Dream Catcher Rd Wallisville, TX 77597	8323231504
Card My Yard Amelia Island, FL	Joanna Cook	1911 Reatta Ln Fernandina Beach, FL 32034	4043246716
Card My Yard Des Moines - East, IA	Shawn Cross	252 Cottonwood Dr SW Altoona, IA 50009	5159757468
Card My Yard Miamisburg, OH	Korey Crouse	2160 Blanton Drive Miamisburg, OH 45342	9378293500
Card My Yard Springdale, AR	Kimberly Crumby	1250 Quail Run Springdale, AR 72764	4796017996
Card My Yard Pickerington, OH	Dana Cummings	54 Knights Bridge Dr W Pickerington, OH 43147	6144268099
Card My Yard Virginia Beach, VA	Kristina Curry	1608 Dylan Dr Virginia Beach, VA 23464	7574474541
Card My Yard Chickamauga, GA	Katie Curtis	457 Temperance Hall Rd Ringgold, GA 30736	4238348812
Card My Yard McKinney, TX	Natalie Curtis	2008 Covey Glen Rd McKinney, TX 75072	2145048744
Card My Yard Southlake, TX	Amy Dacy	3409 Windsor Ct Colleyville, TX 76034	8179133160

Card My Yard Cabot, AR	Claressa Davis	11 Champlin Ln Ward, AR 72176	5016056729
Card My Yard Bountiful, UT	Kristen Davis	1453 S 350 W Bountiful, UT 84010	8014252968
Card My Yard Toms River, NJ	Taylor DeCollibus	951 Gloucester Drive Toms River, NJ 08753	7329653640
Card My Yard Oak Grove, MO	Jon DeHaven	2111 Shelby St Higginsville, MO 64037	6602389115
Card My Yard Amherst, OH	Monica Deitz	49934 Greystone Dr Amherst, OH 44001	4407076786
Card My Yard Shreveport - Bossier, LA	Tamara Demery	1253 Texas Ave Shreveport, LA 71101	3189350312
Card My Yard Kearney, NE	Amy Denny	3000 7th Ave Kearney, NE 68845	8326073291
Card My Yard Lincroft, NJ	Jessica DeRubbio	738 Newman Springs Rd Lincroft, NJ 7738	7326884606
Card My Yard Wylie, TX	Misty Di Paola	2803 Champlin Ct Richardson, TX 75082	4693957440
Card My Yard Desert Hills, AZ	Cyndi DiCicco	1015 E Joy Ranch Rd Desert Hills, AZ 85086	6232061845
Card My Yard Knoxville - West, TN	Rachel Dickson	7205 Lawford Rd Knoxville, TN 37919	9014882720
Card My Yard Mankato, MN	Andrea Dilbeck	437 Page Ave North Mankato, MN 56003	7633703194
Card My Yard Midlothian, TX	Yvonne Dodson	832 Nueces Trl Midlothian, TX 76065	6824226802
Card My Yard Houston - Southwest, TX	Maggie Donovan	8715 W Loop S Houston, TX 77096	2816246343
Card My Yard Westfield, IN	Christi Doran	19113 River Jordan Pass Westfield, IN 46074	3177016738

Card My Yard Victoria, TX	CherylInn Dry	503 Kelly Crick Victoria, TX 77904	3616482811
Card My Yard Cleveland - West, OH	Jennifer Dunleavy	31887 Tradewinds Dr Avon Lake, OH 44012	2018352628
Card My Yard Sugar Land, TX	Laticia Durham	6526 Point Hollow Ln Rosenberg, TX 77469	8328994152
Card My Yard Miami - South, FL	Toni Eager	10221 SW 108th St Miami, FL 33176	7865121169
Card My Yard Buda - Kyle, TX	Rocio Earls	609 Vista Gardens Dr Buda, TX 78610	5129474502
Card My Yard Greensboro, NC	Sara Edwards	3100 Robin Hood Drive Greensboro, NC 27408	9044827669
Card My Yard Fairfax, VA	Rebecca Eggers	130 Liberty Ln SW Vienna, VA 22180	7037132967
Card My Yard Dawsonville, GA	Graham Ehmann	239 Brights Way Dawsonville, GA 30534	7067010281
Card My Yard Lincoln, NE	Nicole Killsenemy & Elissa Banks	1541 Longs Peak Cir Lincoln, NE 68521	4022125121
Card My Yard Frisco, TX	Leigh Ervin	7171 Ikea Dr Frisco, TX 75034	4696660329
Card My Yard Round Rock, TX	Jaime Ferguson	17120 Crescent Heights Trail Austin, TX 78717	5129314461
Card My Yard Waterford, WI	Mandy Fiehweg	4821 Riverside Rd Waterford, WI 53185	2627580022
Card My Yard Columbia City Warsaw, IN	Stacie Fillman	1942 N Etna Rd, Columbia City Columbia City, IN 46725	2602139162
Card My Yard Springfield, MO	Beth Finke	6445 S Valley Brook Ct Springfield, MO 65810	4177738820
Card My Yard Wichita Falls, TX	Stacy Finley	2307 Brook Hollow Dr Wichita Falls, TX 76308	9406421716

Card My Yard Sandy, UT	Heather Finlinson	1033 E Fallbrook Way Sandy, UT 84094	8015713257
Card My Yard Greeley, CO	Michelle Finn	3113 66th Ave Greeley, CO 80634	9704050640
Card My Yard Phoenix, AZ	Karen Fish	7111 N Central Ave Phoenix, AZ 85020	6029093273
Card My Yard Wilmington, NC	Lisa Flynn	3015 Hayden Drive Wilmington, NC 28411	9193756847
Card My Yard Arden, NC	Caroline Foster	148 Carolina Bluebird Loop Arden, NC 28704	8282009803
Card My Yard Madison, CT	Justine Friedman	550 Nut Plains Rd Guilford, CT 06437	4152256367
Card My Yard Midlothian, VA	Renee Gaines	11921 Exbury Ct Midlothian, VA 23114	8044643282
Card My Yard Clarkston, MI	Nancy Galik	8208 Caribou Lake Ln Clarkston, MI 48346	2487951986
Card My Yard Santa Clarita, CA	Michelle Garvin	21819 Moveo Dr Santa Clarita, CA 91350	6613885544
Card My Yard River Forest, IL	Jenn Gerbrecht	1403 Forest Ave River Forest, IL 60305	7737427755
Card My Yard Basking Ridge, NJ	Lauren Giffin	5 Winding Way Chester, NJ 7930	9083362626
Card My Yard McDonough, GA	Morgan Gill	255 River Rd McDonough, GA 30252	7703568772
Card My Yard Lafayette, LA	Julie Girard	118 Laplace Ave Carencro, LA 70520	3375730524
Card My Yard Palm Beach Gardens, FL	Angela Giro	1010 Raintree Lane Palm Beach Gardens, FL 33410	5613167831
Card My Yard Santa Rosa Beach, FL	Beatriz Gonzalez-Estrada	130 Sierra Ct Santa Rosa Beach, FL 32459	8504852799
Card My Yard Boone, NC	Mariah Gore	139 Wits End Ln Boone, NC 28607	8287730991

Card My Yard Joliet, IL	Kimberly Grachan	306 Herkimer St. Joliet, IL 60432	8158361585
Card My Yard Friendswood, TX	Amy Grauke	1919 Broadway St Pearland, TX 77581	8328024877
Card My Yard Lake Mary, FL	Abby Greenberg	851 W Morse Blvd Winter Park, FL 32789	4074842689
Card My Yard Trophy Club, TX	Courtney Grimes	2510 Ravenwood Dr Keller, TX 76262	8177673971
Card My Yard Nampa, ID	Lindsey Grimmatt	1609 S. Glasgow Ave Nampa, ID 83686	2082490624
Card My Yard Kansas City - West, KS	Mandy Grindstaff	25600 W Valley Pkwy Olathe, KS 66061	7853933143
Card My Yard Des Moines, IA	Julie Groeteke	7917 NW 104th Court Johnston, IA 50131	5155991021
Card My Yard Anna, TX	Destiny Groseclose	103 Kelvington Dr Anna, TX 75409	4695450812
Card My Yard El Paso - East, TX	Adriana Gutierrez	Sunland Park Dr El Paso, TX 79935	9158200669
Card My Yard Douglasville, GA	Marquisa Haile	3854 Drifting Quill Douglasville, GA 30135	4045836752
Card My Yard Lapeer, MI	Kari Hall	320 Harrison St Lapeer, MI 48446	8102006507
Card My Yard Libertyville, IL	Jenifer Hansson	1116 Deborah Cir Libertyville, IL 60048	2244240477
Card My Yard Plano - West, TX	Ashley Harris	3040 Landershire Ln Plano, TX 75023	9039201425
Card My Yard Western Springs, IL	Kelly Hartford	904 Walnut Street Western Springs, IL 60558	3122965304
Card My Yard Sandusky, OH	Michele Harvey	212 Woodlawn Ave Sandusky, OH 44870	4193665615
Card My Yard Quad Cities, IA	Micheal and Elizabeth Heesch	3172 Forest Grove Dr Bettendorf, IA 52722	5633206199

Card My Yard Copperas Cove, TX	Charlotte Heinze	2338 Big Divide Road Copperas Cove, TX 76522	2543045969
Card My Yard Mars, PA	Melissa Helwig	322 Caledonia Pl Cranberry Twp, PA 16066	8598038662
Card My Yard Branson, MO	Keith Henson	21976 Main St Reeds Spring, MO 65737	4056252475
Card My Yard Howard, MD	Jetheda Hernandez	5202 Eliots Oak Road Columbia, MD 21044	4102052452
Card My Yard Las Cruces, NM	Jose Hernandez	4028 Spring Water Way Las Cruces, NM 88011	5756447300
Card My Yard Temple, TX	Elizabeth Hicks	11819 FM 2305 Temple, TX 76513	5124265778
Card My Yard Oviedo, FL	Tina Hinkle	1169 Hollow Pine Dr Oviedo, FL 32765	4074930415
Card My Yard Milton, FL	Beverly Hix	2881 Gemstone Cir Milton, FL 32571	8504954640
Card My Yard Metro East, IL	Robin Hodges	2616 Pro Tour Drive Belleville, IL 62220	6184060250
Card My Yard Plymouth, MA	Scott Hokanson	37 Warren Ave Plymouth, MA 02360	7818856786
Card My Yard Remington, VA	Linda Holbrook	5019 Godwins Landing Dr Remington, VA 22734	5713209578
Card My Yard Franklin, TN	Erin Holland	842 Walden Dr Franklin, TN 37064	9314462924
Card My Yard Aurora - South, CO	Sandra Holtorf	4687 S Lisbon Ct Aurora, CO 80015	4026819108
Card My Yard Grand Island, NE	Alexa Horak	3818 N North Rd Grand Island, NE 68803	3088503772
Card My Yard New Braunfels, TX	Harmony Howe	140 Wright Ave New Braunfels, TX 78130	5128002568
Card My Yard Orlando - East, FL	Traci Hurtado	10524 Fairhaven Way Orlando, FL 32825	3212091562

Card My Yard Louisville - East, KY	Andrew & Ali Ignatow	9504 Merribrook Court Prospect, KY 40059	5025093519
Card My Yard Cincinnati - Southwest, OH	Sheila James	2771 Beecherfalls Crt. Cincinnati, OH 45233	
Card My Yard Clear Lake, TX	Jillian Jeffers	316 Brandy Ridge Ln Dickinson, TX 77539	2819725842
Card My Yard Benton, AR	Andrea Jeffers	205 Summerfield Dr Bryant, AR 72022	5018311120
Card My Yard Statesville, NC	Jan Jenkins	2147 Davie Ave Statesville, NC 28625	7049023285
Card My Yard Cedar Hill, TX	Yolanda Jennings	408 Kearsarge St Desoto, TX 75115	4696581744
Card My Yard Savannah - North, GA	Savannah Smith & Jessica Shea	308 Labrador Lane Guyton, GA 31312	9128566687
Card My Yard Hillsborough, NJ	Tamyeka Jewett	96 Salvatore Ct Bridgewater, NJ 08807	9083616777
Card My Yard Bryan - College Station, TX	Mackenzie Jimenez	3428 Pointe du Hoc Dr Bryan, TX 77808	9792171214
Card My Yard Horizon City, TX	Laura Jimenez	14371 Karen Pt El Paso, TX 79938	9153122752
Card My Yard Fort Mill, SC	Larissa Johnson	3064 Amaranth Dr Tega Cay, SC 29708	9728490469
Card My Yard Sioux Falls, SD	Jeannie Johnson	605 S Watson Ave Sioux Falls, SD 57106	6053591499
Card My Yard Burke, VA	Tiffany Johnson	7119 Game Lord Dr Springfield, VA 22153	5714538503
Card My Yard Lakeland, FL	Amy Jones	6521 Angus Dr Lakeland, FL 33810	8634506060
Card My Yard New Ulm, MN	Meredith Jones	621 Summit Ave New Ulm, MN 56073	5072171624

Card My Yard Kapolei, HI	Alexis Joseph	87-962 Hakimo Rd Waianae, HI 96792	8087967368
Card My Yard Casper, WY	Denise Kandel	6117 Coronado Dr Casper, WY 82609	3076310675
Card My Yard Lake Oswego, OR	Colleen Kangas	198 Cervantes Lake Oswego, OR 97035	5035729797
Card My Yard San Diego - East, CA	Karen Kawachi	5657 Del Cerro Avenue San Diego, CA 92120	6198387668
Card My Yard Omaha - South, NE	Shannon Keenan	7636 state street Ralston, NE 68127	4025226933
Card My Yard Colleyville, TX	Angela Kelcher	5318 Meritage Ln Grapevine, TX 76051	8173120972
Card My Yard Boston - North, MA	Tricia Freitas & Kellie Tropeano	31 Causeway Rd. Reading, MA 1867	6173980265
Card My Yard St. Joseph, MO	Aurora Kerns	10470 SE State Route 371 Saint Joseph, MO 64507	8162625670
Card My Yard Fayetteville, AR	Amanda Khanga	1581 Wensworth Avenue Springdale, AR 72762	4797991833
Card My Yard Maple Grove, MN	Carrie Kirkpatrick	18553 86th Pl N Maple Grove, MN 55311	7637600297
Card My Yard Hurst, TX	Jeanna Koerner	2308 Hurstview Dr Hurst, TX 76054	6822928013
Card My Yard Sanford, FL	Jennifer Koerner	352 Still Forest Ter Sanford, FL 32771	3215584936
Card My Yard North Richland Hills, TX	Camille Koerner	6205 Shirley Dr North Richland Hills, TX 76180	6822928013
Card My Yard Conejo Valley, CA	Kailey Konkel	31717 Dunraven Ct Westlake Village, CA 91361	8053383335
Card My Yard Tulsa - East, OK	Kendal Koonce	2921 E Quaker St Broken Arrow, OK 74014	9032633734
Card My Yard Kalamazoo, MI	Greg Kornowa	2405 S Park St Kalamazoo, MI 49001	3213034380

Card My Yard Longmont, CO	Kyley Kramer	1998 E 167th Ave Thornton, CO 80602	7203788195
Card My Yard Omaha - North, NE	Adam Lane	6527 S 176th St Omaha, NE 68135	4026586768
Card My Yard Keller, TX	Eve Lapierre	8325 Saddlebrook Dr North Richland Hills, TX 76182	6823342210
Card My Yard Scotch Plains, NJ	Kimberly Lapierre	6 Manitou Way Scotch Plains, NJ 7076	2018412337
Card My Yard Boardman, OH	Nichole Lester	114 Woodview Ave Boardman, OH 44512	3305194945
Card My Yard Lower Westchester County, NY	Lori Levitan	5 Dorchester Drive Rye Brook, NY 10573	9148740295
Card My Yard Kieler, WI	Stephanie Lewerke	4315 Bluff Point Ct Hazel Green, WI 53811	8176001526
Card My Yard Brownsburg, IN	Melissa Lidgard	780 Homestead Way Brownsburg, IN 46112	3174167165
Card My Yard Lynchburg, VA	Kelly Limroth	1649 Farmington Dr Forest, VA 24551	5408150350
Card My Yard Fremont, OH	Vanessa Lindsay	2287 Baker Rd Fremont, OH 43420	4196802701
Card My Yard Bedford, NH	Manessa Lins	2 Liberty Hill Rd Bedford, NH 3110	6032131759
Card My Yard Myrtle Beach, SC	Mercedes Lott	5015 Cambria Ct Little River, SC 29566	4237415325
Card My Yard Lindenhurst, IL	Melissa Lucas	819 Greenwood Drive Lindenhurst, IL 60046	2249087928
Card My Yard Riverside, CA	Jacqueline Lytle	7890 Ralston Pl Riverside, CA 92508	9498132967
Card My Yard Shakopee, MN	Kiele Mackey	1808 Westchester Ln Shakopee, MN 55379	5076765924
Card My Yard Elk River, MN	Megan MacNeil	103 6 1/2 St NW Elk River, MN 55330	6126190143

Card My Yard Fayetteville, NC	Anthony Madden	7110 Woodmark Dr Fayetteville, NC 28314	9105834339
Card My Yard Lawrenceville, GA	Rob Makulinski	921 Millvale Pl Lawrenceville, GA 30044	7707659755
Card My Yard Murfreesboro, TN	Elizabeth Mangrum	1012 Tiberius Way Murfreesboro, TN 37128	6153588843
Card My Yard Peachtree City, GA	Sandra Mann	90 Elmwood Dr Sharpsburg, GA 30277	6782718860
Card My Yard Clinton, MS	Clay Mansell	1200 E County Line Rd Ridgeland, MS 39157	6015733238
Card My Yard Prairieville, LA	Bruce Marable	37465 Trails End Street Prairieville, LA 70769	2257478887
Card My Yard Bakersfield, CA	Kathleen Markuson- Gonzalez	7309 Arleta Ave Bakersfield, CA 93308	6612418075
Card My Yard Bellmore, NY	Eileen Marrow	2559 Newbridge Rd Bellmore, NY 11710	5167177355
Card My Yard Arlington Heights, IL	Shanna Martin	33 S Arlington Heights Rd Arlington Heights, IL 60005	8477782324
Card My Yard Lancaster, PA	Laura Martin	1225 Cameron Dr Manheim, PA 17545	7173044137
Card My Yard Emerald Coast, FL	Melissa Martinez	17 Rickey Ave Fort Walton Beach, FL 32547	8507745341
Card My Yard Cartersville, GA	Tracey Martino	9 BUCKINGHAM COURT Cartersville, GA 30120	7707566250
Card My Yard Long Valley, NJ	Tiziana Masi	24 Dell Avenue Netcong, NJ 7857	2017876465
Card My Yard Cedar Grove, NJ	Richard Mattesky	7 Vreeland Ln Cedar Grove, NJ 7009	9735805511
Card My Yard Phoenix - Northwest, AZ	Alexa McClain	25043 N 67th Dr Peoria, AZ 85383	6233881947

Card My Yard Midland - Odessa, TX	Ashley McClendon	#12 Bristol Ct Midland, TX 79705	4322427124
Card My Yard Chardon - Mentor, OH	Sarah McClung	311 Claridon Rd Chardon, OH 44024	4409010864
Card My Yard Menifee, CA	Audra McCullough	29593 Big Dipper Way Murrieta, CA 92563	6198737512
Card My Yard Mt. Pleasant, SC	Joy McCune	1689 Banning Street Mount Pleasant, SC 29466	8432846477
Card My Yard Fort Wayne, IN	Emily McIntosh	7811 Welshire Blvd Fort Wayne, IN 46815	2604176037
Card My Yard Geneva, IL	Cathy McKee	2135 Fargo Blvd Geneva, IL 60134	6304921098
Card My Yard Spokane - North, WA	Chelsea McKell	4729 E Woodglen Rd Mead, WA 99021	8013581530
Card My Yard Hattiesburg, MS	Amanda McKenzie	2 Valmont Circle Hattiesburg, MS 39402	6013360589
Card My Yard Butler, PA	Theresa McTighe	162 Dinnerbell Road Butler, PA 16002	7246128978
Card My Yard Jacksonville - West, FL	Karey Meehan	7857 Fox Gate Ct. Jacksonville, FL 32244	9047072736
Card My Yard Scottsdale, AZ	Claudia Menendez	6417 E Gainsborough Rd Scottsdale, AZ 85251	4807886797
Card My Yard Richmond Hill, GA	Kate Metts	170 Ridgewood Park Ct Richmond Hill, GA 31324	4237415081
Card My Yard Jacksonville, NC	Jessica Meyer	307 Adobe Ln Jacksonville, NC 28546	9109673078
Card My Yard Monroe, MI	Lisa Middleton	1050 Stewart Rd Monroe, MI 48162	7343441805
Card My Yard Chicago - Midway, IL	Karen Mikesh	5244 S Oak Park Avenue Chicago, IL 60638	7087746038

Card My Yard Forest Hill, MD	Sharon Miller	2310 Ady Rd Forest Hill, MD 21050	4104594521
Card My Yard Port St. Lucie, FL	Todd Millett	213 SW Pisces Ter Port Saint Lucie, FL 34984	5612946838
Card My Yard New Castle, PA	Laura Miloser	2319 Roy Dr New Castle, PA 16101	7249441801
Card My Yard Bethlehem, PA	Val Minett	1455 Mountain Dr Bethlehem, PA 18015	6103920043
Card My Yard Cleveland, OH	Denise Minor	16131 W 130th St North Royalton, OH 44133	4405701965
Card My Yard Springfield, IL	Tammy Mittelstaedt	4179 W Jefferson St Springfield, IL 62707	2176706799
Card My Yard Harrisonburg, VA	Rhonda Monger	1546 Whitmore Shop Rd Rockingham, VA 22802	5404212196
Card My Yard Conway, AR	Justin Moore	7 Freeman Dr Houston, AR 72070	5014999286
Card My Yard Commerce Township, MI	Amy Moorhous	6052 Venice Dr Commerce Township, MI 48382	2482708284
Card My Yard Discovery Bay, CA	Lindsay Moran	1126 Primrose Ct Brentwood, CA 94513	9254576012
Card My Yard San Ramon Valley, CA	Jenny Moreno	25 Panorama Court Danville, CA 94506	9252724440
Card My Yard Houston - North, TX	Davida Mouton	7718 Melanie St Houston, TX 77016	3465651279
Card My Yard Penfield, NY	Bryan Munson	507 Sweet Maple Run Webster, NY 14580	5854564814
Card My Yard Roswell, GA	Ashley Murphy	1180 Land O Lakes Dr Roswell, GA 30075	6788710897
Card My Yard Hobe Sound, FL	Courtney Nagy	8009 SE Orchard Ter Hobe Sound, FL 33455	5613716927
Card My Yard Athens, GA	Ashley Nalley	4260 Atlanta Highway Athens, GA 30606	7706014571

Card My Yard Kingwood, TX	Allison Navejar	18714 Leisure Place Dr Humble, TX 77346	9792010696
Card My Yard Dunn, NC	Jenni Neal	75 Day Lily Ln Dunn, NC 28334	9198202686
Card My Yard Edwardsville, IL	Lynette Nelson	3340 Piazza Lane Edwardsville, IL 62025	2174153081
Card My Yard Olney, MD	Christine Nesbitt	4617 Morningwood Dr. Olney, MD 20832	3013101624
Card My Yard Williamston, SC	Carolann Newton	306 E Main St Williamston, SC 29697	8647604316
Card My Yard Milford, NE	Natalie Nitzsche	310 N Welch Park Rd Milford, NE 68405	4026415969
Card My Yard Sewell, NJ	Donna Nucero	30 Westwood Cir Sewell, NJ 8080	8564723025
Card My Yard Munster, IN	Sarah Nuetzel	8416 Oakwood Avenue Munster, IN 46321	3178403412
Card My Yard Dothan, AL	Mindy O'Brien	2932 Ross Clark Cir Dothan, AL 36301	3344417046
Card My Yard Marietta, GA	Courtney O'Neal	1336 Baileys Cor Marietta, GA 30062	7707504169
Card My Yard Mandeville, LA	LaCresiea Oliver	25020 Shubert Ln Covington, LA 70435	9852735672
Card My Yard Lehi, UT	Patricia Olson	5564 W Kensington Cir American Fork, UT 84003	8013609575
Card My Yard Macomb, MI	Tony Ostrowski	15763 Haven Dr Macomb, MI 48042	5865570109
Card My Yard Windermere, FL	Karen Ott	123 Casa Mirella Way Windermere, FL 34786	3525517661
Card My Yard Smithfield, NC	Lexi Ownley	49 Sentinel Court Smithfield, NC 27577	3364915426
Card My Yard Irvine, CA	Sharon Paley	2 Sunriver Irvine, CA 92614	5627399998

Card My Yard Tampa - North, FL	Janet Papageorgiou	17203 Brown Rd Odessa, FL 33556	8134019554
Card My Yard Forsyth, GA	Kristen Parker	420 Homestead Cir Forsyth, GA 31029	4044927793
Card My Yard Pensacola, FL	Jackie Parrish	2242 Oxford Place Pensacola, FL 32503	2062009102
Card My Yard Jacksonville Beach, FL	Emily Parrish	314 North St Neptune Beach, FL 32266	9047759454
Card My Yard Naperville, IL	Tracy Parrott	20 S. West Street Naperville, IL 60540	9724008833
Card My Yard St. Petersburg, FL	Danny Passafiume	2347 15th Ave S Saint Petersburg, FL 33712	6092123683
Card My Yard Prosper, TX	Brooke Penn	4301 Mineral Creek Trail Prosper, TX 75078	4697662153
Card My Yard Barrington, IL	Jillian Perlick	718 W Northwest Hwy Barrington, IL 60010	8478335537
Card My Yard Edmond, OK	Jodi Peters	2963 North Whipp Lane Edmond, OK 73012	4057261206
Card My Yard Front Royal, VA	Kisha Phillips	33 West 15th Street Front Royal, VA 22630	5407714596
Card My Yard Spokane, WA	Maggie Pierce	952 E 34th Ave Spokane, WA 99203	5099516710
Card My Yard Rockwall, TX	AmyLee Pierce	1000 Concan Dr Forney, TX 75126	4697695669
Card My Yard Eden Prairie, MN	Casey Pierce	6280 Fallbrook Road Eden Prairie, MN 55344	5094991143
Card My Yard Anniston, AL	Stephanie Pittman	20 Fairway Chase Anniston, AL 36207	2563713340
Card My Yard Columbia - Northeast, SC	Anna Claire Pitts	1214 Longreen Pkwy Columbia, SC 29229	8649231479

Card My Yard San Angelo, TX	Angela Plummer	122 Tyler Terrace Dr San Angelo, TX 76905	3254506987
Card My Yard NW Arkansas	Ashley Pointer	10233 Windy Trail, Bentonville, AR 72712	5127996487
Card My Yard Nashville - West, TN	Bennie Poitevint	1712 Glenridge Dr Nashville, TN 37221	6157677803
Card My Yard South Bend, IN	Katie Polston	54680 Baton Rouge Ct Osceola, IN 46561	
Card My Yard Justin - Haslet, TX	Michelle Pope	274 Pine Crest Dr Justin, TX 76247	9404413628
Card My Yard Irving, TX	Gabrielle Pressley	133 E Ireland Dr Irving, TX 75062	4694162468
Card My Yard Denton, TX	Kelli Price	2500 Fort Worth Dr Denton, TX 76205	9404892031
Card My Yard Maumee, OH	Jessica Price	11004 Winslow Rd Whitehouse, OH 43571	5672469088
Card My Yard Henrietta, NY	Melinda Puth	45 Windelin Drive Henrietta, NY 14467	5854720260
Card My Yard Salt Lake City, UT	April Quinn	2350 E 3000 S Salt Lake City, UT 84109	5128516389
Card My Yard Castle Rock, CO	Amy Radic	3579 Bell Mountain Dr Castle Rock, CO 80104	3039210638
Card My Yard Homewood, IL	Courtney Ragland	18935 Wildwood Ave Lansing, IL 60438	7088580707
Card My Yard Princeton, NJ	Pramod Ramdasi	128 Princeton Hightstown Rd West Windsor Township, NJ 8550	6099554379
Card My Yard Katy, TX	Melanie Rathgeber	4511 Eagle Mountain Ct. Richmond, TX 77406	8325674126
Card My Yard Clermont, FL	Stacey Ray	3550 Foxchase Dr Clermont, FL 34711	3529880069
Card My Yard Woodridge, IL	April Ray	1255 S Naper Blvd Naperville, IL 60540	6307960876

Card My Yard Huntsville, AL	Bailey Reding	25302 Kingston Dr Athens, AL 35613	2562141634
Card My Yard Bridgeport, WV	Jenny Reed	206 3rd Street Bridgeport, WV 26330	3046291149
Card My Yard Aledo, TX	Rachel Reeder	384 Creek Bend Dr Aledo, TX 76008	2147257218
Card My Yard Cincinnati - East, OH	Julie Renner	3810 Pocahontas Ave Cincinnati, OH 45227	
Card My Yard Buffalo - East, NY	Doug Rifenburg	10440 Main St Clarence, NY 14031	7165237394
Card My Yard Hickory, PA	Rachelle Rischitelli	155 High Pointe Dr Washington, PA 15301	7248256754
Card My Yard Lacey, WA	Evangelina Rivera	1924 Cantergrove DR SE Lacey, WA 98503	6618748906
Card My Yard Clarksville, TN	Gretchen Roberts	2409 Egret Dr Clarksville, TN 37042	9313269029
Card My Yard Eastvale, CA	Brian Roberts	6310 Hazel St Eastvale, CA 92880	9517412095
Card My Yard Mt. Airy, MD	Angela Roderick	11051 Cook Brothers Rd Ijamsville, MD 21754	3016419342
Card My Yard Brandon, FL	Stefani Rodgers	605 Clay Ct Brandon, FL 33510	8139561375
Card My Yard Arlington, TX	Lauren Rodriguez	2501 Bishops Landing Arlington, TX 76016	8178638076
Card My Yard New Castle, DE	Bianca Rodriguez	36 N Purdue Ave New Castle, DE 19720	3023172923
Card My Yard Boca Raton, FL	Marty Rogge	55 Tropic Isle Dr Delray Beach, FL 33483	5615044482
Card My Yard Lake Worth, FL	Cindi Romano	907 Hickory Trail Wellington, FL 33414	5616440197
Card My Yard Highland Village, TX	Tami Rosas	3103 Forest Shores Lane Highland Village, TX 75077	2148089613

Card My Yard St. Croix Valley, WI	Shannon Route	1030 10th St N Hudson, WI 54016	7155542964
Card My Yard Lees Summit, MO	Sarah Rowland	1621 SW Merryman Dr Lees Summit, MO 64082	8165296645
Card My Yard Belmont, NC	Crystal Rushing	237 Park View Dr Belmont, NC 28012	7048427539
Card My Yard Granbury, TX	Dale Sackett	321 E Sunchase Dr Granbury, TX 76049	8172192756
Card My Yard Harlingen, TX	Noelia Sanchez	32600 Fm 2520 San Benito, TX 78586	9562540049
Card My Yard Summerlin, NV	Amy Sanchez	8874 Nevi Rose Ct Las Vegas, NV 89148	7023373195
Card My Yard Austin, TX	Janet Sanders	5145 N FM 620 Austin, TX 78732	5127579110
Card My Yard Hickory, NC	Ryan Sanford	181 Five Oaks Ln Hickory, NC 28601	8283203339
Card My Yard Monaca, PA	Alicia Scarpone	853 Ohio Avenue Monaca, PA 15061	7244625910
Card My Yard Puyallup, WA	Kerry Schell	8421 153rd St E Puyallup, WA 98375	2532459755
Card My Yard Batavia, OH	Meghan Schmidt	1203 Traditions Turn Batavia, OH 45103	7248756332
Card My Yard Apple Valley, MN	Kelly Schraufnagel	9675 211th St W Lakeville, MN 55044	9523731523
Card My Yard Carthage, NC	Rachel Selking	147 Farmhouse Ln Carthage, NC 28327	3175194109
Card My Yard Venice, FL	Karen Senarens	12540 Palatka Drive Venice, FL 34293	9546490330
Card My Yard Mt. Pleasant, TX	Brittany Senn	2717 Greenhill Rd Mount Pleasant, TX 75455	9032042779
Card My Yard Highland Park, IL	Jennifer Seymour	2111 Tennyson Lane Highland Park, IL 60035	2242008226

Card My Yard Austin- North, TX	Rebecca Sheridan	15201 Burnet Rd Austin, TX 78728	5127301231
Card My Yard Pittsburgh - South, PA	Alisa Shetter	1050 Summer Pl Pittsburgh, PA 15243	4122890897
Card My Yard Centreville, VA	Andrea Sholders	15214 Honsena Dr Centreville, VA 20120	5714476427
Card My Yard Charlottesville, VA	Cara Shrum	59 Stag Dr Ruckersville, VA 22968	5037534340
Card My Yard Twin Cities - East, MN	Desiree Siggins	3389 Oxford Bay Woodbury, MN 55125	6513499699
Card My Yard Coppell, TX	Steven and Susan Sigler	1060 W Round Grove Rd Lewisville, TX 75067	2147892920
Card My Yard Wildwood, FL	Mike Smith	1808 Bonser Rd Minneola, FL 34715	
Card My Yard Sherrills Ford, NC	Shannon Smith	9539 Island Point Road Sherrills Ford, NC 28673	7048068826
Card My Yard Lakeland, TN	Sonia Smith	5256 Adagio Ln Lakeland, TN 38002	9014441196
Card My Yard Wayne, PA	Rebecca Snyder	195 Gulph Hills Road Wayne, PA 19087	6109521330
Card My Yard Woodinville, WA	Beth Soderlund	16130 NE 160th St Cottage Lake, WA 98072	4257655949
Card My Yard North Hills, PA	Joann Spencer	5833 State Road Gibsonia, PA 15044	7245848567
Card My Yard Lombard, IL	Tasha Spencer	605 S Main St Lombard, IL 60148	6304741324
Card My Yard Lakewood Ranch, FL	Krista Sprungman	323 Snapdragon Loop Bradenton, FL 34212	9417996050
Card My Yard Lufkin - Nacogdoches, TX	Karin Spurgeon	6500 FM 2497 Lufkin, TX 75904	9366712979
Card My Yard Wooster, OH	Keely Spurlock	2303 Wellesley Ave Wooster, OH 44691	3302349817

Card My Yard Longview, TX	Lee Ann Stephens	1801 Hollybrook Drive Longview, TX 75605	9037466644
Card My Yard Wake Forest, NC	Jennifer Stephenson	4705 studbury hall Ct. Wake Forest, NC 27587	9196703736
Card My Yard Orland Park, IL	Jennifer Storino	7653 Chestnut Dr Orland Park, IL 60462	7733019173
Card My Yard Brownwood, TX	Brittany Strickland	1 Brentwood Cir Brownwood, TX 76801	3252003166
Card My Yard Kerrville, TX	Jenny Stueber	153 Stablewood Ln Kerrville, TX 78028	8304961743
Card My Yard Burbank, CA	Melissa Sullivan	2816 N Keystone St Burbank, CA 91504	8183084154
Card My Yard Stilwell, KS	Audrey Sundet	5311 W 161st Terrace Overland Park, KS 66085	9137100877
Card My Yard Flower Mound, TX	Tami Rosas & Susan Sigler	3103 Forest Shores Ln Lewisville, TX 75077	2147892920
Card My Yard Owings Mills, MD	Blairr Swayne	47 Latimore Way Owings Mills, MD 21117	4106048182
Card My Yard Macon, GA	Holli Tarpley	105 Woodmont Drive Macon, GA 31216	4782275604
Card My Yard Abilene, TX	Terri Taylor	374 Stallion Rd Abilene, TX 79606	3258647552
Card My Yard Modesto, CA	Christie Taylor	608 Woodrow Ave Modesto, CA 95350	2098602534
Card My Yard Dillsburg, PA	Owen Thayer	130 Evergreen Cir Dillsburg, PA 17019	7175124241
Card My Yard Provo, UT	Will Thomas	277 E 1000 N Orem, UT 84057	8018659312
Card My Yard Penryn, CA	Stephanie Thompson	1445 Gold Rush Way Penryn, CA 95663	2798005856
Card My Yard Erie, PA	Wendy Titus	8187 Willow Gln Erie, PA 16509	4404637824

Card My Yard Amarillo, TX	Chelsea Toniolli	5001 River Rd Amarillo, TX 79108	8065703513
Card My Yard Winston-Salem, NC	Valerie Turner	390 N Creekside Dr High Point, NC 27265	3369994795
Card My Yard New Orleans, LA	Tre Turner	5108 Basinview Drive New Orleans, LA 70126	5045471735
Card My Yard Allen, TX	Ashton Ullrich- Burns	909 S Kentucky St McKinney, TX 75069	
Card My Yard Morgantown, WV	Emily Umble	1344 Montrose Ave Morgantown, WV 26505	3043190598
Card My Yard Dripping Springs, TX	Sarah Unruh	800 Premier Park Loop Dripping Springs, TX 78620	5128298821
Card My Yard Raleigh, NC	Gillian Utesch	7710 Alexander Town Blvd Raleigh, NC 27617	
Card My Yard Dallas - Lake Highlands, TX	Cristina Vahrenkamp	9422 Brentgate Dr Dallas, TX 75238	
Card My Yard Easton, MD	Nichole Velez	7077 Blackberry Ct Easton, MD 21601	3019805923
Card My Yard Millstone, NJ	Rachel Vergari	3 Pheasant Run Millstone, NJ 8510	6094904146
Card My Yard Baton Rouge - South, LA	Terry Vessell	5807 Bennington Ave Baton Rouge, LA 70808	2259380092
Card My Yard Cypress, TX	Cristina Villagomez	6103 Parkborough Dr Houston, TX 77041	8322631790
Card My Yard Chagrin Falls, OH	Erica Wachtler	3717 Winchell Rd Shaker Heights, OH 44122	4409992126
Card My Yard Lake Jackson, TX	Kristin Walker	203 Woodside Ct. Clute, TX 77531	9799225294
Card My Yard Kansas City - North, MO	Kimberley Walker	7209 NE 84th Court Kansas City, MO 64157	8169200414
Card My Yard Denver, CO	Marissa Walters	5321 E. Colorado Ave Denver, CO 80222	7208439416

Card My Yard Georgetown, TX	Karen Sartor & Wanda Sprowl	408 Champions Dr Georgetown, TX 78628	5124318053
Card My Yard Wenatchee, WA	Angela Ward	107 Schafer St Wenatchee, WA 98801	5098604862
Card My Yard Lower Bucks County, PA	Lisa Webb	19 Peony Road Levittown, PA 19056	2155843884
Card My Yard Hamilton, OH	Emily White	1355 Roundhill Dr Hamilton, OH 45013	5137641839
Card My Yard Tulsa - North, OK	Pamela White	518 E 40th Pl N Tulsa, OK 74106	9183616557
Card My Yard Weatherford, TX	Rebecca White	1041 Winecup Ln Weatherford, TX 76085	8173019480
Card My Yard Alpharetta, GA	Ashley Murphy & Whitney Hiers	11455 Maxwell Rd Alpharetta, GA 30009	6788710897
Card My Yard Monroe, LA	Camille Whittington	3109 Claiborne Cir Monroe, LA 71201	3182455032
Card My Yard Bowie, MD	Brandi Wiggins	12217 Quintette Ln Bowie, MD 20720	3018071627
Card My Yard Lancaster, SC	Erika Williams	951 Jim Wilson Lancaster, SC 29720	8032468147
Card My Yard Chesapeake, VA	Kristin Williams	405 Torre Pine Ct Chesapeake, VA 23322	7573320460
Card My Yard Clawson, MI	Christine Williams	230 Chippewa Clawson, MI 48017	2486027469
Card My Yard Richmond - North, VA	Kelly Wilson	9148 Fayemont Dr Mechanicsville, VA 23116	8049290084
Card My Yard Burlington, NC	Matt Wilson	1104 Southwind Ct Mebane, NC 27302	3363800731
Card My Yard Newnan, GA	Mallory Winske	234 Cecil Hunter Rd Moreland, GA 30259	7703598249
Card My Yard St. George, UT	Crystal Wood	1852 S 300 E Washington, UT 84780	4354671051

Card My Yard Crowley, TX	Kayla Wooldridge	4116 Mountain Meadow Rd Crowley, TX 76036	3175145030
Card My Yard Cary, NC	Erin Woolley	101 Harbin Ridge Ct Cary, NC 27519	9195020565
Card My Yard Brock, TX	Shayna Yancey	1044 Bermes Ct Brock, TX 76087	8177341881
Card My Yard Willoughby, OH	Rylee Yocum	9171 Sugarbush Dr Mentor, OH 44060	
Card My Yard Omaha, NE	Tiffani Zeleny	9003 S 225th St Gretna, NE 68028	4026768349
Card My Yard Kinnelon, NJ	Ryan Zollner	11 Lakeside Dr Boonton, NJ 7005	8623436855

EXHIBIT G TO FRANCHISE DISCLOSURE DOCUMENT
(CONTINUED)

**LIST OF FRANCHISE AGREEMENTS SIGNED
BUT NOT YET OPEN AS OF DECEMBER 31, 2025**

FRANCHISEE	ADDRESS	PHONE NUMBER
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NONE

EXHIBIT H TO FRANCHISE DISCLOSURE DOCUMENT

LIST OF FORMER FRANCHISEES

The following is a list of franchisees who: (a) 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 (b) have not communicated with us within 10 weeks of the issuance date of this Disclosure Document:

Owner Name	Address	City	State	ZIP	Phone
Pamela Farinas	8507 Chancellorsville Lane	Houston	TX	77083	
Roxann S. Guzman	502 Camila St.	Edinburg	TX	78542	19565130547
Beverly Ortega Babers	6180 Colt Pl	Carlsbad	CA	92009	12404980176
Amelia Cataldi	1413 Pintoresco	El Paso	TX	79935	
Randi Golemme	132 8th Street	Lake Hamilton	FL	33851	18633077017
Sherry Farrow	1013 Ponderosa Drive	North Augusta	SC	29841	18032218763
Estela Mitrain	2910 Damon Ave	San Diego	CA	92109	16198477100
Jeffrey Solomon	908 Fox Hollow Way	Marietta	GA	30068	
Pamela Lombardy	1008 Shelby St.	Sandusky	OH	44870	14199848946
Hollie Martens	23273 205th St	Crescent Rancho Santa	IA	51526	14028508103
Robyn Miner	9 Ceramica	Margarita	CA	92688	19494133938
Kellee P. Hardy	3405 Clubview Terrace	Colorado Springs	CO	80906	17192006567
Chelsea Adams	12150 SE 76th Pl	Newcastle	WA	98056	14256575755
Jeanette P. Smith	6515 Ashbourne Court	Suwanee	GA	30024	17707157625
Jeanette P. Smith	5039 West Broad Street	Sugar Hill	GA	30518	17707157625
Nakeesha Denise Wilson	1542 Woodmore Dr.	Marietta	GA	30008	16154848038
Nicolle Marie Longsdorf	8355 W. 17th Ave.	Lakewood	CO	80214	17205159129
Cherly Caterino	28 Hilltop Road	Kinnelon	NJ	7405	19738868667
Tracie L. Harris	4401 Brighton Drive	Grand Blanc	MI	48439	15865560269
Darbi Ziesler	3759 Wine Cup St	Wellington	CO	80549	19702942048
Marilyn McCorvey					
Rylander	4619 Park Breeze Dr	Fresno	TX	77545	18322665306
Nicole Murray	9000 Burke Lake Rd	Burke	VA	22015	17033899157
Leann Sepulveda	4623 Caverns Drive	Kissimmee	FL	34758	14074605852
Ashley Morgan	6643 WINDVANE PT	Clermont	GA	30527	17705191742
Sandra Lozano	1605 Lewis Trl	Grand Prairie	TX	75052	14698670057
Tamara Kramer	9785 Kipling St	Westminister	CO	80021	13038085204
Tracy Knight	5 Summerhill Place	Newnan	GA	30263	14238387181
Lisa Boland	waterford crest pl	Paeonian Springs	VA	20129	N/A
Amber Moore	3823 W Country Acre Trl	La Porte	IN	46350	12198515509
Rachel Mizuno	18056 Atkinson Ave.	Torrance	CA	90504	13106002010
Jacqueline Murino	4 Robinson Road	Morganville	NJ	7751	17326410804

Amy Dacy	3409 Windsor Ct	Colleyville	TX	76034	18179133160
Carrie Lane	4 Circle Drive	Fenton	MO	63026	13146264922
Casey Abernathy	416 County Road 408	Carthage	TX	75633	19037544111
Jenifer Dolan	171 Mountain Rd	Sugarloaf	PA	18249	N/A
Peggy Neumann	16890 Cherrywood Hills	Dubuque	IA	52001	N/A
Donald Gray Young Jr	519 Parker Rd	Melbourne	FL	32904	N/A
Nikki Cohen	656 Gold Valley Pass	Canton	GA	30114	N/A
Regina Winebarger	313 Will Cook Road	Boone	NC	28607	N/A
Shaunna Duke	4223 Heathfield Dr	Pasadena	TX	77505	12815085277
Glynda Whitlow	68 Parklin Dr	Hiram	GA	30141	16783151119
Ines Lorenzo	12050 Carabela Ct	Porter Ranch	CA	91326	N/A
Debbie Orel	360 Herrontown Rd	Princeton	NJ	8540	16094401999
Lori Jackson	1004 Maple Court	Lower Burrell	PA	15068	17246811862
Amy Greenberg	2030 NW Fargo Loop	Camas	WA	98607	13607724647
Alexandria Langenberger	23 Taunton Dr	Howell	NJ	7731	17324408799
Sara Stormoen	3118 129th ave NE	Blaine	MN	55449	17632294753
Taylor C. Bettis	322 Jones Ln	Abingdon	VA	24210	14233412408
Derek Fournier	429 S Royal Poinciana Dr	Tampa	FL	33609	18138468816
Stephanie Thompson	1445 Gold Rush Way	Penryn	CA	95663	12798005856
Amber Owings	61076 S Hwy 97	Bend	OR	97702	15415395487
Tiffany Mercer	14512 Hunters Ridge East	Glen St. Mary	FL	32040	19045455860
Brittany Esparza	115 San Angelo St	Bandera	TX	78003	12108705487
Emily Jordan	1400 Castlegar Lane	Justin	TX	76247	19404413628
Katelyn Baugh	10195 US-431	Albertville	AL	35950	12564786880
Jennifer K. Olvey	821 197th Ave SE	Sammamish	WA	98075	13036019252
Kristin Barinas	29 Sherwood Road	Dumont	NJ	7628	N/A
Ingrid Fioroni	12519 Caminito De La Gallarda	San Diego	CA	92128	N/A
Ian Manheimer	2804 NE 65th Ave	Vancouver	WA	98661	18058895996
Tyler Butterfield	400 Piney Dr	Clarksville	TN	37042	16153325906
Courtney O'Donoghue	8327 Truxton Ave	Los Angeles	CA	90045	13107389494
Elizabeth Alvarez	117 Plum Street	Newburgh	IN	47630	15124831279
Jessica Cohen	30 Howe Street	Huntington Station	NY	11746	19176910482
Lana Broughman	2120 Appleway Dr	Jackson	MI	49203	15174740401
Darci Meyer	910 25th St SE	Rochester	MN	55904	15072000363
Shaquantae Owens	112 Potomac River St	Garner	NC	27529	N/A
Clay Mansell	1200 E County Line Rd	Ridgeland	MS	39157	16015733238
Shannon L. Wheeler-Reed	2090 Angel Ridge Dr	Reno	NV	89521	17755021051
Wilbert Turner III	5108 Basinview Drive	New Orleans	LA	70126	N/A

Amber Goethel Seidlin	1493 NE 60th Street	Fort Lauderdale	FL	33334	N/A
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If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

STATE EFFECTIVE DATES

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

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

State	Effective Date
California	
Hawaii	
Illinois	
Indiana	
Maryland	
Michigan	
Minnesota	
New York	
North Dakota	
Rhode Island	
South Dakota	
Virginia	
Washington	
Wisconsin	

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

EXHIBIT I TO FRANCHISE DISCLOSURE DOCUMENT

RECEIPT PAGES

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 CMY 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, or sooner if required by applicable state law. Applicable state laws in (a) Michigan and Oregon require us to provide you the disclosure document at least 10 business 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 and (b) New York and Rhode Island require us to provide you the disclosure document at the earlier of the first personal meeting or 10 business 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 CMY 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 any applicable state agency (as listed in ***Exhibit D*** to this disclosure document).

Name	Principal Business Address	Telephone Number
Joshua Arnold	761 W. 1200 N., Suite 300, Springville, Utah 84663	(512) 943-2693

Issuance Date: April 8, 2026

I received a Disclosure Document dated April 8, 2026. The Disclosure Document included the following Exhibits:

- A. Franchise Agreement
- B. State Specific Addenda
- C. Table of Contents of Confidential Operations Manual
- D. List of State Administrators and Agents for Service of Process
- E. Financial Statements
- F. General Release
- G. List of Current Franchisees
- H. List of Former Franchisees
- I. Receipts

Dated: _____
Individually and as an Officer

Printed Name
of _____
(a _____ Corporation)
(a _____ Limited Liability Company)

[Keep this page 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 CMY 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, or sooner if required by applicable state law. Applicable state laws in (a) Michigan and Oregon require us to provide you the disclosure document at least 10 business 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 and (b) New York and Rhode Island require us to provide you the disclosure document at the earlier of the first personal meeting or 10 business 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 CMY 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 any applicable state agency (as listed in ***Exhibit D*** to this disclosure document).

The name, principal business address and phone number of the franchise seller offering the franchise is:

Name	Principal Business Address	Telephone Number
Joshua Arnold	761 W. 1200 N., Suite 300, Springville, Utah 84663	(512) 943-2693

Issuance Date: April 8, 2026

I received a Disclosure Document dated April 8, 2026. The Disclosure Document included the following Exhibits:

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- E. Financial Statements
- F. General Release
- G. List of Current Franchisees
- H. List of Former Franchisees
- I. Receipts

Dated: _____

Individually and as an Officer

Printed Name

of _____

(a _____ Corporation)

(a _____ Limited Liability Company)

[Sign and return this page to CMY Franchising, LLC]

FRANCHISE DISCLOSURE QUESTIONNAIRE

FRANCHISE DISCLOSURE QUESTIONNAIRE

As you know, Franchisor (“we” or “us”), and you are preparing to enter into a Franchise Agreement for the operation of a franchised location. **You cannot sign or date this questionnaire the same day as the Receipt for the Franchise Disclosure Document, but you must sign and date it the same day you sign the Franchise Agreement.** Please review each of the following questions carefully and provide honest responses to each question. If you answer “No” to any of the questions below, please explain your answer in the table provided below.

1. Yes___ No___ Have you received and personally reviewed the Franchise Agreement and each attachment or exhibit attached to it that we provided?
2. Yes No_ Have you received and personally reviewed the Franchise Disclosure Document and each attachment or exhibit attached to it that we provided?
3. Yes No_ Did you sign a receipt for the Franchise Disclosure Document indicating the date you received it?
4. Yes No_ Do you understand all the information contained in the Franchise Disclosure Document and Franchise Agreement?
5. Yes No_ Have you reviewed the Franchise Disclosure Document and Franchise Agreement with a lawyer, accountant, or other professional advisor, or have you had the opportunity for such review and chosen not to engage such professionals?
6. Yes No_ Have you had the opportunity to discuss the benefits and risks of developing and operating a Franchise with an existing franchisee?
7. Yes___ No___ Do you understand the risks of developing and operating Franchise?
8. Yes___ No___ Do you understand the success or failure of your Franchise will depend in large part upon your skills, abilities, and efforts, and those of the persons you employ, as well as many factors beyond your control such as competition, interest rates, the economy, inflation, labor and supply costs, and other relevant factors?
9. Yes No_ Do you understand all disputes or claims you may have arising out of or relating to the Franchise Agreement must be arbitrated in Utah, if not resolved informally or by mediation (subject to state law)?
10. Yes No_ Do you understand that you must satisfactorily complete the initial training program before we will allow your Franchise to open or consent to a transfer of the Franchise to you?

-
11. Yes_ No_ Do you agree that no employee or other person speaking on our behalf made any statement or promise regarding the costs involved in operating a Franchise that is not contained in the Franchise Disclosure Document or that is contrary to, or different from, the information contained in the Franchise Disclosure Document?
12. Yes_ No_ Do you agree that no employee or other person speaking on our behalf made any statement or promise or agreement, other than those matters addressed in your Franchise Agreement and any addendum, concerning marketing, marketing, media support, marketing penetration, training, support service, or assistance that is contrary to, or different from, the information contained in the Franchise Disclosure Document?
13. Yes_ No_ Do you agree that no employee or other person speaking on our behalf made any statement or promise regarding the actual, average or projected profits or earnings, the likelihood of success, the amount of money you may earn, or the total amount of revenue a Franchise will generate that is not contained in the Franchise Disclosure Document or that is contrary to, or different from, the information contained in the Franchise Disclosure Document?
14. Yes_ No_ Do you understand that the Franchise Agreement, including each attachment or exhibit to the Franchise Agreement, contains the entire agreement between us and you concerning the Franchise?
15. Yes_ No_ Do you understand that we are relying on your answers to this questionnaire to ensure that the franchise sale was made in compliance of state and federal laws?

YOU UNDERSTAND THAT YOUR ANSWERS ARE IMPORTANT TO US AND THAT WE WILL RELY ON THEM. BY SIGNING THIS QUESTIONNAIRE, YOU ARE REPRESENTING THAT YOU HAVE CONSIDERED EACH QUESTION CAREFULLY AND RESPONDED TRUTHFULLY TO THE ABOVE QUESTIONS.

Signature of Franchise Applicant

Signature of Franchise Applicant

Name (please print)

Name (please print)

Date _____

Date _____

EXPLANATION OF ANY NEGATIVE RESPONSES (REFER TO QUESTION NUMBER):

Question Number	Explanation of Negative Response