

## Special Risks to Consider About *This* Franchise

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

1. **Out-of-State Dispute Resolution.** The franchise agreement and multi-unit agreement require you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in our home state (currently Texas). Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in our home state than in your own state.
2. **Mandatory Minimum Payments.** You must make minimum royalty and advertising fund payments, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.
3. **Supplier Control.** You must purchase all or nearly all of the inventory or supplies that are necessary to operate your business from the franchisor, its affiliates, or suppliers that the franchisor designates, at prices the franchisor or they set. These prices may be higher than prices you could obtain elsewhere for the same or similar goods. This may reduce the anticipated profit of your franchise business.

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.

## ITEM 6

### OTHER FEES

Type of Fee <sup>(1)</sup>	Amount	Due Date	Remarks
Royalty	<p>Initial 12 months after the Royalty Commencement Date, as defined: 7% of GPS Revenue (defined in Notes (2))<sup>(2,3)</sup></p> <p>Beginning in month 13: Greater of 7% of GPS Revenue or the Minimum Royalty<sup>(2,3)</sup></p> <p>The starting date and payment amounts are adjusted for multi-unit owners and franchisees who purchase an existing Business</p>	<p>The 15<sup>th</sup> day of each month, but subject to change in the future</p> <p>You must also submit a sales report on or before the 15<sup>th</sup> of each month for revenue generated the prior month</p>	We may annually increase the minimum fee amounts, but not by more than the CPI Increase <sup>(5)</sup>
Marketing Development Fund Contribution (“MDF Contribution”)	<p>Initial 12 months after the Royalty Commencement Date: 1.5% of GPS Revenue (<a href="#">defined in Notes</a>)<sup>(2,3)</sup></p> <p>Beginning in month 13: Greater of 1.5% of GPS Revenue or the Minimum MDF Contribution <sup>(2, 6)</sup></p> <p>The starting date and payment amounts are adjusted for multi-unit owners and franchisees who purchase an existing Business<sup>(6)</sup></p>	Currently, on the 18 <sup>th</sup> day of each month	We may annually increase the minimum fee amounts, but not by more than the CPI Increase. <sup>(5)</sup> We describe the Fund in Item 11
Local Marketing Expenditures	Minimum of \$2,500 per month, per Territory, <del>subject to change</del>	As incurred	You are required to spend the minimum amount we specify on local advertising in your Territory (\$2,500 per month, or \$30,000 per calendar year). <del>We may change the required minimum upon 60 days’ written notice.</del> We have the right to periodically review and direct where or how your spending is allocated. If you fail to spend the minimum required amount, we reserve the right to collect, invoice, and manage the funds for you and advertise on your behalf within your Territory.

Type of Fee <sup>(1)</sup>	Amount	Due Date	Remarks
Additional attendees or replacements - Initial training	\$2,000 per person; subject to <u>the same</u> increase <del>if</del> <u>as our costs</u> increase	Before training, but no later than 7 days upon issuance of an invoice	Payable if more than 3 persons attend initial training, even if they attend the same session, or if you hire a replacement manager or Managing Owner
Software enhancements	Will vary depending on the type of enhancement	As incurred	We or a third party may develop customized software configurations. We may make available to you any enhancements developed, for which we may charge a reasonable fee
Software & Technology fees	Technology Fee: \$200 per month <sup>(7)</sup> Autotask: \$84 per month minimum; \$42 per month, per additional user; \$65 one-time set-up fee Office 365: \$19.32 for E3 license QuickBooks Online: \$90/month  All stated costs are current fees and subject to <u>the same</u> increase <del>if</del> <u>as our cost</u> increase; we reserve the right to modify this list with notice <sup>(8)</sup>	Monthly	You are required to use specific platforms and third-party software to operate your Business. We will invoice you, and you will pay us directly for this software (with certain exceptions) <sup>(8)</sup>
Managed Services Cost of Goods Revenue	RMM (Remote Monitoring and Management) and AV (Antivirus): Between \$3 - \$6 per workstation per month and up to \$30 per server per month under management, <del>but</del> <u>subject to the same</u> increase <del>if</del> <u>as our cost</u> increase MDR (Managed Detection and Response): \$5.75 per workstation per month	As incurred.	The RMM, MDR, and AV fee is payable only if you have workstations and servers under remote management. We highly recommend that your business device use all of these services.
Additional Leads Contact List	Average of \$1,500 to \$2,500, but may vary based on the number of contracts purchased	As incurred	You may obtain additional SBE contacts at an additional cost during your franchise term
Renewal fee	\$5,000	Upon renewal	Payable if you qualify to renew your franchise rights, satisfy all renewal terms and conditions, and sign our then-current franchise agreement

Type of Fee <sup>(1)</sup>	Amount	Due Date	Remarks
Late reporting fee	\$100 for the first occurrence, \$200 for the second occurrence, and \$400 for each additional occurrence	As incurred	Payable if you fail to submit a sales report, financial statement, form, record, certificate, or any other required report by the due date
Collection costs	All collection costs, including reasonable attorneys' fees	Due on demand	Payable only if we retain an attorney or collection agency to collect your delinquent payments
Additional training programs	<del>The then current fee</del> <u>\$2,000 per person; subject to increase if our costs increase</u>	Before training, but no later than 7 days upon issuance of an invoice	Includes technician training, or if we require or offer additional training programs or consulting services
Insurance costs	Premiums plus a minimum \$250 administrative fee for our assistance to procure insurance on your behalf	As incurred; reimbursement is due in the following month	Due only if you fail to maintain (or provide proof of) insurance, and we, at our option, obtain insurance for you
Non-compliance fee <sup>(9)</sup>	<del>Currently, \$500 per occurrence, but subject to change</del>	As incurred	We may impose this fee if you are non-compliant with your Franchise Agreement, Manual, or our System standards and specifications. This may be assessed in addition to, and not in lieu of, any other fee, and is not our sole remedy; we reserve all rights available at law or equity
Unauthorized Domain and/or use of Marks Fee	If you use or authorize the use of the Marks to obtain a domain name unauthorized by CMIT (including any associated URLs), or on a website unauthorized by CMIT, there is a minimum \$1500 fee <del>(subject to change)</del> per unauthorized domain, website, digital or online use violation; you are also required to transfer ownership and control of the domain to CMIT	Due on demand	You will owe a minimum fee if you fail to delete, disable, or transfer ownership and control of an unauthorized domain, website, or other digital asset. You will owe the minimum fee, along with an additional \$150 fee if you fail to comply with our instructions, or if you fail to pay the minimum fee within thirty (30) days after we issue written notice; the additional \$150 fee may be assessed for each thirty (30) day period of non-compliance

Provision	Article or Section in Franchise Agreement (FA)/Multi-Unit Agreement (MA)	Summary
(m) Conditions for franchisor approval of transfer	FA Section 11.2	New franchisee qualifies; no existing defaults; pay transfer fee; new franchisee completes the Training Program; sign release; sign then-current franchise agreement or agree to be bound by original franchise agreement; terms and conditions of proposed transfer will not adversely affect operations of the Business; complete the re-sale checklist and provide us with all information and/or materials required for transfer; you and your officers, directors, agents, employees, and Owners affirm covenant not to compete, transferee's obligations to your Business are subordinated to the transferee's obligations to us.
(n) Franchisor's right of first refusal to acquire franchisee's business	FA Section 11.3	We have the right to match any offer for your CMIT Solutions Business.
(o) Franchisor's option to purchase franchisee's business	N/A	N/A
(p) Death or disability of franchisee	FA Section 11.5	Franchise must be assigned to an approved buyer within 180 days
(q) Non-competition covenants during the term of the franchise	FA Section 8.10	No owning interest in, providing services for, loaning or leasing to, or diverting business or clients to a competitive business. You may not engage in <del>eopetitive</del> <u>competitive</u> activity, attempt to solicit or induce any customer or client of the <del>Buseinss</del> <u>Business</u> , another franchise owner, or ours-, <u>subject to applicable state law</u>
(r) Non-competition covenants after the franchise is terminated or expires	FA Section 13.5	For 2 years, neither you, nor your Operating Principal, nor any Owner holding (directly or indirectly) 20% of more of the Ownership Interests in you may: (i) have any direct or indirect, Ownership Interest in a Competitive Business located or operating, or otherwise providing

Provision	Article or Section in Franchise Agreement (FA)/Multi-Unit Agreement (MA)	Summary
		products or services to clients located in (a) the Territory; (b) any area that is within 10 miles of the border of the Territory, or (c) the territory in which any other CMIT Solutions Business is then located or operating (collectively, the “Restricted Area”), provided that this restriction will not apply to the ownership of shares of a class of securities which are publicly traded on a United States stock exchange representing less than 3% of the number of shares of that class issued and outstanding; or (ii) perform services as a director, officer, manager, teacher, employee, consultant, representative or agent for a Competitive Business located or operating, or otherwise providing products or services to clients located in, any Restricted Area, <a href="#">subject to applicable state law.</a>
(s) Modification of the agreement	FA Sections 15.2 and 15.11 / MA Section 12	The Manual, System, and System Standards are subject to change. Otherwise no modifications unless in writing and signed by both parties.
(t) Integration/merger clause	FA Section 15.13 / MA Section 12	Only the terms of the agreements are binding (subject to state law). Any representations or promises made outside of this Franchise Disclosure Document and the agreements may not be enforceable. Nothing in the Franchise Agreement or in any related agreement is intended to disclaim representations made in this Franchise Disclosure Document.
(u) Dispute resolution by arbitration or mediation	FA Section 15.6 / MA Section 12	We and you must arbitrate all disputes within 10 miles of our then current principal business address (currently Austin, Texas) (subject to state law).
(v) Choice of forum	FA Section 15.7 / MA Section 12	Subject to arbitration obligations, litigation must be in the state and in (or closest to) the city of our then current principal business address (currently Austin, Texas) (subject to state 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 by any franchisor, franchise seller, or other person acting on behalf of franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

**7. 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 THE STATE WHICH IS SUBJECT TO REGISTRATION WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, AT LAST 7 DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BIDDING 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 FRANCHISEE.**

## State Effective Dates

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

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

<b>State</b>	<b>Effective Date</b>
California*	Exempt
Illinois*	Exempt
Indiana*	Exempt
Maryland*	
Michigan	<a href="#">May 1, 2026</a>
Minnesota	
New York*	Exempt
Rhode Island*	Exempt
Virginia*	Exempt
Washington*	Exempt
Wisconsin	April 27, 2026

\*Large Franchise Exemption

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.