



FRANCHISE DISCLOSURE DOCUMENT

Stanley Steemer International, Inc.
An Ohio corporation
5800 Innovation Drive
Dublin, Ohio 43016
(614) 764-2007
www.stanleysteemer.com
FranchiseOpps@Steemer.com

Brief Description of the Franchised Business: The franchisee will own and operate a Stanley Steemer cleaning and restoration business that offers cleaning, restoration, and related services for various types of systems and surfaces found in indoor environments. Stanley Steemer businesses offer proprietary cleaning systems, including exclusive equipment and cleaning methods, that can be applied to various types of systems and surfaces found in indoor environments, including all types of flooring, upholstery, HVAC systems, air ducts, and related items.

The total investment necessary to begin operation of a Stanley Steemer franchise ranges from ~~\$158,210~~175,685 to ~~\$522,195~~509,745 for a Stanley Steemer cleaning business using a single Stanley Steemer Cleaning Platform capable of cleaning flooring, upholstery, HVAC systems, air ducts, and related items. This includes the ~~\$128,495~~74,500 to ~~\$448,495~~353,495 that must be paid to Stanley Steemer.

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 D. Ryan Jankowski, at Stanley Steemer International, Inc., 5800 Innovation Drive, Dublin, Ohio 43016 and (614) 764-2007.

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: March ~~27, 2025~~³¹, 2026, as amended April 6, 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 Exhibit B.
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 A 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 Stanley Steemer 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 Stanley Steemer franchisee?	Item 20 or Exhibit B 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 H.

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,~~ arbitration~~in Illinois,~~ and litigation in Ohio~~for disputes involving litigation.~~ 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~~and,~~ arbitrate~~with the franchisor in Illinois,~~ or litigate with the franchisor in Ohio than in your own state.
2. **Mandatory Minimum Payments.** You must make minimum royalty or 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.

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.

DISCLOSURES 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.

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

- (iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.
 - (iv) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.
- (h) A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of the assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in a manner provided in subdivision (c).
- (i) A provision which permits the franchisor to directly or indirectly convey, assign, or otherwise transfer its obligations to fulfill contractual obligations to the franchisee unless provision has been made for providing the required contractual services.

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

The Michigan Franchise Investment Law also provides:

A franchisor whose most recent financial statements are unaudited and which show a net worth of less than One Hundred Thousand Dollars (\$100,000) shall, at the request of a franchisee, arrange for the escrow of initial investment and other funds paid by the franchisee until the obligations to provide real estate, improvements, equipment, inventory, training or other items included in the franchise offering are fulfilled. At the option of the franchisor, a surety bond may be provided in the place of escrow.

The escrow agent shall be a financial institution authorized to do business in the State of Michigan. The escrow agent may release to the franchisor that amount of the escrowed funds applicable to a specific franchisee upon presentation of an affidavit executed by the franchisee and an affidavit executed by the franchisor stating that the franchisor has fulfilled its obligation to provide real estate, improvements, equipment, inventory, training or other items. This sub-section does not prohibit a partial release of escrowed funds upon receipt of affidavits of partial fulfillment of the franchisor's obligation.

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.

Franchisees should direct any questions concerning this offering to:

Assistant Attorney General
Consumer Protection Division, Franchise Section
G. Mennen Williams Building, First Floor

525 West Ottawa Street
Lansing, MI 48933
(517) 373-7117

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

The name of the franchisor is Stanley Steemer International, Inc., which is referred to in this disclosure document as “Stanley Steemer” or “we” or “us”. Stanley Steemer is an Ohio corporation. We do business under the names “Stanley Steemer International, Inc.”, “Stanley Steemer Carpet Cleaner”, “Stanley Steemer Duct Cleaning Service”, and “Stanley Steemer Restoration Services”. Our principal business address is 5800 Innovation Drive, Dublin, Ohio 43016. When we use the word “you” in this disclosure document, we are referring to you as a prospective Stanley Steemer franchisee and to other Stanley Steemer franchisees. If you elect to acquire a Stanley Steemer franchise through a corporation, limited liability company, partnership, or other business entity, the word “you” also includes the shareholders, members, partners, or owners of that entity. References in this disclosure document to “current” or “currently” mean as of the original issuance date of this disclosure document. Our agent for service of process is Philip P. Ryser, 5800 Innovation Drive, Dublin, Ohio 43016. In addition, if your state is listed in Exhibit I to this disclosure document, our agent for service of process in your state is listed in Exhibit I.

In April of 2000, our affiliate, Stanley Steemer National Advertising Fund, Inc., an Ohio nonprofit corporation, was formed to operate Stanley Steemer’s national advertising program on behalf of Stanley Steemer Businesses. Its principal business address is 5800 Innovation Drive, Dublin, Ohio 43016.

We have no parents or predecessors or, except as disclosed in the preceding paragraph, affiliates required to be disclosed in this disclosure document.

Description of Stanley Steemer’s Business

We are in the business of providing cleaning, mitigation, restoration, and related services to residential and commercial customers for various types of systems and surfaces found in indoor environments (referred to in this disclosure document as a “Stanley Steemer Business”) under our distinctive business format and operating system, including uniform methods, plans, standards, specifications, and procedures of operation, management, employing uniform brand standards and specifications relating to the products and services offered and sold under the Stanley Steemer name (“Brand Standards”). These Brand Standards include, among other things, outcomes and results that Stanley Steemer Businesses must achieve, including those relating to brand presentation and reputation, safety, technology and technology systems, advertising and promotion of Stanley Steemer Businesses, uniformity and quality, as well as uniformity of products and services (any and all of which may be periodically modified by us) (collectively, the “Stanley Steemer System”). The Stanley Steemer System includes additional special characteristics identifiable to the public by our trade secrets, trademarks, service marks, names, logos and symbols, which are used by us in identifying, advertising, promoting and marketing cleaning, restoration and related services for various types of systems and surfaces found in indoor environments (the “Trademarks”). We are also in the business of selling merchandise related to the services listed above, as well as licensing franchisees to offered and sold under the Stanley Steemer name, customer service and care, and customer experiences. We currently operate Stanley Steemer Businesses of the type being franchised in numerous markets throughout the United States.

The Brand Standards, the Stanley Steemer Trademarks (defined below), and the uniform procedures of implementation, operation, and management of a Stanley Steemer Business are all designed to ensure a consistent, high-quality image and reputation associated by the public with the Stanley Steemer Trademarks (the “Stanley Steemer System”). The trade secrets, trademarks, names, logos, and symbols and service marks, including the name and symbol of Stanley Steemer® (the “Stanley Steemer Trademarks”) are used

by us and franchisees in the operation of Stanley Steemer Businesses. The Stanley Steemer System, including the Brand Standards, may be modified by us from time to time in our commercially reasonable discretion.

We also offer and grant franchises to operate a Stanley Steemer Business in a particular area, designated geographical area (the “Franchised Area”) as described in this disclosure document.

We also manufacture and sell to our franchisees cleaning equipment and accessories, cleaning chemicals, products, and other supplies and equipment for use in connection with their Stanley Steemer Business. We also Businesses, and manufacture and sell Stanley Steemer Professional Carpet & Upholstery Spot Remover™ and Stanley Steemer Odor Out™ to various retail outlets throughout the United States. We also operate a web-based and catalog order business for these items and for certain the sale of merchandise and products relating to the services that Stanley Steemer Businesses provide, including floor care and cleaning products and offers certain of these items through our website at www.stanleysteemer.com.

Other than as described above, we are not engaged in other business activities.

Description of the Stanley Steemer Franchise Business that You Will Conduct

Each Stanley Steemer franchise offers franchisee operates its Stanley Steemer Business within its Franchised Area using the Stanley Steemer System to provide cleaning, mitigation, restoration, and other related services for various types of systems and surfaces found in indoor environments to individuals and businesses using methods and techniques established by us within a specified geographic area. These services are performed by using the, and to sell cleaning products and supplies, to residential and commercial customers. Franchisees must operate their Stanley Steemer Businesses in accordance with the Stanley Steemer System and must use our proprietary Stanley Steemer Carpet Cleaning Machine™ and/or the our proprietary Stanley Steemer Steemervac™ Air Duct Cleaning Machine (the “Stanley Steemer Cleaning Platforms”), which are contained in a vehicle bearing our distinctive yellow color and trademarks if franchisees offer air duct cleaning services. Stanley Steemer Cleaning Platforms are installed in the Service Vehicle that franchisees are required to use. The Service Vehicle will be in our signature color and display the Stanley Steemer Trademarks.

There are many different categories of products and services in the Stanley Steemer System that franchisees may provide, such as carpet cleaning, upholstery cleaning, tile and grout cleaning, air duct cleaning, water damage mitigation and restoration services, twenty-four (24)-hour emergency services, and other services designated by us from time to time (“Service Category”). We work with franchisees to determine what specific Service Categories the franchisee will offer to its customers; however, some Service Categories are considered an “Essential Service Category” and all franchisees must offer those services to their customers.

Franchisees are required to use certain features of our Integrated Technology Systems, including computer hardware and software and our 1-800- STEEMER telephonic customer inquiry and reservation system. (Item 11 includes additional information regarding our Integrated Technology Systems), and they must comply with the standards, specifications, and requirements set out in our operations manuals. Market and Competition

Our franchisees also offer various products and cleaning supplies specified by us for sale to the public.

We currently operate Stanley Steemer Businesses of the type being franchised in numerous markets throughout the United States.

Market and Competition

The general market for the products and services to be offered by your Stanley Steemer Business is the residential market, and to a lesser extent the commercial market. The business is year-round and is not typically seasonal. The market for the products and services is well developed. If you become a Stanley Steemer franchisee, you must compete with a large number of already established locally owned cleaning and restoration businesses, many of which have been in business for a significant period of time, as well as several national or regional franchise programs offering franchises similar to ours. You should consult the classified telephone directory and undertake an Internet search for “Carpet and Upholstery Cleaners,” “Air Duct Cleaning”, and/or “Water Damage Restoration” to determine the number of competitors in the area.

Laws or Regulations Applicable to a Stanley Steemer Business

A Stanley Steemer Business is subject to numerous laws and governmental regulations that apply to businesses generally. In addition, certain areas of the country may have environmental regulations which may affect how you operate your Stanley Steemer Business. Your business may also be subject to federal and state data privacy and data security laws and regulations, including requirements relating to the collection, use, storage, and protection of customer and employee information. You will need to contact your state and local authorities to determine the applicability of local regulations and ordinances as they relate to your Stanley Steemer Business. We are aware that certain states (including Arizona, Arkansas, California, Florida, Georgia, Michigan, and Texas) require businesses providing duct cleaning services to first obtain a contractor’s license. Before you purchase a Stanley Steemer franchise, we suggest that you check on the existence of any applicable regulations in your area.

Prior Business Experience of Stanley Steemer

We have conducted a cleaning, mitigation, and restoration business of the type to be operated by you since 1947.

Prior to our incorporation in 1972, we were a sole proprietorship operated by Jack A. Bates, our founder and former Chairman of the Board. We have offered Stanley Steemer Carpet Cleaner franchises since 1972; and offered Stanley Steemer Air Duct Cleaning Service “add-on” licenses from 1998 through 2020, and Stanley Steemer Carpet Sales and Installation Service licenses from 1999 through 2013, and have never offered franchises in other lines of business.

Stanley Steemer’s affiliate, Stanley Steemer National Advertising Fund, Inc., oversees the nationwide advertisement of Stanley Steemer Businesses and has never operated a business of the type to be operated by you and has never offered franchises in any line of business.

ITEM 2. BUSINESS EXPERIENCE

Chief Executive Officer and Chairman of the Board of Directors: Wesley C. Bates

Mr. Bates has been employed by Stanley Steemer in Columbus, Ohio since its formation in 1972. He has served as its Chief Executive Officer since January 2007 and as Chairman of the Board of Directors since December of 1989.

President: Justin M. Bates

Mr. Bates has been employed by Stanley Steemer in Columbus, Ohio since July of 1997. He has served as its President since January of 2007.

Executive Vice President, Secretary, and General Counsel: Philip P. Ryser

Mr. Ryser has been employed by Stanley Steemer in Columbus, Ohio since October of 1981. He has served as Executive Vice President, Secretary, and General Counsel since March of 1998.

Vice President and Treasurer: Mark V. Bunner

Mr. Bunner has been employed by Stanley Steemer in Columbus, Ohio since October of 1984. He has served as Vice President and Treasurer since January of 1995.

Vice President of Legal Affairs and Chief Administrative Officer: D. Ryan Jankowski

Mr. Jankowski has been employed ~~with~~by Stanley Steemer in Columbus, Ohio since June ~~of~~ 1997. He has served as ~~Chief Administrative Officer since October of 2011 and as~~ Vice President of Legal Affairs since February ~~of~~ 2003 and as Chief Administrative Officer since October 2011.

Vice President of Human Resources: Eric Smith

Mr. Smith has been employed by Stanley Steemer in Columbus, Ohio as Vice President of Human Resources since October ~~of~~ 2001.

Vice President of Branch Operations: Nino DiVincenzo

Mr. DiVincenzo has been employed ~~with~~by Stanley Steemer in Columbus, Ohio since January ~~of~~ 2010. He has served as National Tile and Grout Manager since January ~~of~~ 2010 and as Vice President of Branch Operations since January ~~of~~ 2012.

Vice President of Marketing: Andrew Schneider

Mr. Schneider has been employed by Stanley Steemer International, Inc. in Columbus, Ohio as Vice President of Marketing since April 2025. From March 2019 to April 2025, Mr. Schneider was employed by The Wendy's Company in Dublin, Ohio, serving as Director, Integrated Marketing from July 2024 to April 2025, and as Director, Advertising Production from March 2019 to July 2024.

Director: R. L. Richards

Mr. Richards has served as a Director of Stanley Steemer since May ~~of~~ 1982. Since July ~~of~~ 1978, he has served as an Officer and Director of the R. David Thomas Trust in Dublin, Ohio.

Director: Howard C. Task

Mr. Task has served as a Director of Stanley Steemer since February ~~of~~ 1985. Since July ~~of~~ 1994, he has served as President of Howard Task and Associates in Columbus, Ohio.

ITEM 3. LITIGATION

No litigation is required to be disclosed in this Item.

ITEM 4. BANKRUPTCY

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

ITEM 5. INITIAL FEES

Stanley Steemer Initial Franchise Fee

To acquire a Stanley Steemer franchise, you must pay us an initial franchise fee. The amount of this fee will be negotiated between you and us. In negotiating the initial franchise fee, we will consider factors such as the population of the area, demographics of the population, trends in population, existing and projected competition, ~~the existing Stanley Steemer advertising and/or existing sales in the area (if any),~~ average household income, and related factors.

During ~~2024~~2025, the range of initial fees charged to franchisees was ~~\$100,000~~10,000 to ~~\$2,433,676~~127,267. As a general rule, the initial franchise fee is approximately \$20,000 for each 100,000 in population or fraction of 100,000 in population in your ~~area~~Franchised Area. Typically, the range of initial franchise fees charged to franchisees is \$20,000 to \$100,000.

The initial franchise fee can be paid in a single lump sum payment or can be financed under either one of two (2) plans offered by us. The first financing plan ("Option A") would allow you to defer payment of a portion of the initial franchise fee over a period of 6 months to 5 years as you and we would agree. In this case, you would sign a promissory note, in the form of Exhibit E attached to this disclosure document, providing for the payment of the deferred portion of the initial franchise fee at an agreed-upon interest rate which would not exceed five percent (5%) per annum over the prime rate of JP Morgan Chase Bank, N.A., or its successor bank. Under the second plan ("Option B"), you and we would agree to defer payment of a portion of the initial franchise fee and an estimated imputed interest on that amount. The initial franchise fee under the Stanley Steemer International, Inc. Franchise Agreement ("Franchise Agreement") would then be reduced to the amount of the down payment and the deferred amount and imputed interest would be paid, under the Franchise Agreement, by means of an additional monthly royalty payment of three percent (3%) of your gross sales until the deferred amount and imputed interest are paid in full. If Option B is selected, your Franchise Agreement will include a provision similar to Exhibit D attached to this disclosure document.

The initial franchise fee is non-refundable. However, if you elect to defer a portion of the initial franchise fee under Option B above and your franchise is terminated prior to payment in full of the deferred amount and imputed interest, you would not be obligated to pay the unpaid balance of the deferred amount and imputed interest.

Option Fee

~~If we agree, we~~We may allow you to reserve an area prior to becoming a Stanley Steemer franchisee for a period of up to 6 months by paying a non-refundable option fee not to exceed ~~10~~ten percent (10%) of the estimated initial franchise fee. This option fee will be applied toward payment of the initial franchise fee if you purchase a franchise and, with our consent, you can transfer this fee to reserve ~~another area or a~~ different area than the one you and we initially agreed to, or to purchase ~~another~~an additional Stanley Steemer franchise. A copy of the ~~form~~Option to Purchase Agreement form is attached as Exhibit F to this disclosure document.

Equipment

~~In addition to the initial franchise fee, you~~You must purchase ~~one or more~~the Stanley Steemer Cleaning Platforms and distinctive van type vehicles from us. ~~The Stanley Steemer Vehicle equipped with a Stanley Steemer Cleaning Platform and/or bearing the Trademarks is referred to in this disclosure document as the "Stanley Steemer Vehicle." The number of Stanley Steemer Vehicles will be agreed to~~

~~by you and us based~~ Carpet Cleaning Machine™ from us to perform your carpet cleaning services. The cost of this equipment can vary from \$29,000 to \$68,000 depending upon the size of your ~~area~~ Franchised Area and your business plan. ~~The cost of each Stanley Steemer Vehicle can vary from \$85,000 to \$155,000 based upon how you elect to accessorize it.~~

~~You~~ If you offer water damage mitigation and restoration services, you must ~~also~~ purchase certain equipment from us to perform ~~water damage mitigation and restoration~~ those services. The cost of this equipment can vary from \$10,000 to \$40,000 depending upon the size of your ~~area~~ Franchised Area and your business plan. ~~You~~

If you offer air duct cleaning services, you must ~~also~~ purchase certain air duct cleaning equipment from us to perform ~~air duct cleaning~~ those services. The cost of this equipment can vary from \$8,000 to ~~\$145,000~~ 135,000 depending upon the size of your ~~area~~ Franchised Area and your business plan.

Supplies and Advertising Materials

You will also need cleaning chemicals, cleaning supplies, office supplies, advertising materials, uniforms, and similar items to begin your Stanley Steemer Business. These can be purchased from us or directly from a supplier approved by us. The total cost of an initial inventory of these items will vary from ~~\$5,000~~ 7,500 to ~~\$8,000~~ 10,000, depending upon the size of your ~~area~~ Franchised Area and your business plan.

Technology Setup or Integration

~~You are required to use our proprietary software. You are not charged an initial fee for this software, but you must pay us a non-refundable fee of \$495 per person per day for any set-up if you request our assistance in the setup or conversion of your computer hardware system needed in order for so that you to be~~ able to use our software Integrated Technology Systems.

Financing of Fees

~~We~~ Other than the initial franchise fee financing options described above, we do not offer ~~any~~ financing or deferred payment terms for ~~Stanley Steemer Vehicles or other~~ equipment or items that you must ~~purchase for use in your Stanley Steemer Business. Amounts described above that you pay are payable to us for the initial franchise fee, the Stanley Steemer Vehicles and other items are nonrefundable.~~ Generally, payments made to third parties ~~other than us~~ are also not refundable.

ITEM 6. OTHER FEES

OTHER FEES – Stanley Steemer Franchise

Type of Fee	Amount	Due Date	Remarks
Monthly Royalty	Monthly royalty payment equal to seven percent (7%) of ~~gross sales~~ Gross Sales from Core Business and three percent (3%) of ~~gross sales~~ Gross Sales from Related Business.	Payable monthly on the <u>fifteenth (15th)</u> day of the next month, by <u>electronic funds transfer if required by us.</u>	See Note 1.
Minimum Annual Royalty	If the total of monthly royalty payments paid by	Payable within thirty (30) days following the	See Note 1.

Type of Fee	Amount	Due Date	Remarks
	you during a ~~one year period~~ <u>are not at least equal to Minimum Annual Royalty Year</u> does not meet the Minimum Annual Royalty ~~amount~~ <u>negotiated by you and us as set out in your Franchise Agreement</u> <u>owe</u> , you must pay us the difference.	end of each Minimum Annual Royalty Year.	
Additional Royalty	<u>Zero (0) to three percent (3%)</u> of total gross sales.	Payable monthly on the 15th day of the next month.	See Note 2.
Late Payment Fee	The lesser of <u>eighteen percent (18% interest)</u> per annum (the “Default Rate”) or the maximum ~~amount allowed~~ <u>rate permitted</u> under applicable law, on all amounts not paid when payment is due ~~to us~~ .	When payment is overdue.	See Note 3.
<u>Advertising Expenditure Requirement</u>	~~10% of total gross sales~~ <u>Not less than ten percent (10%) of annual Gross Sales, allocated to qualifying Advertising Expenditures.</u>	Payable as incurred, but total amount must be spent within <u>the</u> calendar year.	See Note 4.
National Advertising Fee	Up to <u>four percent (4%)</u> of monthly ~~gross sales~~ <u>Gross Sales</u> from Core Business and Related Business. <u>Any increase in the fee percentage requires ninety (90) days’ prior written notice.</u>	Payable monthly on the 15th day of the ~~next~~ <u>following</u> month.	See Note 4.
<u>Advertising Expenditure Shortfall Payment</u>	<u>If you fail to meet the Advertising Expenditure Requirement and do not cure the shortfall within the Catch-Up Period, the shortfall amount will be payable to the national advertising fund.</u>	<u>Due upon expiration of the Catch-Up Period or within fifteen (15) days after resolution of a timely challenge.</u>	<u>See Note 4.</u>
~~1-800-STEEMER® & Location Based~~ Call	Actual cost of usage on a per minute basis for	<u>Thirty (30) days</u> after billing.	See Note 5.

Type of Fee	Amount	Due Date	Remarks
Routing Infrastructure Fees	all customer calls. We estimate ~~actual~~ <u>current</u> cost to be between ~~\$.050.06~~ and ~~\$.080.09~~ per minute.		
National Customer Contact Center Usage Fees	Actual cost of usage on <u>a</u> per minute basis. We estimate ~~actual~~ <u>current</u> cost to be ~~\$.85-0.95~~ to ~~\$.901.05~~ per minute. <u>Participation is voluntary.</u>	<u>Thirty (30)</u> days after billing.	See Note 6.
Additional Training Tuition Fee	~~\$185200-\$625650~~ per person for each training session.	<u>Thirty (30)</u> days after billing.	See Note 7.
Transfer Fee	\$10,000	Before transfer is effective.	See Note 8.
Renewal Fee	\$10,000	~~Before~~ <u>Upon execution of renewal is-</u> ~~effective~~ <u>agreements.</u>	See Note 9.
Audit Fee	Actual cost of <u>any</u> audit, plus late payment fee. We estimate the actual cost of an audit to range between \$4,000 to \$8,000.	Immediately upon billing.	See Note 10.
Training Fee Related to ~~Proprietary Software~~ <u>Integrated Technology Systems</u>	Up to \$250	Immediately upon billing.	See Note 11.
Indemnification of ~~us~~ <u>Us</u> for Expenses of Claims	The amount of all ~~damages~~ , losses and expenses that we incur in connection with ~~legal actions~~ <u>any action, proceeding, claim, or investigation</u> arising out of your ownership, <u>or</u> operation, ~~construction or improvement~~ of your Stanley Steemer business ~~business~~ .	Upon receipt of invoice.	<u>See Note 12.</u>
Testing and Inspection	The costs of testing products, supplies, and other items used in your Stanley Steemer business; and following an inspection of your business premises, equipment, and cleaning methods, the reasonable	Upon receipt of invoice; no later than the date the next royalty payments are due under the Franchise Agreement.	See Note ~~12~~ <u>13</u> .

Type of Fee	Amount	Due Date	Remarks
	costs and expenses incurred by us in the removal, replacement, repair, or remodel of equipment and products that do not conform to our specifications.		
Ongoing Purchases from Us	The typical franchisee pays us \$17,445 to \$69,780 annually for ongoing purchases from us.	Upon receipt of invoice.	These ongoing purchases may include cleaning products, supplies, equipment, and machinery, as well as accessory cleaning equipment, ~~Stanley-Steemer Service~~ Vehicle accessories, and replacement and spare parts, replacement and spare parts for your Stanley Steemer Cleaning Platform(s), Stanley Steemer Professional Carpet & Upholstery Spot Remover™, and Stanley Steemer Odor Out™.
<u>Technology Fee: Required Components</u>	~~Currently \$0. We have reserved the right to require you to pay a monthly fee for your use of our proprietary software, integrated technology systems, social media listings, listings in local directories and other technology related products and services identified by us for use in your Stanley Steemer Business.~~ <u>implement Technology Fees for Required Components of our Integrated Technology Systems. If implemented, total Required Component Technology Fees may not exceed four percent (4%) of your annual</u>	Monthly upon invoice.	We do not currently charge this fee. We have the right to change the amount of this fee from time to time. ~~We estimate the maximum fee will be 3% to 4% of your annual gross sales~~ <u>See Note 14.</u>

Type of Fee	Amount	Due Date	Remarks
	<u>Gross Sales solely as the measurement benchmark for calculating the Aggregate Ceiling, which caps the total of all discrete Required Component fees in any calendar year. Annual fee increases are capped at the lesser of CPI + three percent (3%) or actual cost increases. We must give you at least one hundred eighty (180) days' written notice before implementing new Technology Fees or increasing existing fees by more than ten percent (10%).</u>		
<u>Technology Fee: Elective Components</u>	<u>Varies. If you elect to use optional technology tools or features beyond the Required Components, you will pay usage-based or subscription-based fees.</u>	<u>Per applicable subscription or usage terms.</u>	<u>See Note 14.</u>
<u>Strategic Account Pass-Through Charges</u>	<u>Amounts vary by account.</u>	<u>Per Account Addendum terms.</u>	<u>See Note 16.</u>
<u>Strategic Account Administration Fee</u>	<u>We currently charge no administration fee for Strategic Account participation but do reserve the right to implement a program administration fee.</u>	<u>If implemented, per notice and Account Addendum terms.</u>	<u>See Note 16.</u>
<u>Consumer Price Index Increases to All Fees, Costs, Charges, Contributions, and Dollar Amounts</u>	<u>Increase in fees, costs, charges, contributions, and dollar amounts in the Franchise Agreement and any other agreement with Stanley Steemer</u>	<u>Increase may occur no more than once per year, unless otherwise provided in agreements. Increases take effect upon written notice to franchisees, including</u>	<u>See Note 17.</u>

Type of Fee	Amount	Due Date	Remarks
	<u>depending on the right to increase fees in the agreements and the Consumer Price Index.</u>	<u>via the Manuals, email, or other electronic communication.</u>	
<u>Attorneys' Fees</u>	<u>Actual costs incurred for collections matters relating to non-payment of amounts owed and violations of advertising requirements and restrictions.</u>	<u>Upon invoice.</u>	

Except as provided in the following footnotes, the fees and payments listed above are payable to us and uniformly imposed and collected by us. These fees and payments are not refundable.

Note 1: Royalty: You are required to pay to us a monthly royalty equal to seven percent (7%) of your gross sales related to Gross Sales from your Core Business and three percent (3%) related to of Gross Sales from your Related Business.

"Gross Sales means the amount of all sums charged (regardless of collection) for all products sold or services provided" means the total of all revenue, receipts, and value received by you in connection with your the Stanley Steemer Business, for (whether from cash or on a charge, check, credit or time basis, barter, or any other source), without reserve or deduction for inability or failure to collect, whether such revenue is generated directly by you or is received or routed through the Integrated Technology Systems. Gross Sales include all sums from (i) includes, without limitation, revenue from all products sold and services provided, all activities of every type by you and your employees under the name Stanley Steemer conducted under or in connection with the Stanley Steemer Trademarks, (ii) any all cleaning, water mitigation or, and restoration services performed by you or your employees; (whether or not performed under the Stanley Steemer name), payments and reimbursements from third-party coupon providers, lead aggregators, insurance carriers, and similar sources, and the fair market value of all goods and/or services received by you in exchange for products or services provided by you or related to your Stanley Steemer Business. in barter or non-cash exchanges.

Gross Sales ~~does not include the amount of:~~ (a) overcharges, refunds, allowances or bona fide discounts to customers (including coupon discounts attributable to coupon sales), the amount of any); (b) excise or sales tax levied upon retail sales of goods and services and taxes collected on behalf of, and payable over to, the appropriate governmental authorities, and; or (c) isolated sales of non-inventory items or the bulk sale of your Stanley Steemer Business the business.

For barter or non-cash exchange transactions in which the fair market value of services you provide is reasonably expected to exceed \$5,000, you may request our pre-approval of the fair market value calculation. If we approve in writing prior to the transaction, the valuation will be binding for Gross Sales reporting purposes. (Franchise Agreement, Article II, Section C.)

The royalty fee that you will pay varies, depending upon whether the Gross Sales are from your Core Business or your Related Business. The monthly royalty payments are due and payable, without invoice or other notice from us, on the 15th day of the month following the month for which the payment is due.

Core Business means all cleaning, enhancement, installation, maintenance, mitigation, remediation, repair, and restoration services of any type not specifically defined or designated as Related Business

(see below), including services related to floors, walls, ceilings, counters, furniture, soft goods, textiles, fabrics, rugs, upholstery, ductwork, HVAC, and other mechanical systems.

Core Business includes the application of protective coatings, deodorizers, sanitizers and disinfectants; janitorial and housekeeping services; pressure washing services; the cleaning, maintenance, repair and restoration of hard surfaces, including exterior concrete and natural stone; the sale, installation, repair, maintenance and cleaning of air ducts, HVAC systems and related items including clean air enhancement and ventilation services; any extraction, mitigation, remediation and restoration services associated with fire, smoke, mold, flood or water damage including services paid for by insurance; the sale of any item for the care, cleaning or maintenance of any type of floors, walls, ceilings, counters, furniture, soft goods, textiles, fabrics, rugs, upholstery, ductwork, HVAC, and other mechanical systems including Stanley Steemer Professional Carpet Spot Remover, Stanley Steemer Odor Out, UV lighting systems, interior/exterior matting systems and carpet rakes.

Related Business means the sale, installation, and repair of all types of flooring; subcontracted services outside of the Core Business; Reconstruction Services (see below); and any other services that we may designate in the Manuals (~~see Item 11 of this disclosure document~~). Reconstruction Services means any construction services rendered in connection with fire, smoke, mold, flood, or water damage. Reconstruction Services shall expressly include electrical services, plumbing services, carpentry services, roofing services, drywall and plaster, painting, wallpapering, cosmetic restoration, and structural repairs. Reconstruction Services do not include demolition, tear-out, or post-construction cleaning services.

You are required to pay to us a minimum annual royalty ("Minimum Annual Royalty") in an amount which is negotiated by you and us prior to signing the Franchise Agreement. In negotiating this Minimum Annual Royalty, we may consider factors such as the size and population of the ~~franchised area~~ Franchised Area, demographics of the population, trends in population, existing and projected competition, existing sales performance (if any), average household income in the Franchised Area, and related factors. During each minimum annual royalty year (~~the term of which is set out in a table in your Franchise Agreement~~) (the "Minimum Annual Royalty Year"), you must pay us a total amount of monthly royalty payments equal to or greater than the applicable amount of Minimum Annual Royalty for the Minimum Annual Royalty Year. ~~In the event that the total amount of monthly royalty payments set out in the Franchise Agreement. If the royalties paid to us during a Minimum Annual Royalty Year is equal to or greater are less than the applicable required Minimum Annual Royalty set out in the Franchise Agreement for that Minimum Annual Royalty Year, then you are not required to make an additional royalty payment for that Minimum Annual Royalty Year. However, in the event that the total amount of monthly royalty payments paid to us during any Minimum Annual Royalty Year is less than the applicable Minimum Annual Royalty set out in the Franchise Agreement for the applicable Minimum Annual Royalty Year, then, then~~ within thirty (30) days following after the end of that Minimum Annual Royalty Year ends, you must pay us an amount of money equal to the difference between the total amount of monthly royalty payments paid during the Minimum Annual Royalty Year and the applicable Minimum Annual Royalty- in the Franchise Agreement. In limited circumstances, you may request a deferral of this shortfall payment. If your request is approved by us, you will have ninety (90) days from the end of the applicable Minimum Annual Royalty Year to make the shortfall payment. With limited exception, your obligation to pay the Minimum Annual Royalty and to pay the required Technology Fees continues to apply if we designate an Authorized Provider to sell certain products and services in your Franchised Area and if your right to sell products and services in a particular Service Category is suspended or terminated by us.

Note 2: Additional Royalty: If we agree to allow you to defer payment of a portion of the initial franchise fee ~~and an estimated imputed interest on that amount~~, the deferred amount and imputed interest ~~will on that amount must be paid by you by means of to us as~~ an additional monthly royalty payment of three percent (3%) of your gross sales, Gross Sales until this amount is paid in full.

Note 3: Late Payment Fee: Any payment that is not received by us on the ~~due date~~ due will bear interest at the lesser of eighteen percent (18%) per annum or the maximum amount allowed under applicable law (the “Default Rate”) from the date that payment ~~is~~ was due until the date that payment is received by ~~Stanley Steemer~~ us. Interest accrues automatically without notice or demand. In addition, you must reimburse us for all ~~of our costs of collection and expenses that we incur in collecting past due amounts from you, including attorney’s fees.~~

Note 4: Advertising Expenditures: ~~You~~ Each year, you are required to spend ~~annually for advertising an amount equal to at least ten percent (10%) of your annual gross sales. This amount includes any amounts spent for cooperative and national advertising, as discussed below. Except~~ Gross Sales on advertising (the “Advertising Expenditure”). We will provide you with advertising materials, and you are responsible for customizing those materials and using them in your local or regional market. Some costs and expenses that you incur with respect to your contribution to a cooperative advertising fund and for national advertising and instances in which we operate as the billing and collection agent for a regional advertising can be included when determining whether the required ten percent (10%) of Gross Sales for Advertising Expenditures was met. Our policies regarding Advertising Expenditure are included in the Manuals. Except for a cooperative or other advertising program, these amounts are paid to third parties and not to us. fund and national advertising administered by us, you will pay advertising costs and expenses to third parties. In limited circumstances, if your advertising expenditure for any calendar year was less than the required ten percent (10%) of Gross Sales, we may allow you additional time to make the required Advertising Expenditures.

~~If we require~~ required by us, you must ~~advertise in~~ maintain local market advertising listings, ~~which may include such as~~ such as directories, social media websites, applications and platforms, and independent websites. ~~You may not advertise in local market~~

~~All advertising listings without our prior written approval, which we may withhold or condition for any reason. We have full rights and control over content and placement of all and~~ local market advertising listings must comply with our Brand Standards.

~~In addition, if we or a majority of the Stanley Steemer Businesses in your media area determine that a media area cooperative advertising program should be established, you are~~ You may be required to participate in a cooperative advertising fund and to pay your pro rata share for that cooperative advertising program, determined in accordance with the Franchise Agreement. You must also comply with all rules and regulations adopted by the members of ~~to the cooperative advertising program.~~ fund in an amount determined by the cooperative, or if applicable, by an allocation methodology designated by us that takes into account factors such as your geographic area, population, and market share. Your cooperative advertising fund payments are credited toward your advertising expenditure obligation. Franchisees who signed an earlier form of our Franchise Agreement are not required to pay fees to a cooperative advertising fund. They ~~**Because some franchisees have, in the past, signed other forms of franchise agreements, it is possible that some franchisees in a media area**~~ cannot legally be required to participate in cooperative advertising to the same extent as you are required.

If we have a company-owned branch operation in your media area, we are also required to participate in ~~that cooperative~~ cooperative advertising ~~cooperative~~ on the same terms as you. As of the original issuance date of this disclosure document, all Stanley Steemer cooperative advertising cooperatives operate operates on the basis of one (1) vote for each Stanley Steemer Business in the media area served by the cooperative. Currently, we have controlling voting power in the television media areas of Baltimore, Maryland, Chicago, Illinois, Portland, Oregon, Philadelphia, Pennsylvania, Seattle, Washington, Salt Lake City, Utah, Denver, Colorado, Phoenix, Arizona, Richmond, Virginia, Hampton-Newport News, Virginia, Raleigh-Durham, North Carolina, Detroit, Michigan, and Washington, DC. We do not have controlling voting power in any other advertising ~~cooperatives~~ cooperative. If we have controlling voting power in a

cooperative, the range of the advertising cooperative fee will be approximately four percent (4%) to twelve percent (12%) of the annual aggregate gross sales of the Stanley Steemer Businesses operating in the media area covered by the advertising cooperative.

You are required to participate in a national advertising program for Stanley Steemer Businesses and to pay a monthly National Advertising Fee to our affiliate, Stanley Steemer National Advertising Fund, Inc. We have the right to require you to pay up to four percent (4%) of your ~~gross sales~~Gross Sales to the National Advertising Fee each month. These payments must be made as a separate payment to Stanley Steemer National Advertising Fund, Inc., submitted to us, and will be due and payable on the 15th day of each month in the same manner as your royalty payment. The percentage of monthly ~~gross sales~~Gross Sales that makes up the National Advertising Fee is provided by the Franchise Agreement.

We will provide not less than ninety (90) days' advance written notice before increasing the National Advertising Fee percentage. Your National Advertising Fee payments are credited toward your total Advertising Expenditure obligation for the calendar year in which they are paid; accordingly, National Advertising Fee payments are not an obligation in addition to the ten percent (10%) advertising expenditure but rather, count toward the required advertising expenditure (Franchise Agreement, Article VI, Section B.3(a).)

We administer the national advertising fund in our sole discretion. You do not have a right to require that the fund be spent in a particular proportion to your contribution or in or near your territory. The fund is not a profit center for us. An independent certified public accountant audits the fund's financial statements annually. You do not have the right to direct or control the fund's advertising strategy, media selections, allocations, or creative content. (Franchise Agreement, Article VI, Section B.4.)

Because some franchisees have, in the past, signed other forms of franchise agreements, it is possible that some franchisees cannot legally be required to participate in the national advertising program to the same extent as you are required. Franchisees who signed an earlier form of our Franchise Agreement are not required to pay National Advertising Fees, and they cannot legally be required to participate in national advertising to the same extent as you are required.

Note 5: 1-800-STEEMER® & Location-Based Call Routing Infrastructure: We maintain a national toll-free vanity number—1-800-STEEMER®—and other associated telephone numbers and digital booking channels that route in-bound inbound customer inquiries to the appropriate Stanley Steemer operationsBusiness through a location-based routing system (the “Call Routing Infrastructure”). You are required to use these telephone numbers in the operation of your Stanley Steemer Businessthe Call Routing Infrastructure and to pay the costs associated with this the system on the basis of actual usage at our actual operating cost. Costs are billed monthly on a per minuteper-minute basis. These amounts are due to, and must be paid within thirty (30) days after billing of invoice. We may adjust these fees annually to reflect changes in our actual costs, subject to thirty (30) days' advance notice to you. You must either use our National Customer Contact Center (“Contact Center”) to receive inquiries routed from the Call Routing Infrastructure to the Contact Center or you must maintain your own phone lines and staff to receive inquiries routed from the Call Routing Infrastructure to you.

Note 6: National Customer Contact Center Usage Fees: We maintain a National Customerthis Contact Center for the purposespurpose of fielding in-bound customer contacts and inquiries. Depending upon our capacity and the availability of resources, you may use the services of our National Customer Contact Center in the operation of your Stanley Steemer Business. Your utilization of services provided through our National Customer Contact Center is voluntary and will be determined at your discretion. If you choose to use these services, you will be required to pay for the costs of the services on the basis of your actual usage. Costs inbound customer inquiries and scheduling requests from the Call Routing Infrastructure. You are not required to use our Contact Center, but if you do, you must sign a Contact

Center Services Agreement and you must pay a per-minute fee for the Contact Center services that you use, at the rates published in the Manuals. We may adjust fee rates from time to time upon not less than thirty (30) days' advance written notice to you. There is no minimum monthly charge and no fee cap applicable to Contact Center fees, which are billed monthly on a per-minute basis. These amounts are due to be paid and due and payable within thirty (30) days after billing. Contact Center usage fees are separate from Technology Fees and from Call Routing Infrastructure fees.

Note 7: Additional Training Tuition Fee: We provide various periodic mandatory and supplemental training programs both, including onsite —workshops— and offsite —road shows— programs, for you and your personnel. Your employees are not currently required to attend these' attendance at supplemental (non-mandatory) training programs, rather, their attendance will be is determined at your sole discretion as the independent owner and operator of your Stanley Steemer Business. If you or one of your employees attends one (1) of these programs, you may be required to pay us a tuition fee that varies between \$185200—\$625650 per person per training program. These tuition fees are not applicable to our initial training program or any current additional mandatory training programs. These amounts are due within thirty (30) days after billing and are non-refundable. In connection with a renewal of your franchise, we may require you (or your Designated Principal) to attend and satisfactorily complete a refresher training program.

Note 8: Transfer Fee: Among other preconditions of our approval for a proposed transfer of your franchise, you or the person or business entity to whom you are transferring your franchise, must pay us a transfer fee in the amount of \$10,000 before that transfer is effective. You or the proposed transferee must pay us a Transfer Fee of \$10,000 and meet other transfer conditions before you may transfer your franchise, unless the transfer is of a minority equity interest in your franchise entity that does not result in a change of voting control. We have a right of first refusal on any proposed transfer to a third party. (Item 17 of this disclosure document has additional information regarding transfer conditions and restrictions.)

Note 9: Renewal Fee: Among other preconditions of our approval of a request by you to renew your franchise, you You must pay us a renewal fee of \$10,000 before your renewal is effective when the renewal franchise agreement is signed, and you must meet other renewal conditions before we will agree to the renewal of your franchise.

To renew your franchise for one (1) additional term of ten (10) years, you must satisfy all of the conditions to renew under your Franchise Agreement, including your substantial compliance with the Franchise Agreement. Substantial compliance means that you have operated your Stanley Steemer Business in accordance with the Franchise Agreement in all material respects, and any breaches or defaults have been minor in nature, promptly cured, and do not reflect a pattern of non-compliance. Breaches that would have justified immediate termination under the Franchise Agreement are not considered minor even if you cure them. You must have no uncured defaults under the Franchise Agreement, the Technology Systems Access Agreement, or any other agreement with us as of the expiration date of your current term.

Note 10: Audit Fee: We may audit your books, records, and tax returns at any reasonable time. That, either at your location or off-site. The audit is at our expense unless it discloses that you have understated your gross sales by Gross Sales by two percent (2%) or more for the period covered by the audit. In that eventIf you understated your Gross Sales, you must immediately pay us the royalty payment for the amounts understated, plus interest at the Default Rate from the date payment was due until the date payment is made paid, and reimburse us for the cost all costs of the audit (including reasonable accounting and attorneys' fees and disbursements). You must maintain and send electronic records through our Integrated Technology Systems, which must be complete and accurate. We may conduct technology audits of your use of, and compliance with, the Integrated Technology Systems,

including remote system access. If a technology audit reveals non-compliance, you may be required to bear the costs of the audit.

Note 11: Proprietary Software Training Fee: You must use our proprietary software in your Stanley Steemer Business identified by us from time to time. Currently, our proprietary software includes Powermagic[®]™, Fusion™, Nimbus™, and Nimbus X™ (collectively, the “Proprietary Software”). We may provide franchisees with basic training on the use of this software at a cost of \$150 the Proprietary Software and Required Components, and we may charge franchisees up to \$250 per person per day for this training. We currently charge \$150 per person per day. (Described in Note 14 below.)

Note 12: Indemnification: Your indemnification obligation covers all damages, losses, expenses, fines, charges, costs, reasonable attorneys’ fees, court costs, settlement amounts, judgments, and compensation for damages to our reputation and goodwill arising from your ownership or operation of your Stanley Steemer business, as described in more detail in the Franchise Agreement.

Note 13: Testing and Inspection: We may inspect products, supplies, and other items used in your Stanley Steemer Business, as well as your place of business and results of services performed, without reimbursement to you, in amounts reasonably necessary to allow us to determine whether the items removed meet our then-current then-current standards and specifications. If an item does not conform to our standards and specifications, or if you are using an item that has not been previously approved by us, or for which our approval has been revoked, you must pay the costs and expenses associated with the testing of the item. We also have the right to inspect your place of business, machines, equipment, products and the methods that you use when cleaning to ensure compliance with the Franchise Agreement. Following the inspection, we may remove, replace, repair or remodel, at your expense, any items that do not conform to our standards and specifications, provided that you have delayed or refused to take conforming action promptly upon our request. If we do so, you must pay Stanley Steemer the reasonable costs and expenses incurred by Stanley Steemer in the removal, replacement, repair, or remodel of equipment and products that do not conform to Stanley Steemer specifications. Payment is due no later than the date your next royalty payments are due. There are no purchasing or distribution cooperatives for the Stanley Steemer system.

Note 14: Technology Fees: Technology Fees are organized into two (2) categories – Required Components and Elective Components.

We do not currently charge separate technology fees (“Technology Fees”) for Required Components, but we have the right to charge these fees in the future. These fees may include, for example, fees related to proprietary technology, third-party software we license on your behalf, data hosting and infrastructure services, and system integration tools. Technology fees for Required Components will not exceed four percent (4%) of your annual Gross Sales. We will give you at least one hundred eighty (180) days’ written notice before implementing fees for any newly designated Required Component or increasing existing Required Component fees by more than ten percent (10%) in any twelve (12)-month period. Once established, fees may increase annually by the lesser of (i) CPI, plus three percent (3%) or (ii) the percentage increase in our actual costs for that component.

If Technology Fees charged to you in any calendar year exceed four percent (4%) of your Gross Sales, we will credit the excess amount to your account, plus interest, or we will refund the excess amount to you. Monthly invoices include itemized Technology Fees by component. Fees are allocated uniformly across all franchise and company-owned locations. If you choose to activate optional technology components, tools, or features that are not required for operation of your Stanley Steemer business (“Elective Component”), fee terms for each Elective Component are published in the Manuals and

disclosed to you before activation. Elective Component fees are not subject to the four percent (4%) capped amount described above.

Note 15: Payment Method: Under the Franchise Agreement, you authorize us to initiate electronic funds transfers (EFT) from your designated bank account for all amounts due under the Franchise Agreement, the Technology Systems Access Agreement, and any related agreements. We may apply payments received from you to any outstanding obligations in our sole discretion, and our allocation of payments is final.

Note 16: Strategic Account Fees: If you participate in the voluntary Strategic Account Program, you may incur fees and charges, including:

Pass-Through Charges. Certain Strategic Account customers impose uniform service requirements, vendor compliance fees, or other charges that we pass through to participating franchisees at cost, without markup by us. These charges are established by the Strategic Account customer, not by us, and the amounts vary by account. Pass-through charges are disclosed in the applicable Account Addendum before you sign the Addendum.

Strategic Account Administration Fee. We do not charge an administration fee for participation in the Strategic Account Program, but we have the right to do so. If we charge this fee, we estimate a fee of up to \$250.

Note 17: Consumer Price Index Fee Increase: Fees, costs, charges, contributions, and dollar amounts (“Fees and Costs”) in the Franchise Agreement may be increased periodically by Stanley Steemer based on CPI (see definition of CPI below) but in no event more than once per calendar year. Fees and Costs in other agreements with Stanley Steemer may be increased as often as permitted in the other agreements. These increases are limited to the greater of the amounts permitted under the agreement or the CPI increase. Fees and Costs charged by third parties, collected by Stanley Steemer on behalf of third parties, or charged to or incurred by Stanley Steemer from third parties in connection with your Stanley Steemer Business or the performance of your obligations to Stanley Steemer (e.g., shipping, handling, and delivery fees) are not Fees and Costs and are not subject to the limitations of increases based on CPI. CPI means the Metropolitan Area Consumer Price Index for Urban Consumers – All Items (“CPI”) for the prior calendar year, as published by the U.S. Department of Labor, or published in a successor or substantially similar index (as determined by Stanley Steemer in its sole discretion). CPI increases or other fees, costs, charges, contributions, and dollar amount increases will be communicated to you in the Manuals or otherwise in writing, including email and other electronic communication methods.

ITEM 7. ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Column 1 Type of Expenditure	Column 2 Amount	Column 3 Method of Payment	Column 4 When Due	Column 5 To Whom Payment is to be Made
INITIAL FRANCHISE FEE	\$20,000 to \$100,000 (See Note 1.)	See Note 1.	See Note 1.	Stanley Steemer
REAL PROPERTY	(See Note 2.)	See Note 2.	See Note 2.	See Note 2.

Column 1 Type of Expenditure	Column 2 Amount	Column 3 Method of Payment	Column 4 When Due	Column 5 To Whom Payment is to be Made
EQUIPMENT, FIXTURES AND OTHER FIXED ASSETS:				
1. Stanley Steemer Cleaning Platform and Accessories (See Note 3.)	\$29,000 to \$68,000	Lump Sum	Prior to Opening	Stanley Steemer
2. ~~Stanley Steemer~~ Service Vehicle (See Note 4.)	\$54,000 to \$61,000	Lump Sum	Prior to Opening	~~Stanley Steemer~~ <u>Approved Supplier</u>
Total for ~~Stanley Steemer~~ Service Vehicle (as equipped)	~~\$85,000~~ <u>83,000</u> 0 to ~~\$155,000~~ <u>129,000</u>	<u>Lump Sum</u>	<u>Prior to Opening</u>	Stanley Steemer and <u>approved supplier(s)</u>
<u>3.</u> Water Restoration Equipment	\$10,000 to \$40,000	~~Lump Sum~~	~~Prior to Opening~~	Stanley Steemer or approved supplier(s) <u>Stanley Steemer or approved supplier(s)</u>
<u>4.</u> Air Duct Cleaning Equipment	\$8,000 to ~~\$145,000~~ <u>135,000</u>	Lump Sum	Prior to Opening	Stanley Steemer or approved supplier(s)
INVENTORY:				
Sufficient supply of cleaning products required to commence operation (See Note 5.)	~~\$5,000~~ <u>7,500</u> to ~~\$8,000~~ <u>10,000</u>	Lump Sum	Prior to Opening	Stanley Steemer or approved supplier(s)

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SECURITY DEPOSITS & PREPAID EXPENSES:				
1. Telephone Deposit (See Note 6.)	\$0 to \$250	~~Lump Sum~~ Lump Sum	~~Prior to Opening~~ Prior to Opening	Telephone Company
2. Comprehensive Liability Insurance (per year) in the form required by ~~Article IX of the Franchise Agreement~~ and the <u>Technology Systems Access Agreement</u> (See Note 7.)	~~\$7,500~~ <u>12,000</u> to ~~\$15,000~~ <u>18,000</u> <u>0</u>	~~Lump Sum~~ <u>Lump Sum</u>	~~Prior to Opening~~ <u>Prior to Opening</u>	Insurance Company
3. Computer System and Required Technology Components (See Note 8.)	~~\$2,500~~ <u>3,500</u> to ~~\$5,000~~ <u>7,000</u>	Lump Sum	Prior to Opening	Various <u>Suppliers</u>
OTHER EXPENSES:				
1. Local Market Advertising Listings (See Note 9.)	~~\$600~~ <u>1,000</u> to ~~\$7,000~~ <u>7,500</u>	Monthly Installments	Upon Opening	Various Publishers
2. Internet Connection	~~\$40 to \$200~~ ~~\$75~~ <u>85</u> to \$250	Monthly	Upon Opening	Various
3. Data Hosting/Backup	<u>\$100 to \$300</u>	Monthly	Upon Opening	Various
4. Advertising (See Note 10.)	~~\$8,500~~ <u>15,000</u> to ~~\$14,000~~ <u>20,000</u> <u>0</u>	Monthly	As Incurred	Media Providers and Stanley Steemer
5. Travel, room, and board to attend training program (See Note 11.)	\$500 to \$2,000 per person	As incurred	Prior to Opening	Various
6. ~~Proprietary Software Set-Up or Conversion~~ <u>Integrated Technology Systems Setup or Integration Fee</u> (See Note 12.)	\$495 per person per day, <u>if provided</u>	As incurred	Prior to Opening	Stanley Steemer

<u>CONSUMER PRICE INDEX INCREASE (See Note 13.)</u>	<u>Increase in fees, costs, charges, contributions, and dollar amounts in agreements with us depending on rights in the agreement and the Consumer Price Index.</u>	<u>Increase may occur no more than once per year, unless otherwise provided in agreements.</u> <u>Increase takes effect upon notice to franchisees.</u>	<u>Fees are due at the time set out in the agreements.</u>	<u>Stanley Steemer</u>
ADDITIONAL FUNDS: For Six (6) Months of Operation (See Note ~~13~~ 14.)	~~\$10,000~~ 15,000 0 to \$30,00040,000 0	As Incurred	As Incurred	Various
TOTAL	~~\$158,210~~ ~~175,685~~ to ~~\$522,195~~ 509,745	(Does not include real estate costs)		

All figures in Item 7 are estimates only and, except as noted below, are not refundable. Actual costs will vary for each franchisee and each location depending on a number of factors.

Note 1: Initial Franchise Fee: In order to acquire a Stanley Steemer franchise, you must pay Stanley Steemer an initial franchise fee. The amount of this fee will be negotiated between you and us. Typically, the range of initial franchise fees charged to franchisees is \$20,000 to \$100,000. The initial franchise fee can be paid in a single lump sum payment or can be financed under either one of two plans offered by us. See ~~Item 5 of this disclosure document for additional information about the initial franchise fee.~~ Also, see Items 5 and 10 of this disclosure document for information about the ~~financing by Stanley Steemer of the initial franchise fee.~~

Note 2: Real Property: The size of the business facility you need will depend upon the size of your area, the number of ~~Stanley Steemer~~Service Vehicles you have, and your business plan. If you are starting out with one ~~Stanley Steemer~~(1) Service Vehicle, we strongly recommend that, initially, you use your place of residence as your office. If your residence is not used, a small office/warehouse may be leased at a cost which should range from \$1,000 ~~to~~ \$3,500 per month, payable to the landlord on terms negotiated by you and the landlord. If you need a larger facility, your rent will vary based upon the size of your facility. Rents also vary significantly from one area of the country to another. Stanley Steemer gives its franchisees a wide range of choices in locating their offices. Generally, your office must be located within your geographic area and should be located so as to allow you to provide services to customers in your area efficiently and conveniently, so you will want to locate your office relatively close to residential areas.

If you lease space for your office, you may incur some ~~buildout~~build-out expenses. Depending on the terms of your lease, you may also incur real estate broker fees, prepayment of the last month's rent, common area maintenance fees, operating fees, or other expenses. Stanley Steemer is unable to estimate

your expenses for buying or leasing land and constructing a building, as these costs vary widely based upon factors such as location, design of the building, method of construction, and cost of materials.

Note 3: Stanley Steemer Cleaning Platform: This estimate is for one (1) Stanley Steemer Cleaning Platform and accessories (Series #5700 Unit ~~and #8000 Unit~~).

Note 4: ~~Stanley Steemer Service Vehicle:~~ You must purchase one (1) or more ~~Stanley Steemer Service Vehicles~~ for use in your operation of your Stanley Steemer Business. The number of ~~Stanley Steemer Service Vehicles~~ will be agreed to by you and us based upon the size of your area and your business plan. Typically, a single ~~Stanley Steemer Service Vehicle~~ is sufficient for a new franchisee, but additional ~~Stanley Steemer Service Vehicles~~ may be required. The estimate provided in this Item 7 is based on our experience operating and franchising Stanley Steemer Businesses.

Note 5: Inventory: You will need an initial supply of cleaning products in order to commence operation of your Stanley Steemer Business. The estimated cost presented above should cover approximately 3 months of operation. All supplies and inventory must meet our standards and specifications (see Item 8 of this disclosure document).

Note 6: Telephone Deposit: The estimate presented above includes deposits which may be refundable to you at a later time.

Note 7: Insurance: You must maintain ~~commercial~~ the following insurance coverages: general liability insurance, on an occurrence form, including products liability, completed operations, personal injury, and advertising injury coverages, with ~~a combined single limits of not less than \$1,000,000 per occurrence;~~ and \$2,000,000 in the aggregate. The policy may not contain exclusions for independent contractor liability, franchisor liability, or claims arising from the operation of cleaning platforms or other equipment supplied by us.

- a. Commercial automobile liability insurance covering all vehicles used or operated in connection with your Stanley Steemer Business, including coverage for owned, hired, and non-owned vehicles, with a combined single limit of not less than \$1,000,000 per occurrence; ~~excess.~~
- b. Excess liability or umbrella insurance providing additional coverage for the liabilities insured under your commercial general liability and commercial automobile liability policies in an amount not less than \$2,000,000 per occurrence; ~~employment.~~
- c. Contractors pollution liability insurance on an occurrence form with limits of not less than \$1,000,000 per occurrence.
- d. Employment practices liability insurance, including wage and hour defense and indemnity coverage and third-party liability coverage, with a limit of not less than \$500,000 per occurrence; ~~workers.~~
- e. Cyber liability insurance with limits of not less than \$1,000,000 per occurrence and \$1,000,000 in the aggregate, covering first-party breach response costs, third-party liability, business interruption, cyber extortion and ransomware, and PCI-DSS penalties.
- f. Workers' compensation insurance with a minimum of \$500,000 employers limit of liability; ~~construction.~~
- g. Construction services liability with limits of \$3,000,000 per occurrence and \$4,000,000 in the aggregate (required only if you provide Reconstruction Services); ~~and such.~~

- h. Such other insurance as may be required by statute or rule of the state in which ~~you~~you operate your Stanley Steemer ~~business~~Business, or as we may reasonably require from time to time upon not less than ninety (90) days' written notice.

All policies of insurance must name us as an additional insured on a primary and non-contributory basis with a waiver of subrogation in our favor (except for claims arising from our sole negligence or willful misconduct). All insurance must be placed with an insurance carrier or carriers with an A.M. Best's rating of "A" and an A.M. Best's financial size category of "IX" or higher, or be otherwise approved in writing by us.

The cost of this coverage will vary depending on the insurance carriers, the terms of payment, the location of your Stanley Steemer Business, ~~and your claims history, and the scope of services you offer.~~ The estimate is for one (1) year of insurance premiums for the various coverages (excluding ~~worker's~~workers' compensation and construction services liability) required under the Franchise Agreement and Technology Systems Access Agreement. If you have employees, you may incur expenses for workers' compensation insurance. We are unable to estimate amounts that you may be required to spend for workers' compensation insurance. The requirements and rates vary widely from place to place.

Note 8: Computer System: The computer system and Required Technology Components: The technology systems and components you are required to use may vary in type and quantity, depending upon the size of your ~~area~~Franchised Area and your business plan. ~~The current computer system includes specified hardware, software, tablets, mobile devices and printers, and may include other technology-related~~ Costs for typical initial technology systems and required components ~~we require or suggest from time to time. A typical single-user computer system generally ranges~~range from \$2,5003,500 to \$5,000. ~~We have the right to change the required computer system and you must comply with those requirements at your cost.~~7,000. The systems and required components you are required to use are described more fully in Item 11 of this disclosure document.

Note 9: Local Market Advertising Listings: If we require, you must advertise in local market advertising listings, which may include directories, social media websites, applications and platforms, and independent websites. You ~~may not advertise in local market advertising listings without our prior written approval, which we may withhold or condition for any reason. We have full rights and control over content and placement of~~ must ensure all local market advertising listings. ~~We may grant you limited rights to edit content online concerning your Stanley Steemer Business, but we are not obligated to do so.~~ comply with our Brand Standards. We have the right, but not the obligation, to require you to submit advertising materials for prior review. We may require modification or removal of any content that does not comply with our Brand Standards.

Note 10: Advertising Expenditure: You must spend at least ten percent (10%) of your Gross Sales on local advertising. The range of expenditures for local advertising presented above represents an estimated average amount spent by most start-up franchisees. However, advertising expenses can vary considerably from area to area based upon the size of the area, the types of media available, and other factors.

Note 11: Training Expenses: The range of estimates presented above reflects room, board and transportation expenses and takes into consideration that transportation expenses will vary according to distance and mode of transportation.

Note 12: ~~Proprietary Software Set-Up~~Computer Setup or Integration Fee: You must use ~~our proprietary software~~certain computer hardware and technology systems in your Stanley Steemer Business. This software is compatible with most personal computers, but ~~certain computer hardware components are needed for you to be able to use the software.~~ We do not supply ~~these~~the hardware

components to you, but if needed, we set up ~~or convert~~, configure, or integrate your ~~existing~~ computer hardware ~~system~~ and technology systems so that you may use our proprietary software ~~on your computer system~~. The cost for us to ~~perform~~ this setup or ~~conversion~~ integration is \$495 per person per day. (See Item 11 for additional information on required hardware and technology systems.)

Note 13: Consumer Price Index Fee Increase: Fees, costs, charges, contributions, and dollar amounts (“Fees and Costs”) in your agreements with us may be increased periodically by us based on CPI (see definition of CPI below) but in no event more than once per calendar year. Fees and Costs may also be increased as often as otherwise permitted in your agreements with us. Fees and costs charged by third parties, collected by Stanley Steemer on behalf of third parties, or charged to or incurred by Stanley Steemer from third parties in connection with your Stanley Steemer Business or the performance of your obligations to Stanley Steemer (e.g., shipping, handling, and delivery fees) are not subject to the limitations of increases based on CPI. CPI means the Metropolitan Area Consumer Price Index for Urban Consumers – All Items (“CPI”) for the prior calendar year, as published by the U.S. Department of Labor, or published in a successor or substantially similar index (as determined by Stanley Steemer in its sole discretion). CPI increases or other fees, costs, charges, contributions, and dollar amount increases will be communicated to you in the Stanley Steemer Manual or otherwise in writing, including email and other electronic communication methods.

Note 1314: Additional Funds: This is an estimate only of the range of initial start-up expenses that you may incur. The actual amount of additional funds that you will need depends on a variety of factors, including the size of your ~~area~~ Franchise Area, the time of year when you start your business, your own management skill, economic conditions, competition in your ~~area~~ Franchised Area, and other factors. The estimate of additional funds is based on an owner-operated business and does not include any salaries or benefits for employees or any allowance for an owner’s draw. The estimate is for a period of six (6) months of operations after your Stanley Steemer Business has opened, and is separate from and in addition to the costs you will incur prior to opening. We estimate that, in general, a franchisee can expect to put additional cash into the business during the first 3 to 9 months, and sometimes longer, but we cannot estimate or promise when, or whether, any individual franchisee will achieve positive cash flow or profits.

~~You may finance all or part of the initial investment. We do not, however, make financing available to you for any obligation except, in certain circumstances, the initial franchise fee. (Information regarding financing of the initial franchise fee is provided in Items 5 and 10 of this disclosure document.)~~

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ITEM 8. RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

All cleaning products, supplies, advertising materials, equipment, technology systems, and computer ~~systems~~ hardware and software used by you in the establishment and operation of your Stanley Steemer Business must meet our specifications and Brand Standards as established from time to time. In addition, you may only offer services and products authorized by us, and you must provide those services and products in accordance with our requirements, the Manuals and Brand Standards, as established from time to time.

The source of these obligations is the Franchise Agreement and the Technology Systems Access Agreement. The purpose of these requirements is to maintain the Stanley Steemer image and system, to ensure the identification of Stanley Steemer businesses by the public, to preserve and enhance the goodwill associated with the Stanley Steemer image, to maintain the integrity, character, and uniform quality of the goods and services associated with the Stanley Steemer image, the Stanley Steemer Trademarks, and the Stanley Steemer System, and to fulfill the expectations of Stanley Steemer’s customers.

Specifications and Brand Standards may include minimum standards for cleanliness of result, efficacy, quality, performance, safety, equipment protection, durability, appearance, size, color, fitness for purpose, design, material, compatibility with our Integrated Technology Systems or Required Components, and other characteristics, including minimum requirements for computer system capabilities, hardware, software, network connectivity, and technology systems.

Items Which Must Be Purchased From Us or Meet Our Specifications

Service Vehicles and Proprietary Equipment

You are required to use, and purchase from us and use in a third-party supplier approved by us, one (1) or more Service Vehicles. Each Service Vehicle must conform to our then-current specifications for size, color, appearance, and other characteristics (which may include the age of your Service Vehicle). You must submit a written description of each vehicle you intend to use as a Service Vehicle to us for approval prior to acquisition, and we will have ten (10) days to approve the vehicle. At least one (1) Service Vehicle must be acquired prior to commencing your Stanley Steemer Business—the Stanley Steemer Vehicle. We must approve your Stanley Steemer Vehicle prior to your purchase. Unless permitted by our specifications, standards, or operating procedures, you may not attach or otherwise use any item or device on a Stanley Steemer Service Vehicle without our prior written approval. You must maintain your Stanley Steemer Service Vehicle(s) in a clean, safe, and proper mechanical operating condition at all times. Your Stanley Steemer in accordance with all applicable laws and the then-current standards set forth in the Manuals. Each Service Vehicle(s) must be maintained and in good appearance, free from dust, dents, or other marks, and you must paint and replace including periodic washing, painting, and replacement of logos, signs, and decals as we may reasonably require to conform to our then-current standards. You may use your Stanley Steemer Service Vehicle(s) only for purposes associated with your Stanley Steemer Business.

For your Stanley Steemer Business, you must also purchase a Stanley Steemer Cleaning Platform and certain accessory cleaning equipment such as upholstery and furniture wands and similar accessories appropriate for the specific Stanley Steemer Cleaning Platform. The Stanley Steemer Cleaning Platforms and associated accessories and replacement and spare parts may only be purchased from us. We are also the sole source of supply for the proprietary and specially formulated Stanley Steemer Professional Carpet & Upholstery Spot Remover™ and Stanley Steemer Odor Out™, which are products you must offer in the operation of your Stanley Steemer Business.

If we develop other proprietary equipment or products in the future, you are required to purchase those items from us and, if applicable, you must offer the products to your customers.

For your Stanley Steemer Business, Stanley Steemer manufactures the Stanley Steemer Cleaning Platforms and related accessories and ~~assembles them in a van type vehicle which either you or we acquire from an automobile manufacturer or dealer at volume purchase prices to complete the Stanley Steemer Vehicle. We do not receive a profit from our sale~~ installs them in your Service Vehicle. We are the only supplier of the Stanley Steemer Vehicle to you. Cleaning Platforms. Our pricing for proprietary equipment, parts, and supplies is determined in good faith and will not exceed the price we charge to our company-owned locations for comparable items, plus commercially reasonable handling and distribution costs. We charge a price for the Stanley Steemer Cleaning Platforms which recognizes our cost and a profit margin on the equipment we install in the Stanley Steemer Service Vehicle and our labor. That profit margin is currently about twenty-one percent (21%) of the total cost of the Stanley Steemer Cleaning Platforms and related equipment. Our profit margin on spare parts and replacement parts for the Stanley Steemer Cleaning Platforms and related equipment is currently approximately 20 ~~twenty-two~~ percent (22%), on average.

Proprietary Products

Stanley Steemer Professional Carpet & Upholstery Spot Remover™ and Stanley Steemer Odor Out™ are specially fabricated and packaged for us by a third-party manufacturer. They are then distributed by us directly to our franchisees and through various channels throughout the United States. Our profit margin on these items, which pays our costs of distribution and provides a profit to us, is approximately 43forty-two percent (42%).

Approved Suppliers

Other than the items described above, you are not required to purchase other items or services from us or other specifically designated suppliers. However, you are required to purchase all additional cleaning products, equipment, signs, uniforms, supplies, stationery, paper goods, business cards, and report forms utilized in the operation of your Stanley Steemer Business only from suppliers who have been approved by us and whose products meet our Brand Standards and specifications. We continually review and evaluate suppliers for this purpose and approve those who are able to meet our ~~standards~~ Brand Standards and specifications, who possess adequate quality controls, and who have the capacity to supply our needs and the needs of our franchisees promptly and reliably. We reserve the right to limit the number of approved suppliers for purposes of efficiency and effective buying power. We do not make our criteria for approving suppliers available to franchisees.

We are an approved supplier, but not the sole approved supplier, of a number of items used in a Stanley Steemer Business. Currently, these items include cleaning chemicals, cleaning solutions, carpet/furniture protectors, advertising materials, deodorizers, carpet rakes/combs, furniture brushes, vehicle decals, uniforms, and promotional items. The profit margin that we receive for items purchased from us varies from item to item, but generally averages approximately ~~19~~ sixteen percent (16%) to ~~26~~ twenty-three percent (23%).

We maintain specifications and Brand Standards for the cleaning products, supplies, advertising materials ~~and~~, equipment, and technology components to be used by you in your Stanley Steemer Business. Many of these specifications are contained in our Manuals and others are provided in periodic written notices by regular mail or email to our franchisees. We generally provide these specifications to approved suppliers, but in certain cases where the specifications involve confidential and proprietary information regarding the content, design ~~or~~, formulation, or technology compatibility requirements of the product, the specifications will only be made available to a supplier who agrees to sign a confidentiality agreement with us. ~~These specifications are developed by us either through our research and development staff or in conjunction with a particular manufacturer and may be modified by us from time to time by notice to our franchisees.~~ If you desire to purchase, or any non-approved supplier proposes to sell to you, any item not previously approved by us, either you or the supplier must first submit the item to us for our review and approval.

As a condition of our approval, our representative must be permitted to inspect the proposed supplier's facilities, and the supplier must deliver samples of the item to us for testing. The proposed supplier must pay us upon receipt of our invoice our reasonable expenses incurred in conducting the inspection and tests. We must respond to any request from you for approval of a supplier or product within ninety (90) days. If we approve a supplier, we have the right to re-inspect its facilities and products from time to time, and we ~~can~~ may revoke our approval ~~if the of any supplier or product fails to meet our standards~~ any specific item, product, component, or material at any time if we determine, that such product or supplier or item no longer meets our standards, in our sole discretion. If we revoke our approval, you must promptly discontinue purchasing from that supplier and using that item after depletion of on-hand inventory or within the timeframe we specify. Our determination regarding approval or disapproval is final. If we revoke our approval of an approved supplier or if the list of approved suppliers is otherwise

amended, we will communicate this revocation of approval and/or amended list of approved suppliers to you in writing ~~by regular mail and/or email communication~~. We do not make our criteria for approving suppliers available to franchisees.

If you voluntarily participate in our Strategic Account Programs, individual Account Addenda may require you to use specific equipment, obtain specialized certifications, or meet any specific Strategic Account requirements as conditions of participation in that program. These requirements are set forth in the individual Account Addenda and may involve additional source restrictions beyond those described above. Participation in Strategic Account Programs is voluntary.

Except as described in this Item 8, we do not permit you to contract with alternative suppliers.

~~Currently, you are not required to purchase your computer system from us or a supplier approved or designated by us, but we have the right to require you to do so. Your computer system must meet our specifications. We currently provide our proprietary software to you, and any upgrades to the software, at no cost, but we have the right to charge a fee.~~

Computer and Technology Systems

Your computer system must meet our specifications and must be purchased from a supplier approved by us.

We maintain a proprietary suite of technology platforms and services called the Integrated Technology Systems (“ITS”) that supports the operation of your Stanley Steemer Business. The ITS currently includes the Public Website, 1-800-STEEMER call routing infrastructure, and the Powermagic™ platform (which provides CRM, scheduling, dispatch, royalty reporting, and related functions). Your obligations regarding the ITS are governed by the Technology Systems Access Agreement (“TSAA”), which is a separate agreement you will sign at the time you sign the Franchise Agreement. The TSAA is attached as Exhibit G to this disclosure document.

Technology components within the ITS are classified as either Required Components or Elective Components. These classifications, and the governance framework described below, determine your purchase, subscription, and usage obligations.

Required Components. You must acquire, install, and continuously use all technology components that we designate as “Required Components.” The current Required Components include the Public Website, the 1-800-STEEMER call routing infrastructure, and the CRM and royalty reporting functions of the Powermagic™ platform.

Elective Components. We may offer additional technology components as “Elective Components” that you may choose to activate or deactivate. You may use third-party software products that duplicate the functionality of an Elective Component, provided that these products operate independently and are not integrated with, connected to, or exchange data with the Integrated Technology Systems.

Changes to Technology Systems. We may modify, update, replace, or discontinue individual technology components within the Integrated Technology Systems.

Insurance

In addition to the required purchases described above, you are ~~obligated~~required to obtain and maintain, at your own expense, the insurance ~~coverage provided~~coverages described below in the Franchise Agreement. ~~The~~ and the Technology Systems Access Agreement, and as set forth from time to time in

the Manuals. You must obtain all required coverage before commencing operations and maintain it continuously throughout the term of the Franchise Agreement~~provides that you must maintain.~~

You must maintain the following, as well as any additional insurance coverage we may require from time to time:

- (i) commercial general liability insurance including products liability, completed operations, personal injury, and advertising injury coverages, with a combined single limits of not less than \$1,000,000 per occurrence and \$2,000,000 in the general aggregate;
- (ii) commercial automobile liability insurance covering all vehicles used or operated by you in connection with your Stanley Steemer Business, including coverage for owned, hired, and non-owned vehicles, with a combined single limit of not less than \$1,000,000 per occurrence;
- (iii) excess liability or umbrella insurance providing additional coverage for the liabilities insured under your commercial general liability and commercial automobile liability policies in an amount not less than \$2,000,000 per occurrence; employment practices
- (iv) Contractors pollution liability insurance, including wage and hour defense, mold, asbestos, silica, and biohazards coverage, with a combined single limit of not less than \$500,000~~1,000,000~~ per occurrence;
- (v) employment practices liability insurance with a limit of not less than \$500,000 per occurrence, which must include wage and hour defense and indemnity coverage;
- (vi) construction services liability insurance with limits of not less than \$3,000,000 per occurrence and \$4,000,000 in the aggregate~~-, required only if you provide Reconstruction Services); and~~
- (vii) cyber liability insurance with limits of not less than \$1,000,000 per occurrence and \$1,000,000 in the aggregate, covering breaches or failures arising from your systems, devices, personnel, vendors, or failure to comply with the Technology Systems Access Agreement; and
- (viii) workers' compensation insurance with statutory limits and a minimum of \$500,000 employer's limit of liability, and such other insurance as may be required by statute or rule of the state in which you operate your Stanley Steemer Business.

~~All policies of insurance maintained by you must contain a separate endorsement naming name us as an additional insured, as our interest may appear on a primary and non-contributory basis, with a waiver of subrogation in our favor (except for claims arising from our sole negligence or willful misconduct). All insurance maintained by you must be placed with an insurance carrier or carriers with an A.M. Best's rating of "A" and an A.M. Best's Class rating financial size category of "xivIX" or higher, or be otherwise approved in writing by us. The cost of this coverage will vary depending on the insurance carriers, the terms of payment and your history.~~

Your insurance policies may not be cancelled or materially changed except after thirty (30) days' written notice to us. If you fail to maintain the required insurance coverages, we may obtain the required insurance on your behalf and charge you the premium cost, together with interest at the Default Rate on all amounts we expend.

General Purchasing and Supplier Information

During ~~2024~~2025, our revenues from the required purchase of Stanley Steemer Cleaning Platforms and its accessories and spare parts, as well as cleaning products, and equipment by our Stanley Steemer

franchisees were ~~\$10,748,687~~10,195,695. This represented 3.7% of our total revenues of ~~\$287,879,434~~276,914,584 for the year.

We estimate that the items that you are required to purchase from us or approved sources will constitute approximately 90% of the products and equipment that you will need to purchase to commence and operate your Stanley Steemer Business.

Any person who provides services on your behalf to a customer of your Stanley Steemer Business must wear a uniform meeting our ~~brand standards~~Brand Standards.

With the exception of advertising cooperatives as described in Items 6 and 11 of this disclosure document, we have not established and do not participate in any purchasing or distribution cooperatives, and no purchasing and distribution cooperatives have been approved.

~~We do not receive any compensation or rebates from any designated or approved suppliers. In certain cases, we do receive promotional allowances from suppliers. All amounts received as promotional allowances are used in connection with preparation of advertising and promotional materials for use by the Stanley Steemer system. In 2024, we received no promotional allowances.~~

We and our affiliates may receive rebates, allowances, promotional funds, volume or growth incentives, or other consideration from approved suppliers or manufacturers of items used in the Stanley Steemer System. We have no obligation to credit, pass through, or account for any such consideration to you except to the extent expressly required by applicable law. In 2025, we did not receive any such payments, but we reserve the right to do so in the future and have no obligation to pass through any amounts received.

No officers of Stanley Steemer own an interest in any supplier (other than Stanley Steemer) listed in this Item 8.

From time to time, we negotiate particular purchase arrangements and pricing with particular suppliers for the benefit of the entire Stanley Steemer system.

Except for your Stanley Steemer franchise, we do not provide any material benefits to you based upon your use of designated or approved sources.

ITEM 9. FRANCHISEE’S OBLIGATIONS

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

References in this Item 9 to “FA” mean the Franchise Agreement, “TSAA” means the Technology Systems Access Agreement and “SAPA” means the Strategic Account Participation Agreement, “Note” means the Business Purpose Promissory Note and “Guarantee” means the Guarantee and Indemnification Agreement.

Obligation	Section(s) In ~~Franchise~~ Agreement	Disclosure Document Item(s)
a. Site selection and acquisition/ lease	Not Applicable	Items 7 and 11

Obligation	Section(s) In Franchise Agreement	Disclosure Document Item(s)
b. Pre-opening purchases/leases	~~Article~~ <u>FA Art. III, Section §C,</u> ~~of Franchise Agreement~~	Items 5, 7, and 8
c. Site development and other pre-opening requirements	~~Article~~ <u>FA Art. VII, Section §B,</u> ~~of Franchise Agreement~~	Items 7 and 11
d. Initial and ongoing training	~~Article~~ <u>FA Art. VII, Section §B,</u> ~~of Franchise Agreement~~	Items 6, 7, and 11
e. Opening	~~Article~~ <u>FA Art. I of Franchise Agreement</u>	Item 11
f. Fees	~~Article~~ <u>FA Art. II of Franchise Agreement; Paragraphs 1, 2 and 4 of Cognovit Promissory Note; Paragraphs 1 and 2 of Option to Purchase Agreement; Sections 7, 12 and 15 of Technology Systems Access Agreement; TSAA §§9, 12; Note §§1, 3; SAPA §§5, 6.</u>	Items 5, 6, 7, 10, 11, 12, and 17
g. Compliance with standards and policies/operating manual	~~Article~~ <u>FA Art. III, Sections §§A, B, C, D, and E, and Article; FA Art. VII Sections, §§A, J, and K of Franchise Agreement; Section 10 of Technology Systems Access Agreement; TSAA §§5, 6, 10</u>	Items 8, 11, 15, and 16
h. Trademarks and proprietary information	~~Articles~~ <u>FA Art. V and; FA Art. VII, Sections §§C and D, of Franchise Agreement; TSAA §§4, 5, 6</u>	Items 13 and 14
i. Restrictions on products/services offered	~~Article~~ <u>FA Art. III, Sections §§C, D, and E, of Franchise Agreement</u>	Items 11 and 16
j. Warranty and customer service requirements	~~Article~~ <u>FA Art. III, Section §C,</u> ~~of Franchise Agreement~~	Item 11
k. Territorial development and sales quotas	~~Article~~ <u>FA Art. I, §B; FA Art. II, Sections §§D and H, and Article; FA Art. IV, Section §C,</u> ~~of Franchise Agreement~~	Item 12
l. Ongoing product/service purchases	~~Article~~ <u>FA Art. III, Sections §§C and D, of Franchise Agreement; Section; TSAA §5 of the Technology Systems Access Agreement</u>	Items 6, 8, 11, and 16
m. Maintenance, appearance, and remodeling requirements	~~Article~~ <u>FA Art. III, Section §C,</u> ~~of Franchise Agreement~~	Not Applicable

Obligation	Section(s) In Franchise Agreement	Disclosure Document Item(s)
n. Insurance	~~Article~~ <u>FA Art. IX of Franchise Agreement; TSAA §14</u>	Items 6,7,8, and 11
o. Advertising	~~Article~~ <u>FA Art. VI of Franchise Agreement</u>	Items 6, 7, and 11
p. Indemnification	~~Article~~ <u>FA Art. IX, Section §F of Franchise Agreement; Section 15 of Technology Systems Access Agreement; Paragraph 2 of the Guarantee, Indemnification, and Acknowledgment; TSAA §15; Guarantee §2</u>	Item 6
q. Owner's participation/ management/ staffing	~~Article~~ <u>FA Art. VII, Section §A of Franchise Agreement</u>	Items 11 and 15
r. Records and reports	~~Article~~ <u>FA Art. III, Sections §§E and F, and Article; FA Art. VII, Sections §F, of Franchise Agreements; TSAA §§9, 10, 12</u>	Item 6
s. Inspections and audits	~~Article~~ <u>FA Art. III, Section §E, and Article; FA Art. VII, Section §F, of Franchise Agreement; TSAA §12</u>	Item 6
t. Transfer	~~Article~~ <u>FA Art. XII of Franchise Agreement; Paragraph 2 of Option to Purchase Agreement</u>	Items 5, 11, 12, and 17
u. Renewal	~~Article~~ <u>FA Art. XI of Franchise Agreement</u>	Item 17
v. Post-termination obligations	~~Article~~ <u>FA Art. XV of Franchise Agreement; Paragraphs 6 and 8 of Cognovit Promissory Note; Note §§5, 6; TSAA §17</u>	Items 5, 10, and 17
w. Non-competition covenants	~~Article~~ <u>FA Art. VII, Section §E and Article; FA Art. XV Section, §B of Franchise Agreement</u>	Item 17
x. Dispute resolution	~~Article~~ <u>FA Art. XVI of Franchise Agreement; Paragraphs 5, 6 and 8 of Cognovit Promissory Note; Section 16 of Technology Systems Access Agreement; Paragraph 4 of the Guarantee, Indemnification and Acknowledgment; Note §10; TSAA §16; Guarantee §7</u>	Items 5, 10, and 17
y. Payments to third parties	~~Article~~ <u>FA Art. III, Section §C, of Franchise Agreement</u>	Item 6

Obligation	Section(s) In Franchise Agreement	Disclosure Document Item(s)
z. 1-800-STEEMER® & Location Based Routing	~~Article FA Art. VII of Franchise Agreement; TSAA §9.D~~	Items 5, 6, 10, and 17
aa. Waiver of <u>jury trial and notice of judgment</u>	~~Article FA Art. XVI, Section C of Franchise Agreement; Paragraph 8 of Cognovit Promissory Note; Note §10.a; TSAA §16; Guarantee §7~~	Items 5, 10, and 17
bb. Waiver of presentment for payment, notice of dishonor, protest, and notice of protest	~~Paragraph 5 of Cognovit Promissory Note §7~~	Items 5, ~~10~~ , and 17
cc. Compliance with laws	~~Section FA Art. III, §C; TSAA §10 of the Technology Systems Access Agreement~~	Item 11
dd. Payment of principal and interest	~~Paragraphs 1 and 2 of Cognovit Promissory Note §§1, 2, 3~~	Items 5 and 10
ee. Payment by Guarantor of amounts owed to Stanley Steemer	~~Paragraphs 2 and 3 of the Guarantee, Indemnification, and Acknowledgment Guarantee §§2, 3~~	Not applicable
ff. <u>Technology systems and data governance</u>	FA Art. III, §§C and E; TSAA §§3, 4, 5, 6, 8	<u>Items 8, 11, and 14</u>
gg. <u>Strategic Account participation (if elected)</u>	FA Art. III, §Q; SAPA §§3, 4, 5, 6	<u>Items 6, 11, 12, and 15</u>

ITEM 10. FINANCING

~~We offer two plans under which you~~ You may finance 100% ~~all or part~~ of your initial franchise fee with us. These ~~plans~~ financing options are described in detail in Item 5 of this disclosure document. ~~We do not offer financing of any other obligations which you may incur in your Stanley Steemer Business. In certain circumstances, we may also extend credit to you through a Business Purpose Promissory Note for startup costs or business purposes.~~

~~As described in Item 5 of this disclosure document, if~~ If you elect to finance your initial franchise fee, under Option A, you must sign a ~~promissory note with us~~ Business Purpose Promissory Note in the form of Exhibit E attached to this disclosure document (the “Note”). That ~~note~~ Note contains certain material terms of which you should be aware. These include the following: ~~(1) You have the right to prepay the note without penalty. (Cognovit Promissory Note, Paragraph 2).~~ –

1. You have the right to prepay the Note, in whole or in part, at any time without premium or penalty (Note, Section 3(b)).
2. 2)-If you do not pay on time, including any applicable cure period, we have the right to declare the entire amount of the loan to be due by accelerating the ~~note~~ Note, and to bring legal proceedings pursue collection of all amounts due, including bringing any action or proceeding to collect or enforce the ~~note~~ Note. If this happens, you will also be liable for our costs incurred in collecting the note, including our attorney’s fees and court costs. (Cognovit Promissory Note,

Paragraphs 4 and 6 the prevailing party is entitled to recover its reasonable attorneys' fees, court costs, and expenses (Note, Section 5(a) and (b), and Section 9). {

3. ~~3) If you~~ A default in payment of the ~~note~~ Note, ~~this is also a default under the Franchise Agreement, and we may terminate the Franchise Agreement.~~ (, subject to any applicable cure period (Note, Section 9 and Franchise Agreement, Article XIII.B.2.) ~~(4) The note contains what is known as a cognovit provision, which allows us, upon a default by you, to have an attorney appear before a judge in Franklin County, Ohio and consent to the court granting a judgment against you for the full amount that you owe, without advance notice to you or the opportunity for a hearing. We must, however, notify you of this after the court grants judgment. (Cognovit Promissory Note, Paragraphs 6 and 8). (5) Upon default in the payment of a note, the entire amount outstanding may be accelerated and become immediately due and payable and the interest rate charged on the note will increase to the default interest rate specified in the note. This rate will not exceed 4% over the stated interest rate on the note. (Cognovit Promissory Note, Paragraph 4). (6), Section D.3(a).~~
4. Upon default in the payment of the Note, the interest rate on the entire unpaid principal balance shall increase to the lesser of (i) the stated interest rate, plus five percent (5%) per annum or (ii) the maximum rate permitted by applicable law, until the default is cured or the Note is paid in full. Additionally, if any payment is not received within five (5) days of its due date, you must pay a late charge equal to five percent (5%) of the overdue amount (Note, Section 4).
5. The ~~note~~ Note contains provisions by which you waive certain rights, such as including demand, presentment for payment, notice of dishonor, protest, and notice of protest, and claims that you may have against us in the event that we do not strictly enforce the terms of the note. (Cognovit Promissory Note, Paragraph 5. You also consent to any extension of time, renewal, release of any party, or modification of the terms of payment granted by us. (Note, Section 7.)
6. ~~-(7) If the franchisee is a corporation, limited liability company, partnership, or similar business entity, the ~~note~~ Note must be signed by each of the shareholders, members, partners, or other owners. (Cognovit Promissory Note). (The obligations of all persons signing the Note are joint and several. We may enforce the Note against any one or more signers without proceeding against any other signer. (Note, Section 8.)~~
7. The interest rate will be an agreed-upon rate set forth in the Note. The last promissory note signed by a franchisee as of December 31, 2024/2025, our most recent fiscal year end, included an interest rate of 6.0%. (9) The payments are due monthly over three (3) years. (Cognovit Promissory Note, Paragraph 2). (10) We do not require a security interest for the note. (Cognovit Promissory Note). six and a half percent (6.5%).
8. The payments are due in installments over a period set forth in the Note, typically three (3) years. (Note, Section 3(a).)
9. We do not require a security interest for the Note.
10. The Note contains a jury trial waiver. If a dispute arises under the Note, both you and we waive the right to a trial by jury. (Note, Section 10(a).)
11. Disputes under the Note are governed by Ohio law. The Note provides for litigation in state and federal courts located in Franklin County (Columbus), Ohio, or, at either party's election, binding arbitration before JAMS in Columbus, Ohio. (Note, Section 10.)

Although we have never done so, we have the right to assign the ~~note~~ Note to a third party without your consent. If we do so, the third party may be immune under the law to any defenses to payment you may have against us. Notwithstanding any assignment of the ~~note~~ Note to a third party, as long as the Franchise Agreement is effective, we will remain primarily obligated to provide the assistance to the franchisee for which we are obligated under the Franchise Agreement (Note, Section 13(d)).

As described in Item 5 of this disclosure document, if you elect to finance your initial franchise fee under Option B, you will be required to pay a portion of the initial franchise fee when you sign the Franchise Agreement and payment of the remaining portion of the fee as well as imputed interest will be deferred. The deferred amount will be paid by means of an additional monthly royalty payment of three percent (3%) of your gross sales until the deferred amount and imputed interest are paid in full. If Option B is selected, your Franchise Agreement will include a provision similar to Exhibit D attached to this disclosure document.

We may, in our discretion, extend credit to you through a separate Business Purpose Promissory Note for post-opening costs or other business purposes, such as additional equipment, vehicle acquisitions, or working capital. Any such credit extension will be documented in a Note in the same form as Exhibit E to this disclosure document, with the principal amount, interest rate, repayment terms, and specific purpose stated in the Note. The material terms described in items (1) through (11) above apply equally to any such Note. We are under no obligation to extend post-opening credit, and any decision to do so is in our sole discretion.

We maintain a \$25,000,000 guidance line of credit with Wells Fargo Equipment Finance Company (the "Lender") under which certain franchisees may apply for financing for the purchase of equipment, vehicles, and other business assets or the acquisition of franchise territories. Loans under the program have terms not to exceed seven (7) years and typically bear interest at a fixed rate above the lender's applicable swap rate. On March 2, 2026, the date of the most recent Wells Fargo financing by a franchisee, the applicable rate of interest was 7.25%. All loan terms — including interest rate, repayment period, loan amount, required collateral, and personal guarantees — are determined by the lender in its sole discretion based on its independent underwriting criteria on a case-by-case basis. The Lender requires a security interest in financed assets and personal guarantees from the owners of the borrowing franchisee as conditions of financing. Loans under the program may be prepaid, subject to a prepayment fee during the initial period of the loan as determined by the lender. Upon default under any loan, the Lender may accelerate the outstanding balance and pursue collection, including recovery of costs and attorney's fees, in accordance with the terms of the loan documents between the franchisee and the Lender. Your loan documents with the Lender may also require you to waive certain defenses or legal rights. We provide limited credit support under this program in the form of a net loss pool guarantee. This program is not available to all franchisees or in connection with all transactions; participation is in our sole discretion and is generally extended to franchisees with an established operating history and satisfactory credit profile. We do not receive any compensation, referral fees, or other financial benefits from the Lender in connection with this program. No additional agreements between you and us are required to participate; your financing relationship is directly with the lender. We are under no obligation to maintain this program or to guarantee any particular loan, and our continued participation is in our sole discretion.

Other than as disclosed above, we do not offer direct or indirect financing to you. We do not guarantee any loan or lease that you may obtain or any obligation that you may incur in your Stanley Steemer business, except as described above with respect to our limited net loss pool guarantee under the guidance line program.

We do not receive direct or indirect payments for placing financing, including under the guidance line program described above.

Franchisees who obtain a Small Business Administration (SBA) loan are required to sign the SBA addendum to the Franchise Agreement. A copy of the SBA addendum is included in Exhibit D of this disclosure document.

ITEM 11. FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS, AND TRAINING

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

SSI's Obligations to You Prior to Opening

Prior to the opening of your Stanley Steemer Business, we will provide the following assistance:

1. Sell ~~to you and install~~ one (1) or more Stanley Steemer ~~Vehicles to you or to a company which you designate which agrees to lease the Stanley Steemer Vehicle(s) to you~~ Cleaning Platforms. (Franchise Agreement, Article IV ~~B. and C.~~, Section A).
2. Recommend or provide the names of brands and manufacturers of products ~~meeting~~ that meet our specifications. (Franchise Agreement, Article VIII ~~I.~~, Section I).
3. Provide you with access to ~~our~~ the Stanley Steemer Manuals. (Franchise Agreement, Article VIII ~~I.~~, Section K).
4. Permit you to use the Stanley Steemer Trademarks and the Stanley Steemer System, ~~in accordance with our requirements.~~ (Franchise Agreement, Article VIII ~~D. V.~~, Sections A and E).
5. Provide initial training ~~of~~ to you, your Designated Principal or the manager of the Stanley Steemer Business at times and locations designated by us. (Franchise Agreement, Article VIII ~~I.~~, Section J).
6. Furnish additional ~~advice and counseling as you reasonably request~~ guidance and support as we deem necessary or appropriate regarding the use of the Stanley Steemer System and compliance with Brand Standards. (Franchise Agreement, Article VIII ~~I.~~, Section L).
7. ~~If we create communication services through our web site to facilitate communication among franchisees and us, and you are in good standing as a franchisee and sign the Technology Systems Access Agreement attached to this disclosure document as Exhibit G, we will provide you with access rights to these communication services.~~ (Franchise Agreement, Article VIII ~~N.~~).

SSI's Obligations to You After Opening

During the operation of your Stanley Steemer Business, we will provide the following assistance:

1. Continuation of the obligations and assistance referred to in ~~paragraphs items~~ 1., 2., 3., 4., and through 6 above, as applicable.
2. Provide all advertising materials, including newspaper copy or matrices, television film or video tapes, radio tapes, and other advertising materials developed by us from time to time for use in a Stanley Steemer Business. We have the right to charge you an amount equal to our cost of

preparing these materials, although we generally do not do so. (Franchise Agreement, Article VIII., Section A-).

3. Participate in any media area cooperative advertising program in those media areas in which we have a company-owned branch operation. Our participation will be on the same terms that are applicable to ~~the other~~ franchisees in the media area. (Franchise Agreement, Article VIII., Section C-).
4. Make available to you at our standard prices all spare parts necessary to operate and maintain the Stanley Steemer Cleaning Platforms. The prices which we charge to all franchisees will be the same, although we may make available certain volume and similar discount programs. (Franchise Agreement, Article VIII., Section G-).
5. Use ~~our best~~ commercially reasonable efforts, as determined by us in our sole discretion considering the cost and other risks involved, to protect the Stanley Steemer Trademarks and proprietary products from infringement ~~by any person~~. (Franchise Agreement, Article VIII., Section F-).
- ~~6. Provide to you upon request report forms as are required for you to fulfill your reporting obligations to us. (Franchise Agreement, Articles VII.I., VIII.C. and E-).~~
6. Provide reporting capabilities through the Integrated Technology Systems, including electronic data submission, financial and operational reporting, and reconciliation tools. (Franchise Agreement, Article VII, Sections H through K; Technology Systems Access Agreement, Section 10.).
7. Negotiate master contracts with Strategic Account Program customers, offer participation in the Strategic Account Program and Strategic Accounts to similarly situated franchisees. (Franchise Agreement, Article III, Section Q.1).

We do not provide you with all of the necessary equipment, signs, ~~and fixtures directly~~, opening inventory, or supplies required for your business Stanley Steemer Business to you directly, but we are in the practice of providing you with written specifications and the names of approved suppliers offering these items. We do not deliver or install necessary items for your Stanley Steemer Business except for our proprietary products and your Service Vehicle (with at least one of the Stanley Steemer Cleaning Platforms). Our training programs, operational guidance, technology systems, and performance recommendations that we may provide to you are designed to support your adherence to Brand Standards and the Stanley Steemer System only.

~~In order for you to meet your obligations under the Franchise Agreement, you must offer your customers all products and services as provided for in the Manuals or as otherwise designated by us. (Franchise Agreement—Article II.C.9-).~~

We do not have an obligation, either before or after opening, to hire or train your employees, but we do make certain training available to you, your Designated Principal, and ~~certain~~ some of your employees ~~selected by you~~ (as described more fully in this Item 11). We do not direct, supervise, manage, or control your employment practices, your personnel decisions, staffing levels, work schedules, supervision of employees, or your day-to-day management or methods of operation of your Stanley Steemer Business.

Although we do not have any obligation under the Franchise Agreement to do so, we are committed to the ongoing development and improvement of the Stanley Steemer System and the proprietary Stanley Steemer equipment, products, and services, for the benefit of all Stanley Steemer Business operators, which may include investments by us in technology, brand awareness, proprietary cleaning products and

equipment, training resources, and developing operational best practices (Franchise Agreement, Article VIII, Section E). We may, in our sole discretion, establish franchisee advisory forums for input about their Stanley Steemer Businesses (Franchise Agreement, Article VIII, Section O), and we may operate, but are not required to operate, a Contact Center that facilitates customer's appointment scheduling. (Franchise Agreement, Article VII, Section A).

~~Although we do not have an obligation under the Franchise Agreement to do so, due in part to our operation of Stanley Steemer company-owned businesses, we are significantly involved in improving and developing the products and services that you will offer your customers and in developing the franchised business.~~

~~Although we do not have an obligation under the Franchise Agreement to do so, due to our operation of Stanley Steemer company-owned businesses, we maintain a National Customer Contact Center for the purposes of fielding in-bound customer contacts and inquiries. Depending upon our capacity and the availability of resources, you may use the services of our National Customer Contact Center in the operation of your Stanley Steemer business. Your utilization of services provided through our National Customer Contact Center is voluntary and will be determined at your discretion.~~

~~We do not have an obligation to establish prices but may suggest prices to you from time to time.~~

Although we do not have an obligation under the Franchise Agreement to do so, due in part to our Stanley Steemer company-owned businesses, we are in the practice of establishing and using administrative, bookkeeping, accounting, and inventory control procedures, which may be facilitated through the Integrated Technology Systems, and which we may share with you from time to time.

Although we do not have an obligation under the Franchise Agreement to resolve operating problems you encounter, ~~we will upon your reasonable request, do~~ provide you with periodic individual advice and, ~~consultation in connection with, and assistance concerning the operation of your Stanley Steemer business and periodic continuing individual advice, consultation and assistance~~ Business. (Franchise Agreement – Article VIII, Section L).

We do not have an obligation to establish prices for your general business operations. With the exception of Strategic Accounts, you have complete discretion over the prices you charge your customers. We may provide pricing guidance or recommendations, but these are advisory only and you are not required to follow them (Franchise Agreement, Article VII, Section N.2).

Our technology systems may generate recommendations regarding scheduling, pricing, task assignment, workforce optimization, or other operational matters. These recommendations are advisory only and are not mandatory directives. You have absolute discretion to accept, modify, or reject any system-generated recommendation based on your independent business judgment, local market conditions, and legal compliance obligations.

Advertising Programs

We consider advertising and promotion to be critical to the success of a Stanley Steemer Business. It is for this reason that we require you to spend ten percent (10%) of your Gross Sales annually for advertising and promotion of your Stanley Steemer Business (“Advertising Expenditure”). Except for your obligations to participate in your local media area advertising cooperative ~~and~~, the national advertising program(s), and, if we require, to advertise in local market advertising listings, ~~you are free to determine how to spend your annual advertising and the requirement, subject to that all Advertising Expenditures comply with our specifications and brand standards and advance approval.~~ Brand Standards and be included in the list of qualifying Advertising Expenditures that we provide to franchisees from time to time, you may determine how to meet your Advertising Expenditure obligation. You are not

required to obtain our approval of advertising materials and media prior to use, provided they comply with our specifications and Brand Standards.

We currently retain the services of various advertising agencies to advise us on marketing and assist us in producing advertising for the Stanley Steemer system. Currently, we produce advertising materials for dissemination by television, radio, newspapers, digital media, various forms of direct and electronic mail, and local market advertising listings. In addition, we have programs for e-mail solicitation and other forms of digital advertising. ~~All~~ Currently, all of these are made available to you at prices which do not exceed our costs of production and/or execution. You are also free to prepare your own materials and to contact advertising agencies of your choice or to work directly with the agencies with which we maintain relationships. All advertising and promotional materials must conform to our specifications and ~~brand standards~~ Brand Standards and be approved in advance by us. You may not advertise or be included in any online directories, third-party websites, or social media websites, applications, or platforms without our prior approval, which we are not obligated to provide. We may require you to participate in certain directory and social media listings on a system-wide basis to ensure brand consistency. In such cases, you are solely responsible for the accuracy of your business information and for all content you provide for such listings.

Stanley Steemer advertising is done on a local basis, ~~by media area~~ through ~~media area~~ advertising cooperatives ~~or that franchisees participate in and~~ through the National Advertising Program for ~~Stanley Steemer Businesses through Stanley Steemer National Advertising Fund, Ine~~ described below. We are not obligated to spend money on advertising in your ~~area~~ Franchised Area.

Currently, there are 29 ~~media area~~ advertising cooperatives, each within a specific geographic area (the “media area”). If we or a majority of the Stanley Steemer Businesses in your media area determine that a cooperative media area advertising program should be formed, you are required to participate in and pay your pro rata share for that cooperative advertising program. In such event, all Stanley Steemer franchisees that have Stanley Steemer Businesses in the media area must participate in the cooperative. In addition, if we have a company-owned branch operation in the media area, we must participate on the same terms as the franchisees. In a few cases, franchisees that operate under franchise agreements signed years ago may not have the same obligations to participate in a cooperative that you or we have. The media area will be determined by us using ~~third party~~ third-party media services such as Nielsen (or comparable source) for television, ~~Arbitron~~ Nielsen Audio (or comparable source) for radio, and areas of circulation for printed media. The amount of funding required to operate the media area cooperative is determined by the members of the cooperative. Each member’s pro rata share is determined by the members of the cooperative and varies depending upon the media used. For example, for television the pro rata share is generally determined based upon the percentage that the number of television households in each franchisee’s media area bears to the total number of television households in the total media area. For digital advertising, including paid search, display, social media, streaming/OTT, and programmatic advertising, your pro rata share of the cooperative cost will be determined based on the proportional population or household count of your Franchised Area relative to the total geographic area covered by the digital campaign, or by such other commercially reasonable methodology as we may establish in the Manuals.

Each advertising cooperative is free to adopt its own by-laws and to choose whether or not to share those by-laws with members of the cooperative. Each cooperative is self-administered. Currently, all cooperatives operate on a one Stanley Steemer Business equals one vote basis. In the event of disputes which cannot be amicably resolved by the members of the cooperative, Stanley Steemer reserves the right to resolve the dispute. Stanley Steemer has the power to require cooperatives to be formed, changed, dissolved or merged.

We do not require cooperatives to prepare or submit annual or periodic financial statements, although they are free to do so.

In April of 2000, Stanley Steemer National Advertising Fund, Inc., an Ohio nonprofit corporation (~~the “National Advertising Fund”~~), was formed to operate Stanley Steemer’s National Advertising Program on behalf of Stanley Steemer Businesses. All new Stanley Steemer franchise owners are required, on a monthly basis, to pay a National Advertising Fee to the “National Advertising Fund” as we may designate of up to four percent (4%) of monthly Gross Sales to the National Advertising Fund. Most existing Stanley Steemer franchise owners are required to participate in the National Advertising Fund at the same rate as new franchise owners; however, there may be franchise owners having older forms of Franchise Agreements who either are not required to participate or may be required to participate at a different rate. Your contributions to the Fund do not grant you any right to direct or control the Fund’s strategy, allocations, media mix, or creative material.

The funds that are collected by the National Advertising Fund will be used only for the administration and execution of the National Advertising Program. Stanley Steemer has agreed to provide accounting and bookkeeping services to the National Advertising Fund at no fee. The Fund will not be used as a profit center, though the Administrator may be reimbursed for reasonable costs and overhead incurred in administering the Fund.

We must also contribute to the National Advertising Fund at a designated rate of up to four percent (4%) of our Gross Sales derived from Core Business and Related Business through our company-owned branch operations.

The finances for this program will be administered by us. Administration of the National Advertising Fund is handled by our accounting and marketing personnel under the direction of a Board of Trustees made up of three (3) representatives of Stanley Steemer appointed by the President of Stanley Steemer and two (2) representatives of Stanley Steemer franchise owners. ~~Initially, the~~ The two (2) Trustees representing franchise owners were appointed by the President of Stanley Steemer. Beginning in mid 2000, the two (2) Trustees representing franchise owners were ~~are~~ selected by the franchise owner members of the Stanley Steemer President’s Council. The National Advertising Fund must be operated in compliance with written governing documents, including its Articles of Incorporation and a Code of Regulations. Copies of these documents are available for review by any franchise owner (after his or her signing of a Franchise Agreement) by making a written request of the Vice President of Legal Affairs of Stanley Steemer.

~~Although~~ An annual financial statement for the National Advertising Fund is not required to prepare annual financial statements, it does so and these statements are audited ~~prepared by an independent CPA. We make these audited financial statements~~ certified public accountant and is made available for review by a franchisee/franchisees upon written request. During 2024/2025, the National Advertising Fund spent none of its total expenditures on the production of advertisements and other promotional materials, 98.597.7% for media placement, and 1.52.3% for general and administrative expenses which includes interest expense.

We have the power, through the three (3) Trustees of the National Advertising Fund appointed by its President, to require the National Advertising Fund to be changed, dissolved, or merged.

If all National Advertising Fees are not spent by the National Advertising Fund in the fiscal year in which they accrue, these fees will be maintained by the National Advertising Fund in its bank accounts and expended during the following fiscal year. We provide you with access to the National Advertising Fund’s media schedule and amounts expended for advertising by the National Advertising Fund.

None of the National Advertising Fees received by the National Advertising Fund will be used for advertising that is principally a solicitation for the sale of franchises.

Unless we are a member of an advertising cooperative in your media area, we have no obligation to spend any money for advertising in that area. Additionally, the National Advertising Fund has no obligation to spend any money for advertising in any particular media area.

Other than as described above, you are not required to participate in any other advertising fund.

We have not appointed a separate advertising council composed of franchisees that advises us on advertising policies.

Computer Integrated Technology Systems

Generally

We have developed technology and computer systems for use in the operation of a Stanley Steemer Business (the "Integrated Technology Systems"). You must acquire, implement, and use the Integrated Technology Systems as we require. When you sign the Franchise Agreement, you will also sign a separate Technology Systems Access Agreement ("Technology Agreement") A copy of the Technology Agreement is attached as Exhibit G to this disclosure document.

~~We have the right to require you to use a computer system that meets our specifications and the right to require you to purchase your computer system from a supplier approved or designated by us. Your computer system may include computer hardware, software, tablets, mobile devices and printers and other technology related systems and components we require or suggest from time to time. Currently, we require you to use computer hardware, third party software, tablets, mobile devices and printers designated by us, but you are not required to purchase these from us or a supplier approved or designated by us. We also currently require you to use our proprietary software, which we provide at no cost to you. Your computer system will be used to store and access customer records and financial data. You may be required by us or third party providers to sign license agreements for software you use in your Stanley Steemer Business. A typical single user computer system generally ranges from \$2,500 to \$5,000.~~

Maintenance, Repairs, Upgrades and Updates

~~Except with respect to our proprietary software as described below, you must purchase your computer system and you must purchase all maintenance, repairs, upgrades and updates to the computer system. There are no limitations on the frequency or costs associated with this requirement. We estimate that the annual cost of maintenance, repairs, upgrades and updates to your computer system will be \$250. Stanley Steemer, its affiliate, Stanley Steemer National Advertising Fund, Inc., or third parties are not required to provide you with ongoing maintenance, repairs, upgrades or updates to your computer system.~~

Proprietary Software

The various components that make up the Integrated Technology Systems may include: computer systems, hardware, tablets, mobile devices, printers, software, apps, websites, network connections, and firewall services; customer relationship management and operating platforms (currently the Powermagic™ platform); accounting applications; e-mail and communications systems; extranet and franchisee portals; customer satisfaction and referral survey applications; credit card processing systems; global positioning systems (GPS); learning management systems (LMS); marketing automation systems; mobile technology solutions; customer portals; telephony and communication systems; business intelligence and reporting platforms; and other components or systems that we may designate from time to time.

We classify components of the Integrated Technology Systems' as either Required Components or Elective Components. Required Components are mandatory for all franchisees. Elective Components

are optional tools and features that you may activate or deactivate at your discretion based on your independent business judgment.

The Integrated Technology Systems you are required to use may vary in type and quantity depending upon the size of your Franchised Area, your business plan, and the needs of the Stanley Steemer franchised and company-owned system as a whole.

Required Components

~~We require you to use~~ You must acquire, install, and continuously use and maintain all components that we designate as Required Components. The current Required Components include a computer, tablets, mobile devices, printers (referred to below as “hardware”), and connectivity components, as well as the Stanley Steemer website available to customers and the general public (the “Public Website,”) the 1-800-STEEMER Call Routing Infrastructure, and the core customer relationship management and royalty reporting functions of our proprietary software, Powermagic[®]™, Fusion™, Nimbus™, and Nimbus XT™, ~~in the operation of your Stanley Steemer Business. This software is primarily used for entry of customer invoices, customer scheduling, accounting, and other related operational and financial matters.~~ A list of Required Components is published in the Manuals.

~~The costs of these Required Components generally range from \$3,500 to \$7,000. We do not supply hardware components or connectivity components. We do not currently charge franchisees an initial fee or recurring fee for this software, but franchisees are solely responsible for purchasing, obtaining, configuring and maintaining compatible computer hardware, operating system software and any other communications equipment and devices needed to a fee for franchisees’ use of our proprietary software. You~~ In addition, if we need to set up, configure, or integrate your hardware, connectivity components, the proprietary software, or other technology systems for you so that you may use the Integrated Technology Systems, you must pay us a non-refundable fee of \$495 per person per day for any set up or conversion of your computer hardware system needed in order for you to be able to use our software each time we provide this assistance (see Items 5 and 7 for additional information on technology fees).

From time to time, we may designate additional Required Components if we believe the designation is reasonably necessary to maintain Brand Standards, system integrity, data security, legal compliance, or competitive positioning of Stanley Steemer Businesses or the Stanley Steemer System, and if we determine the costs of acquiring, implementing, and maintaining the additional Required Components are reasonable for franchised and company-owned Stanley Steemer Businesses and the requirement is applied uniformly to all franchise owners operating under materially similar circumstances.

~~If requested by us, you must install and use all updates, upgrades or enhancements to our proprietary software. While there is no limit on the frequency or costs associated with these updates, upgrades or enhancements, we do not currently charge franchisees for such updates, upgrades or enhancements.~~

~~We currently provide a help desk to answer franchisees' questions regarding our proprietary software. We also employ reasonable efforts to correct errors or malfunctions in the software that are brought to our attention by franchisees, but we do not guarantee their correction. We do not charge franchisees for help desk support or correction of errors or malfunctions, provided, however, if there is an error or malfunction caused by computer hardware, communications equipment or software that we do not own, we will charge you our standard rates for any maintenance or support services provided by us to correct the error or malfunction. We do not guarantee that errors or malfunctions can be fixed. If you request, we provide training to you on your use of our proprietary software. Currently, the fee for this training is \$150 per day, but we have the right to increase this fee. If we do, we estimate the maximum fee will be \$250 per day. We have the right to discontinue the help desk resource, training sessions and/or our assistance with errors and malfunctions at any time or to charge you for these services. We have the right to require you to sign a maintenance agreement concerning our proprietary software.~~

Intranet System

~~We currently provide, and require all franchisees to participate in, an intranet system for franchisees to communicate with us and other franchisees. We do not currently charge franchisees a fee for use of the intranet system, but you will be responsible, at your cost and expense, to obtain or maintain any communications equipment necessary to use the system, including modems, computer hardware and software and long distance or local telephone service. We plan to make a number of services available through this intranet system such as email service, a network news service, a buy/sell area for Stanley Steemer business related goods, an interactive chat service and a bulletin board service. Through the intranet, qualified franchisees may manage a unique webpage dedicated to the franchisee's individual Stanley Steemer business within the Stanley Steemer public website. We believe that franchisees will find the intranet system not only useful as a means for receiving technical information and assistance from us, but also as a forum for discussion on a wide range of issues of interest to the Stanley Steemer community as a whole.~~

Elective Components

Internet Connection, Email and Social Media

In addition to Required Components, we may offer Elective Components—optional tools and features that you may activate or deactivate at your discretion. You will not be in default of your Franchise Agreement if you do not activate an Elective Component, but if you activate an Elective Component, you must use and maintain the Elective Component in compliance with all applicable Brand Standards, if any, and the terms of the Technology Agreement, including provisions regarding applicable fees, data security obligations, and suspension of the Elective Component by us. You may discontinue any Elective Component at any time. A list of available Elective Components and their associated fees is published in the Manuals.

~~You may choose your Internet provider, but the speed of your connection must meet our specifications. You are required, at your own expense, to use the email system and email addresses we require. You may not use any separate email address without our written consent. You are required to participate, at your own expense, in all social media activities and promotions we may require from time to time. You may not advertise or be included in any online directories, third party websites or social media websites, applications or platforms without our prior approval, which we are not obligated to provide.~~

If you prefer not to use our Elective Component, you may select and use third-party products or services—such as GPS tracking, accounting software, or similar business tools—that provide comparable functionality as would the Elective Components, as long as those products or services operate independently and are not integrated or connected to the Integrated Technology Systems.

Repairs, Upgrades and Updates

You are responsible for purchasing, obtaining, configuring, repairing, maintaining, upgrading, and updating all hardware and connectivity components, and you may be required to pay the costs associated with updates and upgrades of our proprietary software described above.

Neither we nor our affiliates have any obligation to provide ongoing maintenance, repairs, upgrades, or updates to your hardware, connectivity components or other technology systems that you use in the operation of your Stanley Steemer Business.

You and third parties may enter into arrangements that require the third party to provide some or all of these for you. We estimate your annual cost of optional or required maintenance, updating, upgrading, and technical support contracts to be \$1,000 to \$2,500. There is no contractual limitation on the frequency or cost of required upgrades or updates to the Required Components or the Elective Components, except the limitations on when components may be classified as Required Components as described above.

We have the right to require franchisees to upgrade or replace hardware, software, and other technology-related components. There is no contractual limitation on the frequency or cost of required or updates. You are solely responsible for the cost of all hardware, software, and connectivity upgrades.

~~Our Independent Access to Information on Your Computer System~~

We have independent access to the information stored on your computer hardware and software, including our proprietary software, and information you maintain in cloud-based storage. We have unlimited rights to access this information and unlimited rights to require you to transmit information relating to your Stanley Steemer Business to us or third parties designated by us. ~~Except for that access, we will not have access to your employment or personnel records, including payroll, performance reviews, schedules, and the like.~~ Currently, we require you to ~~transmit this~~ transfer information to us at least twice weekly, but we have the right to change the frequency ~~by which you must provide us this information~~ of those transmissions.

Technology Fee

Help Desk and Technical Support

~~We have the right to charge you a monthly non refundable fee for the various technology related products and services you use in your Stanley Steemer Business, including, your computer system and any apps, websites, networks, firewall services and other technology related systems and components you use in your Stanley Steemer Business. We do not currently charge this fee. If we charge this fee in the future, we estimate the maximum fee will be 3% to 4% of your annual gross sales.~~

We currently provide a help desk to assist you with questions regarding the Integrated Technology Systems, including our Proprietary Software. We use commercially reasonable efforts to identify and correct system errors or malfunctions that are brought to our attention by franchisees, but we do not guarantee their correction or any particular response time. We do not currently charge for help desk support or error correction related to the Integrated Technology Systems.

If an error or malfunction is caused by your hardware, internet connectivity, local network configuration, or software that we do not own or operate, we may charge you our standard rates for any support services we provide. We have the right to discontinue or modify our help desk services at any time, or to charge fees for these services with reasonable notice.

Operations Manuals

We provide to you, and each Stanley Steemer franchisee, the Stanley Steemer Franchise Operations Manual, which may consist of several topic-specific manuals and/or a collection of materials in hard and electronic formats. We select the format in which the Operations Manual will be provided to you. You will access these materials primarily through our secure online portal (often referred to as “Steemer On-Demand” and other franchisee only web-pages). We may periodically modify and update the Operations Manual and/or provide to Stanley Steemer franchisees via written communications, electronic files and communications, and Internet based files and communications, information that supplements, updates, or replaces the Operations Manual, in whole or in part (this information, together with the Stanley Steemer Franchise Operations Manual, the “Manuals”). You must have an e-mail account and Internet service so that you may receive these electronic and web-based files and communications. The Manuals ~~contain mandatory specifications, standards, operating procedures and rules that you are required to follow in the in the operation of~~ set forth the Brand Standards and mandatory system components that you must use to protect the quality, safety, and uniformity of the Stanley Steemer System. Brand Standards specify the outcomes you must achieve and the system elements you must utilize in operating your Stanley Steemer business. ~~Such information shall be clearly designated as “Prescribed Operating Standards.”~~ Business. All other content available in the Manuals — including best practices, guidelines, suggestions, and recommended methods — is elective and provided for your consideration or optional implementation. You are not required to follow or adopt these elective materials unless otherwise stated in the Franchise Agreement or identified as mandatory in the ~~Prescribed Operating Brand~~ Standards. The Manuals (including the ~~Prescribed Operating Brand~~ Standards) are intended to maintain the integrity, character, and uniform quality of the goods and services associated with the Stanley Steemer Trademarks and the Stanley Steemer System. However, nothing in these Manuals or the ~~Prescribed Operating Brand~~ Standards is intended to govern or control the day-to-day management of your Stanley Steemer Business or the activities of your employees. You retain full responsibility for routine employment and operational decisions within your business, so long as you comply with the mandatory requirements arising under the Franchise Agreement and the ~~Prescribed Operating Brand~~ Standards. The Manuals are confidential and the proprietary property of Stanley Steemer and are simply loaned or otherwise made available to you. You must return the Manuals to us upon the expiration or termination of your Franchise Agreement for any reason. You must treat the Manuals confidentially.

You must operate your Stanley Steemer ~~business~~ Business, including, without limitation, your use of the Stanley Steemer Cleaning Platforms, ~~Stanley Steemer~~ Service Vehicles, cleaning products and solutions, cleaning methods, machinery, equipment, and supplies, in accordance with the ~~Prescribed Operating Brand~~ Standards designated in the Manuals, which may be revised and modified from time to time in our ~~sole and absolute~~ discretion.

The Table of Contents of our Stanley Steemer Franchise Operations Manual, as of the original issuance date of this disclosure document, is included below. The total number of pages in the Operations Manual and the number of pages devoted to each topic in the Operations Manual are included below.

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Business Location Selection

It is your responsibility to select the site from which your Stanley Steemer Business will be operated. Generally, your office must be located within your ~~geographic area~~ Franchised Area and should be located to allow you to provide services to customers in your ~~area~~ Franchised Area efficiently and conveniently. ~~We~~ To the extent permitted under applicable law and homeowners association rules, we recommend that you initially consider locating the business in your home to reduce expenses. As you expand, you may find it desirable to locate your business in an office or other commercial building. There may be laws and homeowners association rules that prohibit you from parking your Service Vehicles at your home. We do not select or approve a business location for you, and we are not required to provide any assistance to you in selecting a location. We do not assist you in conforming the business location to local ordinances and building codes and/or obtaining any required permits. We are not responsible for constructing, remodeling, or decorating the business location. You may not operate another business from the same premises from which you operate your Stanley Steemer Business, without our prior consent. ~~You will also be required to use a vehicle or if necessary, vehicles, to service your Stanley Steemer Business customers.~~

Time Before Opening

You must have commenced the operation of your Stanley Steemer Business within three (3) months after you sign your Franchise Agreement. The typical length of time from the signing of a Franchise Agreement to the commencement of operations by a franchisee is thirty (30) to sixty (60) days. Factors affecting the length of time typically include obtaining the necessary financing arrangements, delivery of equipment, and the time needed by you to wind up your current business occupation, if any.

Training Program

We provide an initial training program for all Stanley Steemer franchisees, which typically ~~lasts~~ lasts two weeks and is typically held at our corporate offices in Dublin, Ohio, or a company-owned branch designated by us. In our discretion, your initial training sessions may be provided to you, in whole or in part, through webinars, online modules, online learning portals, web-based seminars or classes, cloud-based video communications, video and audio conferencing, and live chats.

There are prerequisites that you must meet or comply with prior to participating in the initial training program. You will receive all training materials prior to your visit. These materials typically include the Manuals and other training aids adopted or revised by us from time to time. You must successfully complete the initial training program to our satisfaction prior to commencing operation of your business (within three (3) months after the Franchise Agreement is signed). We may also require your Designated Principal to complete initial training to our satisfaction. In certain instances where a franchisee has significant prior business experience, we may allow a modified or shortened program. The initial training program is offered periodically by us, based upon need.

Our franchisee training program is administered by the Stanley Steemer Training Department with instruction provided by various subject matter experts employed by Stanley Steemer. The average instructor has at least ~~sixteen~~ seven (67) years of experience with us and ~~eleven~~ twelve (412) years of experience on the subject for which they will provide training. Representatives of the following Stanley Steemer departments will provide instruction: Training, Customer Service, Accounting, Risk Management, Legal, Marketing, IT, Manufacturing, Products and Services, Branch Operations, and the ~~National~~ Contact Center. The instructional materials for training will include written materials such as the Manuals and lectures.

Currently, you are not required to pay tuition fees for the initial training program, but we reserve the right to charge fees for this training program. You must pay for all travel, room, board, wages and any other expenses related to the training program, including costs incurred by you, your Designated Principal and your employees.

We have the right to require you, your Designated Principal, your manager and/or your other employees to participate in periodic supplemental or refresher training. In addition, we offer periodic supplemental and refresher training that you, your Designated Principal, your manager and/or your other employees may participate in on a voluntary basis. Currently, you are not required to pay tuition fees for mandatory or voluntary supplemental or refresher training, but we reserve the right to charge a tuition fee for this training, which may range from \$185-\$625 per person for each training session.

If web-based initial training, supplemental training, or refresher courses are offered, participants must have a personal computer with Internet service and may be required to download software or ~~a software plug-in such as Java or Adobe Flash Player~~ applications designated by us to access training materials. If we require in-person training or refresher courses, you are responsible for transportation and room and board for yourself and any of the individuals who participate in the training program or refresher course on your behalf.

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Stanley Steemer Business

Our current initial training program for Stanley Steemer franchisees is as follows:

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
<u>Designated Principal Orientation</u>	<u>Not Applicable.</u>	<u>4</u>	<u>Company,</u> <u>Company-Owned Branch</u>
Tour of Stanley Steemer's home office, manufacturing facility, and Columbus branch operations	Not applicable.	<u>84</u>	Company, Company-Owned Branch
Cleaning Techniques and Methodologies	Not applicable.	<u>128</u>	Company-Owned Branch, Web-based Training
<u>Service Category Certification</u>	<u>Not Applicable.</u>	<u>8</u>	<u>Company,</u> <u>Company-Owned Branch, Web-Based Training</u>
Practice Cleaning Technique in Demo Home	Not applicable.	8	Demo Home
Outstanding Attributes of a Manager, Customer Service Representative, and Crew Chief	8	Not applicable.	Company, Company-Owned Branch, Web-based Training

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
~~Stanley Steemer Service Vehicle and cleaning equipment~~ <u>Cleaning Platform</u>	12	Not applicable.	Company Manufacturing Facility
Marketing Strategy and Yearly Media Planning	4	Not applicable.	Company, Company-Owned Branch, Web-based Training
Insurance	2	Not applicable.	Company, Company-Owned Branch, Web-based Training
~~Financing the Stanley Steemer Vehicle & Cleaning Platform~~ <u>Acquisition and Specifications</u>	2	Not applicable.	Company, Company-Owned Branch, Web-based Training
<u>Integrated Technology Systems</u>	<u>4</u>	<u>Not Applicable.</u>	<u>Company, Company-Owned Branch, Web-Based Training</u>
Reporting	<u>6</u>	Not applicable.	Company, Company-Owned Branch, Web-based Training
Manager, Customer Service Representative, or Crew Chief Class	16	Not applicable.	Company, Company-Owned Branch, Web-based Training
Field Training and Certification	Not applicable.	32 hours	Franchisee's Business Location

You are responsible for all expenses associated with additional training, including travel, room, board, and wages. We will provide the training instructors and training materials to you at no cost.

ITEM 12. TERRITORY

You will be granted an exclusive ~~area within which to~~ territory ("Franchised Area") where you will operate your Stanley Steemer Business. ~~You may not provide services to any customer location outside of your exclusive area without our consent. Your exclusive area~~ Your Franchised Area will be agreed to by you and us and detailed on Exhibit "A" to your Franchise Agreement. ~~That area~~ Your Franchised Area will generally consist of one (1) or more counties. ~~However, however, in heavily populated areas, it may be less than a county, and, in that case, it will be delineated by reference to boundary streets or other political subdivisions.~~ ~~If~~

We will not establish a company-owned Stanley Steemer Business in your Franchised Area, and we will not grant another Stanley Steemer franchise in your Franchised Area that sells the same or similar goods or services under the Stanley Steemer Marks or similar trademarks or service marks.

Your franchise is not granted for a specific business premises. You may locate or relocate your business premises in any location within your Franchised Area that will allow you to adequately service your Franchised Area. You may not service customer locations outside of your Franchised Area without our consent, which we may withhold or condition, or revoke for any reason. You do not have a right of first refusal or other similar rights to open an additional Stanley Steemer Business. If you would like to open another Stanley Steemer Business, and we agree, you must sign a new Franchise Agreement that may have materially different terms than your current Franchise Agreement.

General Terms and Conditions on Exclusivity

Your exclusive territorial rights within your Franchised Area apply only to those Service Categories included in Exhibit A to your Franchise Agreement and that you continuously, without interruption, maintain as an “Active Service Category”.

A Service Category is any category or type of cleaning, restoration, mitigation, or related service that is offered by Stanley Steemer Businesses. You must offer and provide all Service Categories designated on Exhibit A to your Franchise Agreement. Certain Service Categories are designated by us as Essential Service Categories fundamental to the Stanley Steemer brand identity. As of the original issuance date of this disclosure document, Essential Service Categories include Carpet Cleaning, Upholstery Cleaning, and Tile & Grout Cleaning.

As of the date of this disclosure document, a Service Category is considered “Active” so long as (1) you have completed all required training for the Service Category, (2) you have the equipment, technology, and materials needed to provide the Service Category products and services, (3) you are in compliance with the obligations of the Stanley Steemer System, including the Brand Standards, (4) you are offering and providing products and services associated with the Service Category to your customers within your Franchised Area on a consistent and ongoing basis in accordance with the Stanley Steemer System, including applicable Brand Standards, and (5) you are in compliance with any other standards required by Stanley Steemer from time to time.

We will not establish a company-owned Stanley Steemer Business or grant another Stanley Steemer Business franchise within your Franchised Area for any Service Category that you maintain as Active.

If a Service Category is not Active, as determined by us, we have the right to terminate or temporarily suspend your rights to provide services and products associated with the applicable Service Category (the “Products and Services”), to allow a company-owned Stanley Steemer Business or other franchisees the right to provide the Products and Services to any person or business in your Franchised Area (the “Authorized Provider”), without compensation to you. The exercise of these rights by a company-owned location or another franchisee is not a breach of the Franchise Agreement, and does not diminish or prevent your ability to provide products and services of other Active Service Categories to customers within your Franchised Area.

You may not make changes to your Franchised Area unless we agree to those changes. We have sole discretion when determining if your Franchised Area will be modified. You do not have rights under the Franchise Agreement to open an additional Stanley Steemer Business. If you would like to open another Stanley Steemer Business, and we agree, you must sign a new Franchise Agreement that may have different terms than your then-current Franchise Agreement. Granting you the right to open an additional

location and any conditions that may apply to opening that additional location are solely in our discretion. You do not have rights of first refusal or other similar rights to acquire additional franchises.

If you receive a request for service outside of your ~~exclusive area~~ Franchised Area, you must refer that request to the Stanley Steemer ~~branch~~ company-owned location or franchisee in ~~the~~ that area in which the services are to be performed. You may not solicit customers outside of your ~~exclusive area~~ Franchised Area by channels of distribution such as the Internet, catalog sales, telemarketing, or other direct marketing including direct marketing by email. Except as disclosed below, we will not solicit or accept orders directly or through other channels of distribution, such as the Internet, catalog sales, telemarketing, or other direct marketing, or establish a company-owned Stanley Steemer Business or grant another Stanley Steemer Business franchise within your exclusive area.

Your franchise is not granted for a specific location. You may locate or relocate your business premises in any location within your exclusive area that will allow you to adequately service your exclusive area.

We have the right under the Franchise Agreement, at our option, with respect to the services offered by a Stanley Steemer Business to implement a “National Accounts Program” to provide such services, to certain commercial customers having locations within more than one (1) area serviced by franchisees and/or company owned branch operations. If we implement the National Accounts Program, you must fully participate in the Program in accordance with the terms and service level agreements negotiated with such commercial customers/accounts. The National Accounts Program is likely to include, but is not limited to, the following elements: (1) We could designate certain multi territory customers as National Account customers and enter into contracts with these customers encompassing any or all of the customers’ facilities, including the customers’ facilities located in your franchised area. (2) Our contracts with the customers may establish National Account prices for the services to be provided. (3) You must provide services to all National Account customers in your franchised area in accordance with the Stanley Steemer System and the terms and service level agreements negotiated with such National Account customers. (4) You may not charge National Account customers prices for products or services in excess of the National Account prices for that customer established by us, but you, at your option, may charge prices less than the National Account prices for that customer. (5) You must cooperate with us and other Stanley Steemer franchisees in identifying and servicing National Account customers.

Excluded Service Categories

In the past, we may have granted limited licenses to franchisees to offer and sell limited products and services in your Franchised Area. If so, you may not offer and sell the same products and services that these licensees are permitted to offer and sell in your Franchised Area. In addition, we may have granted an Authorized Provider the right to offer and sell products and services in a specific Service Category in your Franchised Area, which will prevent us from granting those same rights to you. This means that you may not receive rights to all of the Service Categories that are offered by us to franchisees.

Any Service Category excluded from your specific franchise grant will be identified in your Franchise Agreement. We have no obligation to acquire or transfer Excluded Service Category rights to you, although we generally favor consolidating service rights with a single operator in each geographic area where operationally feasible.

We will inform you if another franchisee or Authorized Provider or company-owned business has rights in your Franchised Area before you sign the Franchise Agreement. There is no requirement that you sign the Franchise Agreement or become a Stanley Steemer franchisee. The decision is up to you after considering what rights we may have granted to others.

Authorized Provider Framework

If you fail to maintain any Service Categories assigned to you as an “Active” Service Category, we may, subject to any applicable cure period, in our discretion, and as an alternative to terminating your Franchise Agreement, authorize another franchisee, company-owned operator, or other third-party licensee (an “Authorized Provider”) to offer and provide that Service Category within your Franchised Area. Our election to permit an Authorized Provider to provide a Service Category during any such period when you fail to maintain any Service Category as “Active” (the “Authorization Period”) does not waive our right to terminate your Franchise Agreement for the same or any other breach.

During the Authorized Period, you will not have an exclusive territory for the Service Category the Authorized Provider has been granted rights to. However, you must continue to accept and fulfill customer requests for the affected Service Category when received directly by you, whether by telephone, email, website submission, or otherwise, and refer these requests to the Authorized Provider. You must continue to maintain all required insurance coverage.

You may request reinstatement of exclusivity for a suspended Service Category by providing written notice demonstrating your capability and intention to offer and provide the Service Category on an Active basis, which may be approved or denied in our commercially reasonable discretion.

You may also, with our written consent, voluntarily relinquish a Service Category. If so, we may authorize another party to provide that Service Category within your Franchised Area. Our consent to voluntary relinquishment is required, but will not be unreasonably withheld if you have been subject to an Authorization Period of at least one (1) year.

Your Minimum Annual Royalty amount continues regardless of an Authorized Provider appointed by us or your voluntary relinquishment of a Service Category.

Strategic Account Programs

We may, from time to time, offer the opportunity to participate in our Strategic Account Programs through which we negotiate master service contracts with multi-territory commercial customers or other distinctive types or classes of customers that we identify from time to time (each a “Strategic Account”). Participation in Strategic Account Programs is voluntary.

If you decline to participate in a Strategic Account Program or withdraw from an active Strategic Account, you waive your exclusive territorial right with respect to the products and services provided to that Strategic Account Customer within your Franchised Area for so long as you are not actively participating in the Strategic Account Program or the applicable Strategic Account. During any period of non-participation, we may authorize another franchisee, company-owned location, or third-party provider to provide those products and services, and related products and services, in your Franchised Area. You may resume participation at any time by demonstrating compliance with current Strategic Account Program requirements, and the exclusivity waiver, as to the Strategic Account Program, terminates upon your resumption of participation.

Rights of First Refusal

You do not receive options, rights of first refusal, or similar rights under the Franchise Agreement to acquire additional franchises in your ~~area~~ Franchised Area, nor do you receive rights under the Franchise Agreement to acquire franchises in contiguous areas. We consider several factors in determining whether a franchisee may acquire an additional ~~franchised area~~ franchise such as, the availability of additional franchised locations, whether the franchisee is in good standing with us (including payment in full of any amounts owed to us or third parties), and whether the franchisee has sufficient financing to

acquire and operate an additional franchise; we are not, however, obligated to allow you to acquire an additional franchise. If we agree that you may acquire an additional franchise, you must sign our then-current form of ~~franchise agreement~~ Franchise Agreement.

Option Period

If you and we agree, we may allow you to reserve an area prior to becoming a Stanley Steemer franchisee for a period of up to ~~six~~ one (61) ~~months~~ year by paying a nonrefundable option fee ~~not to exceed ten percent (10%) of the estimated initial franchise fee~~. This option fee will be applied to the initial franchise fee if you purchase a franchise and, with our consent, you ~~can~~ may transfer this fee to reserve ~~another~~ a different area or to purchase ~~another~~ a different Stanley Steemer ~~franchise~~ franchised business. A copy of the form of the Option to Purchase Agreement is attached as Exhibit F to this disclosure document.

Except as disclosed in this Item 12, we will not establish a company-owned Stanley Steemer Business or grant another Stanley Steemer franchise within your Franchised Area for any Service Category you maintain as Active.

SSI's Reserved Rights

We reserve the right to solicit and accept orders, and to market, distribute, and sell products and services, through alternate channels, including without limitation: the Internet (including e-commerce marketplaces (including Amazon, Walmart.com, and similar platforms), mobile applications, and Stanley Steemer operated websites); digital booking platforms and online scheduling channels; catalog sales, direct mail, and other print-based direct marketing; telemarketing, television home shopping, and other media-based direct response channels; sales to and through third-party retail stores, home improvement centers, and other retail outlets (including brick-and-mortar retailers); and wholesale distribution to commercial, industrial, and institutional accounts. This reservation applies solely to the distribution of products and services through alternate channels and does not authorize us to provide or authorize any third party to provide the on-site cleaning, restoration, or related services in your Franchised Area that are the subject of the franchise, except as otherwise disclosed in this Item 12.

In the Franchise Agreement, we reserve the right to ~~establish other systems for the sale at wholesale or retail of products, including Stanley Steemer products which you can sell as a part of your Stanley Steemer Business~~ manufacture, produce, market, distribute, sell, and offer for sale any and all products—including products bearing the Stanley Steemer Trademarks, products bearing private-label, co-branded, or white-label marks, and products that do not bear our Trademarks, through distribution systems other than Stanley Steemer franchisees such as through the Internet any Stanley Steemer marks, through any other than or in addition to Stanley Steemer franchise owners, including, without limitation, Internet sales (including e-commerce marketplaces such as Amazon, Walmart, and similar platforms), mobile applications, catalog sales, telemarketing or other direct marketing sales, television home shopping, sales to and through third-party retail outlets (including brick-and-mortar retailers), and wholesale distribution to commercial, industrial, and institutional accounts. Currently, we sell bottles of Stanley Steemer Professional Carpet & Upholstery Spot Remover™ and Stanley Steemer Odor Out™ Stanley Steemer-branded cleaning products through various retail channels throughout the United States. We also operate a catalog order business for various Stanley Steemer products and offer certain of these products through and our corporate website. We are not obligated to compensate you for any of these sales. We also have the right to develop and establish other franchise systems utilizing trademarks and, service marks which are not a, and trade names not designated as part of the Stanley Steemer System, which and to grant licenses under those systems, without providing you any rights in them. Such franchise systems could solicit or accept orders within your ~~area~~ Franchised Area. None of those franchise systems, however, would be involved with the ~~cleaning of flooring, upholstery, air ducts or~~

HVAC systemson-site cleaning, restoration, or mitigation services that are the subject of the Stanley Steemer franchise.

~~Other than the “add-on” license for Stanley Steemer Duct Cleaning Service businesses offered from 1998 through 2020 and the add-on licenses for Stanley Steemer Carpet Sales and Installation Service business offered from 1999 through 2013, Stanley Steemer has not established any other franchise systems and, other than as disclosed above, has no current plans to do so.~~

Stanley Steemer also reserves the right to provide, or grant other franchisees the right to provide, products and services under the Stanley Steemer System in connection with the Strategic Account Program in your Franchised Area and in connection with the Authorized Provider framework discussed in more detail above.

~~You are required at all times to use your best commercially reasonable efforts to promote and increase your salesdevelop the market for Stanley Steemer services within your areaFranchised Area. In connection with your Stanley Steemer franchise, you will be deemed to be in violation of this obligation if you (1) fail to generate the gross salesGross Sales necessary to require you to make total monthly royalty payments amounting to at least the minimum annual royalty paymentsMinimum Annual Royalty for any period of two (2) successive Minimum Annual Royalty Years or, (2) fail to meet your your advertising obligations, or (3) fail to maintain Active status for any mandatory Service Category as described above.~~

~~If you default in the performance of your obligations under the Franchise Agreement, we have the option of terminating thatthe Franchise Agreement or of simply terminating, as an alternative, suspending your territorial exclusivity. If we terminate your territorial exclusivity, we may suspend your access to our proprietary software and other technology related products and services you use in your Stanley Steemer Business, including, inclusion in online directories and social media listings, websites, platforms and applications, and we may also suspend your participation in our national accounts program and toll free telephone scheduling system used potential customers of your Stanley Steemer Business. In the past, we have always opted to terminate the Franchise Agreement entirely. for the affected Service Category or Categories through the Authorized Provider framework described above.~~

~~You maintain rights to your areaFranchised Area even though the population of the areaFranchised Area increases.~~

ITEM 13. TRADEMARKS

As a Stanley Steemer franchisee, you will be granted, in accordance with the terms of your Franchise Agreement, a limited, non-exclusive license to use certain of our trade secrets, trademarks, service marks, names, logos and symbols, and other intellectual property, which are used by Stanley Steemer in identifying, advertising, promoting, and marketing various carpet and upholstery cleaning services, restoration, and duct cleaningrelated services (the “Trademarks”). All of these the principal Trademarks are owned by Stanley Steemer and are registered on the Principal Register of the United States Patent and Trademark Office (“USPTO”).

We have filed all required affidavits and renewals for these Trademarks to have currently effective registrations.

Mark: “STANLEY STEEMER”

Carpet Cleaning Machines

Reg. Date: October 22, 1974

Reg. No.: 996,362

Renewal Date: August 16, 1994
Second Renewal Date: September 22, 2004
Third Renewal Date: September 18, 2014
Fourth Renewal Date: February 3, 2025

Mark: **“STANLEY STEEMER”**
Carpet Cleaning Services
Reg. Date: March 11, 1975
Reg. No.: 1,006,675
Renewal Date: November 23, 1994
Second Renewal Date: September 22, 2004
Third Renewal Date: January 23, 2015
Fourth Renewal Date: July 24, 2025

Mark: **“STANLEY STEEMER”**
Cleaner and spot remover for carpets and upholstery sold in connection with carpet cleaning services
Reg. Date: August 26, 1986
Reg. No.: 1,406,382
Renewal Date: November 3, 2006
Second Renewal Date: October 13, 2016
Next Renewal Date: August 26, 2026

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Mark: **“STANLEY STEEMER”**
Upholstery Cleaning Services
Reg. Date: June 16, 1992
Reg. No.: 1,694,865
Renewal Date: March 13, 2002
Second Renewal Date: December 3, 2011
Third Renewal Date: October 5, 2022

Mark: **“STANLEY STEEMER”**
Duct Cleaning Services
Reg. Date: August 31, 1999
Reg. No.: 2,274,323
Renewal Date: September 30, 2009
Second Renewal Date: September 19, 2019

Mark: **“STANLEY STEEMER”**
Installation of carpet; Retail store services and retail door to door services, namely for carpet.
Reg. Date: April 10, 2001
Reg. No.: 2,442,125
Renewal Date: April 11, 2011
Second Renewal Date: June 22, 2021

Mark: **“STANLEY STEEMER”**
~~Installation, repair~~Repair, maintenance, and cleaning of heating, ventilating, and air conditioning systems.
Reg. Date: August 10, 2004
Reg. No.: 2,871,734
Renewal Date: August 7, 2014

Second Renewal Date: October 6, 2024

Mark: “**STANLEY STEEMER**” (stylized font)

Carpet cleaning services; renting of carpet cleaning machines; installation, repair, maintenance, and cleaning of heating, ventilating, and air conditioning systems; hardwood floor refinishing; tile and grout cleaning; water damage restoration in the nature of cleaning services; upholstery cleaning services; installation of carpet; and duct cleaning services; cleaner and spot removers; carpet cleaning machines; rugs and carpet; retail store and retail door to door services, namely for carpet.

Reg. Date: November 9, 2010

Reg. No.: 3,872,588

Renewal Date: January 24, 2021

Mark: **Depiction of Stanley Steemer Service Vehicle**

Carpet and upholstery cleaning; installation, repair, maintenance, and cleaning of heating, ventilating, and air conditioning systems; hardwood floor refinishing; tile and grout cleaning; water damage restoration in the nature of cleaning services.

Reg. Date: December 12, 2006

Reg. No.: 3,182,239

Renewal Date: February 10, 2017

Next Renewal Date: December 12, 2026

Mark: **Stanley Steemer Yellow**

Carpet and upholstery cleaning; installation, repair, maintenance, and cleaning of heating, ventilating, and air conditioning systems; hardwood floor refinishing; tile and grout cleaning; water damage restoration in the nature of cleaning services.

Reg. Date: December 12, 2006

Reg. No.: 3,182,240

Renewal Date: February 10, 2017

Next Renewal Date: December 12, 2026

Mark: **“TOUGH ON DIRT. GENTLE ON CARPET”**

Carpet and upholstery cleaning services

Reg. Date: February 15, 2000

Reg. No.: 2,319,147

Renewal Date: March 23, 2010

Second Renewal Date: April 3, 2020

Mark: **“1-800-STEEMER”**

Carpet and upholstery cleaning; installation, repair, maintenance, and cleaning of heating, ventilating, and air conditioning systems; hardwood floor refinishing; tile and grout cleaning; water damage restoration in the nature of cleaning services.

Reg. Date: July 15, 2008

Reg. No.: 3,464,933

Renewal Date: May 9, 2018

Mark: **“LIVING BRINGS IT IN. WE TAKE IT OUT.”**

Carpet cleaning services; cleaning of heating, ventilating, and air conditioning systems; upholstery cleaning services.

Reg. Date: October 20, 2020

Reg. No.: 6,179,648

Affidavit of Use Due: October 20, 2026

Mark: **“EXPERT CARE FOR YOUR AIR”**

Carpet cleaning services; cleaning of heating, ventilating, and air conditioning systems; upholstery cleaning services

Reg. Date: October 20, 2020

Reg. No.: 6,180,147

Affidavit of Use Due: October 20, 2026

Mark: **“THE POWER OF THE VAN IN YOUR HAND”**

Cleaner and spot remover for use on carpets and upholstery.

Reg. Date: May 27, 2025

Reg. No.: 7809333

There are no currently effective material determinations of the USPTO, Trademark Trial and Appeal Board, or the trademark administrator of any state or any court, ~~nor any pending infringement, opposition or cancellation proceedings, nor any pending material federal or state court litigation involving the Trademarks.~~

There are no pending opposition or cancellation proceedings involving the Trademarks. In March 2025, Stanley Steemer filed a trademark infringement action, styled Stanley Steemer International, Inc. v. Stainless Steamer LLC et al., Case No. 2:25-cv-01836, in the United States District Court for the Central

District of California. The action alleges trademark infringement, unfair competition, and related claims arising from the defendant's use of a name and trade dress confusingly similar to the Stanley Steemer Trademarks. The defendant has defaulted in the action, and the matter remains pending. This action does not affect your right to use the Trademarks under the Franchise Agreement.

In addition, there are no agreements currently in effect which significantly limit the rights of Stanley Steemer to use or license the use of the Trademarks.

The Franchise Agreement does not obligate us to protect your use of the Trademarks or protect you against claims of infringement or unfair competition arising out of your use of the Trademarks. You must promptly notify us of any use of, or claim of right to, a trademark which is identical or confusingly similar to our Trademarks. You may not prosecute or defend any claim or action with respect to the Trademarks without our consent.

~~We are required to use efforts as we deem reasonable, considering the costs and other risks involved, to protect our Trademarks from infringement by any person. We have the right to control any administrative proceedings proceeding or litigation concerning any of involving the Trademarks, and we may settle, compromise, or otherwise resolve any such matter in our sole discretion without your consent. You must cooperate with us in any proceeding or litigation involving any of the Trademarks. and execute any documents we deem necessary to carry out any defense or prosecution.~~

The Franchise Agreement does not require us to participate in your defense and/or to indemnify you for expenses or damages if you are a party to an administrative or judicial proceeding involving a Trademark, or if a proceeding is resolved unfavorably to you.

If we discontinue or modify any of the Trademarks, we may require you to discontinue or similarly modify your use of that Trademark. Your rights under the Franchise Agreement will continue as long as you implement the modification or discontinuance of the Trademarks as required by us. If you fail to comply with this requirement, we have the right to terminate the Franchise Agreement.

We do not know of any superior prior rights or infringing uses that could materially affect your use of the Trademarks in any state.

ITEM 14. PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

No patents or copyrights are material to the Stanley Steemer franchise. We do not currently have any pending patent applications that are material to the Stanley Steemer franchise. However, the we own and maintain significant proprietary technology, data, and intellectual property that are material to the operation of the Stanley Steemer System.

The Stanley Steemer Cleaning Platforms are proprietary systems we have developed exclusively for use as part of the Stanley Steemer system. In addition, our System and by Stanley Steemer franchisees and company-owned operators. Our primary carpet cleaning solutions, including Stanley Steemer Professional Carpet & Upholstery Spot Remover™, and Stanley Steemer Odor Out™, are proprietary, confidential and specially formulated products. The Operations Manual and various other bulletins (including operating manuals, bulletins, and directives, which we publish to our franchise system from time to time and which relate to the operation of a Stanley Steemer business,) are proprietary and confidential. Further, the Powermagic®, Fusion™, Nimbus™ and Nimbus X™ software, as well as manuals and other information relating to Powermagic®, Fusion™, Nimbus™ and Nimbus X™ are proprietary and confidential.

The Integrated Technology Systems, including the Powermagic™ platform (which includes the CRM and royalty reporting functionality), the public website, the 1-800-STEEMER call routing infrastructure,

digital booking platforms, and any other software, applications, or technology that we designate as part of the Integrated Technology Systems (collectively, the “Proprietary Software”), are proprietary and confidential.

We grant you a limited license to use our trade secrets and proprietary know-how relating to the operation of your Stanley Steemer Business (the “Confidential Information”). You acquire no interest in the Confidential Information ~~provided to you~~ other than the right to utilize it in ~~development and the~~ operation of ~~the your~~ Stanley Steemer Business in accordance with and during the term of the Franchise Agreement. You ~~are also obligated to~~ must treat the contents of the ~~Operations Manual~~ Manuals as confidential. ~~You are prohibited from disclosing, copying, duplicating, recording, reproducing or otherwise making the contents of the Operations Manual to any unauthorized person and may not disclose, copy, duplicate, record, or reproduce them~~ without our consent.

The Confidential Information, defined in the Franchise Agreement, is disclosed to you under the conditions that you: (1) will not use the Confidential Information in any business or capacity other than in the Stanley Steemer System; (2) will maintain the confidentiality of the Confidential Information; (3) will not use the Confidential Information for the benefit of any third party; and (4) will restrict disclosure of the Confidential Information to your employees who need access to it in order to operate your Stanley Steemer Business. You must implement commercially reasonable safeguards to protect the confidentiality and security of Confidential Information consistent with applicable data privacy and security laws.

You must promptly notify us of any use of, or claim of right to, any proprietary information of Stanley Steemer and any litigation instituted by any third party against us or you involving any proprietary information of Stanley Steemer. The Franchise Agreement does not require us to take affirmative action when notified of these uses or claims. We may, in our sole discretion, undertake the defense, prosecution, or settlement of any litigation relating to the proprietary information of Stanley Steemer. If we discontinue or modify any of the proprietary information of Stanley Steemer, we may require you, at your expense, to discontinue or similarly modify your use of that proprietary information of Stanley Steemer.

~~Article VII.C. of the Franchise Agreement provides that the Confidential Information is confidential and a trade secret of ours and is disclosed to you under the conditions that you:~~

- ~~1. will not use the Confidential Information in any business or capacity other than with the Stanley Steemer System;~~
- ~~2. will maintain the confidentiality of the Confidential Information;~~
- ~~3. will not use the Confidential Information for the benefit of any third party; and~~
- ~~4. will restrict disclosure of the Confidential Information to your employees who need access to it in order to operate your Stanley Steemer Business.~~

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

If you operate your franchise through a business entity (corporation, partnership, limited liability company, or other entity), you must designate one (1) individual (the “Designated Principal”) to serve as your primary representative and point of contact with us for all communications, training, and

compliance matters. The Designated Principal must be a principal owner holding at least a twenty percent (20%) equity interest in your entity, unless we approve an alternative individual in writing.

The Designated Principal must: (a) successfully complete our initial training program and all mandatory continuing education programs; (b) have authority to bind you and make decisions on your behalf regarding compliance with the Franchise Agreement; (c) devote full time and best efforts to the management and operation of the franchise (or you may designate a fully trained general manager to satisfy this operational requirement); and (d) be reasonably available to us for system communications, training updates, compliance audits, and operational consultations.

You are not required to participate personally in the direct operation of your Stanley Steemer ~~business~~ Business, but you and the other owners, officers, and managers of your Stanley Steemer Business are required to devote full-time energy and best efforts to the management and operation of your Stanley Steemer Business. We strongly recommend your personal and direct participation, ~~and our experience has shown that our most successful franchisees are those who are directly and closely involved in the day-to-day operations of their Stanley Steemer Businesses.~~ You may hire anyone in your sound discretion to manage your Stanley Steemer business, ~~and we do not have the right to approve or disapprove that manager. If you are not actively involved in Business.~~ The person responsible for the direct operations of your Stanley Steemer business, you must advise us of this fact, and we may require you to have your manager attend and Business, whether that is the Designated Principal of the franchisee entity or a manager, must successfully complete our initial training program and all subsequent mandatory training programs. If you form a corporation, partnership, limited liability company, or other business entity to conduct your Stanley Steemer business, it mandatory continuing education we require from time to time. It is not necessary that your manager hold an ownership interest in that your entity.

During the term of the Franchise Agreement, you must devote full time, attention, and best efforts to the development and operation of your franchise and may not engage in any other business activity that conflicts with or detracts from your obligations. Specifically, during the term, you may not directly or indirectly own, operate, be employed by, provide services to, consult with, advise, lend money to, or have any financial interest in any business that offers cleaning, restoration, mitigation, or related services that are the same as or substantially similar to any services offered as part of the Stanley Steemer System, whether such business operates within your Franchised Area or elsewhere.

You must maintain current training certification for at least one (1) technician per Service Category as a component of Active Service Category status described in Item 12. If you are without a certified technician for a particular Service Category, you will be in default under the Franchise Agreement.

~~In the event that the franchisee is~~ If you operate your franchise through a business entity, we will require that the principal owners of the entity personally guarantee the obligations of the entity under the Franchise Agreement. If you are a sole proprietor and would like to transfer your Stanley Steemer Business to a business entity that you form, such as a corporation or limited liability company, you must sign a personal guarantee of the business entity's obligations to Stanley Steemer^{us} and indemnify us for costs we incur because of your failure to perform your obligations concerning the guaranty (see guaranty, described in more detail in the Guarantee, and Indemnification and Acknowledgement in attached as Exhibit K) to this disclosure document.

ITEM 16. RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You are required to offer ~~your customers~~ all services and products for the cleaning, maintenance, restoration, and repair of various types of systems and surfaces found in indoor environments ~~which we prescribe and only those services and products~~ that are designated as part of the Stanley Steemer System and that fall within your designated Service Categories. You must provide all ~~services and operate your~~

business in accordance with our prescribed procedures, products and services identified by us as products and services that franchisees may offer and sell, including products and services described in the Franchise Agreement, the Manual and as otherwise communicated to franchisees from time to time. You must maintain Active status in all Essential Service Categories and any Service Categories designated in Exhibit A to your Franchise Agreement.

You must provide services exclusively with the proprietary Stanley Steemer Cleaning Platforms (or such other equipment as we may specify) and use only cleaning products, detergents, and solutions prescribed in the Manuals or otherwise communicated to you. You must use only products and sources that conform to our Brand Standards including specifications relating to cleanliness of result, efficacy, safety, equipment protection, quality, performance, and other characteristics necessary to maintain the integrity and uniform quality of the Stanley Steemer System and approved by us.

We have the right to add to, discontinue, or modify required services, products, and procedures at Brand Standards in our discretion. There are no limits on this right to make changes.

ITEM 17. RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

References in this Item 17 to “FA” mean the Franchise Agreement, “TSAA” means the Technology Systems Access Agreement and “SAPA” means the Strategic Account Participation Agreement, “Note” means the Business Purpose Promissory Note and “Guarantee” means the Guarantee and Indemnification Agreement.

Franchise Agreement

Provision	Section In Franchise in Agreement	Summary
a. Length of the franchise term	<u>FA, Article I</u>	~~Term is Ten~~ (10) years from date of Franchise Agreement.
b. Renewal or extension of the term	<u>FA, Article XI, Sections A–F</u>	Upon payment of renewal fees and upon meeting certain other conditions, you can renew for one (1) additional 10-year term.
c. Requirements for franchisee to renew or extend	<u>FA, Article XI, Sections A.1–A.12, B</u>	<u>The term renewal means that the franchise relationship is extended for an additional term of years under our then-current form of Franchise Agreement, which may have materially different terms and conditions than your original contract.</u> ~~No~~ <u>Requirements to renew include: no</u> defaults under the Franchise Agreement, or any other agreement between you and us, full compliance with material terms and conditions during the term of the Franchise Agreement and any other agreement between you and us, provide timely written notice of intent to renew, pay renewal fee of \$10,000, sign a general release of claims (see Exhibit L), and sign a new franchise agreement in the same form offered to new franchisees (which may have materially different terms, including increased

Provision	Section in Franchise Agreement	Summary
		royalty fees, advertising fees and advertising expenditure requirements, and renewal fees). The term renewal means that the franchise relationship is extended for an additional term of years under our then current form of Franchise Agreement, which may have materially different terms and conditions than your original contract.
d. Termination by franchisee	<u>FA, Article XIV, Sections A–G.</u>	~~If we fail to comply with any substantial term of~~ You may terminate your Franchise Agreement only if we materially breach the Franchise Agreement, and fail to cure the breach within <u>thirty (30)</u> days of your written notice of specifying the breach.
e. Termination by franchisor without cause	Not applicable.	Not applicable.
f. Termination by franchisor with cause	<u>FA, Article XIII, Section C-D.</u>	We ~~can~~ may terminate only if you fail to pay any sum due to us or to comply with your obligations under the Franchise Agreement.
g. “Cause” defined —curable defaults	<u>FA, Article XIII.B., Section D</u>	You have <u>thirty (30)</u> days to cure certain defaults including: misuse of the Stanley Steemer System or Trademarks and other actions that impair the goodwill associated with these; failure to make payment to us when due; failure to furnish any required report or information; failure to operate the Stanley Steemer Business in compliance with the Franchise Agreement and Manuals; failure to comply with a lease or sublease of the Premises or any equipment used in the operation of the Stanley Steemer Business; failure to perform any provisions of the agreements to which you and we are parties; abandonment of the Stanley Steemer Business; any material non-compliance with the Franchise Agreement or other agreements, the Brand Standards, or the Manual. You have <u>ten (10)</u> days to cure certain defaults including failure to pay royalties, fees, or other amounts due; failure to maintain required insurance (where the lapse has not triggered an Incurable Default); and failure of your representative to comply with provisions of Franchise Agreement upon your death or disability applicable law where continued non-compliance exposes us to regulatory liability.
h. “Cause” defined — non-curable defaults	<u>FA, Article XIII.B., Section C</u>	Non-curable defaults include: failure to open and commence operations within <u>six (6) months</u> ; failure to complete initial training program to our satisfaction; termination of lease or sublease of the Premises; any assignment for the benefit of your creditors, if not dismissed within <u>fifteen (15) days</u> ; failure to comply with any federal, state or local law or regulation, if not cured within <u>ten (10) days</u> of notice of noncompliance; any attempted transfer that does not comply with the Franchise Agreement; any material misrepresentation relating to the grant of the franchise or your conduct that

Provision	Section In Franchise in Agreement	Summary
		reflects unfavorably on the operation of the ~~Stanley Steemer Business or Stanley Steemer System~~; your Stanley Steemer Business or the Premises are taken over or foreclosed by a government official or a creditor and not dismissed within 30 days; insolvency; appointment of receiver over your assets; levy of execution not discharged within five (5) days; bankruptcy, reorganization or similar proceeding; you, any owner or principal officer is convicted of a felony or any crime involving moral turpitude; we determine operation of the ~~Stanley Steemer Business~~ will result in immediate danger to public health and/or safety, unless cured within three (3) days; default by you which occurs at any time after notice of three other defaults that have been cured within the prior twelve (12) months; disclosure of the Operations Manual to any third party; your death or disability without electing to sell or transfer the ~~Stanley Steemer Business~~; and failure to obtain vehicles within the required time or open for business within three (3) months; bankruptcy or insolvency, or assignment for the benefit of creditors; criminal conviction or plea to certain crimes; unauthorized transfer or encumbrance of the franchisee entity or the franchised business; material misrepresentation; abandonment; operations creating imminent danger to public health or safety; fraud or dishonesty; deliberate understatement of Gross Sales; unauthorized use of or challenge to the Trademarks or System; intentional interference with the Integrated Technology Systems; failure to maintain required insurance; refusal to offer Essential Service Categories; unauthorized disposal of Cleaning Platforms; violation of the in-term covenant not to compete; a material breach of the Technology Services Access Agreement designated as incurable under that agreement; the death of the controlling owner of the franchised business; and three (3) or more curable defaults within any consecutive twelve (12)-month period.
i. Franchisee's obligations on termination/ ~~nonrenewal~~ <u>non-renewal</u>	<u>Article V, Sections E and F.6 and Article XV, Article III.C Sections A.1.e. A.11, A.13</u>	~~Obligations include complete de-identification, cessation of~~ You must immediately comply with the following: payment of all amounts due; cessation of all use of the Stanley Steemer System (including without limitation, the use of distinctive color schemes, any articles that display the Trademarks, the ~~Stanley Steemer Vehicle and Stanley Steemer Cleaning Platforms~~), return of all Manuals and advertising materials, cessation of use of all telephone numbers and classified listings in advertisements, name, Trademarks, and System, including de-identification of Service Vehicles, the premises, and equipment; return the Manuals and delete any digital copies; transfer of all telephone lines to us, payment of all sums owed to telephone company, cessation of use of our proprietary software and other technology related products and

Provision	Section In Franchise in Agreement	Summary
		~~services including all Stanley Steemer online services, toll-free customer scheduling systems, intranet and extranet, cessation of use of confidential information, including customer records and data, and return confidential information to us. (see also r. below), digital profiles, and social media assets to us; cessation of all access to and use of the Integrated Technology Systems; compliance with your obligations if we exercise our right of first refusal; and waiver of any claim to goodwill of the franchised business; and compliance with all post-termination obligations under the Franchise Agreement (subject to applicable law), including non-competition, non-solicitation and non-disclosure obligations.~~
j. Assignment of contract by franchisor	~~Not applicable~~ <u>FA, Article XII, Section H</u>	~~Not applicable~~ <u>We have the right to transfer or assign all or any part of our rights and/or obligations under the Franchise Agreement to any person or entity that assumes our obligations. Your consent is not required. We will provide you with written notice of any such assignment within thirty (30) days of its effective date.</u>
k. "Transfer" by franchisee – defined	~~Article XII.F.FA,~~ <u>Article XII.G.</u>	~~Includes transfer of contract, stock, partnership interest, or other interest in franchise, changes in certain officers or managers~~ <u>the Franchise Agreement, ownership interests in the franchisee, reorganization or consolidation of franchisee, and any pledge or mortgage of the Franchise Agreement.</u>
l. ~~Franchisor's~~ <u>Franchisor's</u> approval of transfer by franchisee	~~FA, Article XII.D.~~ <u>FA, Article XII.</u>	~~We have the right to qualify all proposed transferees~~ <u>You may be required to obtain our approval prior to transfer.</u>
m. Conditions for ~~franchisor's~~ <u>franchisor's</u> approval of transfer	<u>FA, Article XII, Sections A, B, D and F</u>	<u>Before any transfer, you must: pay a \$10,000 transfer fee and have owned and operated the Stanley Steemer Business for at least one (1) year; have no outstanding obligations to us, your creditors, or any government entity; not be in material default; and sign a general release of claims (subject to applicable state law)(see State Addenda).</u> <u>You have owned and operated your business for at least one year, you have paid all of your obligations to us, your creditors and the government, you are not in default under the Franchise Agreement, you sign a general release (see Exhibit L), new franchisee qualifies, transfer fee paid, current Agreement signed by new franchisee (also see n. and r. below.)</u> <u>If you are a sole proprietor and wish to transfer your interest to a business entity, we may require that: you give us ten (10) days prior written notice; you remain individually liable under the Franchise Agreement, no stock or document evidencing ownership be transferred without our prior written approval; all certificates of stock or other ownership interest are clearly endorsed in compliance with the Franchise Agreement, you</u>

Provision	Section In Franchise in Agreement	Summary
		~~enter into a guaranty agreement satisfactory to us (see Guarantee, Indemnification and Acknowledgement in Exhibit K); and all officers, directors, managers; and owners sign confidentiality and non-competition agreements in forms satisfactory to us. Transfer to a business entity you control requires ten (10) days' prior written notice, continuing liability of existing franchise owners, endorsement or appropriate legend on any stock certificates, execution of a guarantee of performance and non-competition agreements satisfactory to us, and approval of Stanley Steemer. It does not require payment of a transfer fee.~~
n. Franchisor's right of first refusal to acquire franchisee's business	<u>FA, Article XII, Sections D.5 & 6, and 5-7; Article XV, Section A.89</u>	~~Stanley Steemer can match any offer for your business~~ <u>During the term of your Franchise Agreement, we have thirty (30) days to match any bona fide offer in writing. We may substitute cash for any non-cash component of the offer. We may elect to exercise our right of first refusal only for the assets of the Stanley Steemer Business, excluding related-party leases, personal service agreements, and other obligations included in the offer; if we exercise a partial right, the purchase price will be allocated by agreement or, if the parties cannot agree within ten (10) days, by an independent certified business appraiser. Any modification, amendment, or material change to the bona fide offer will be considered a new offer that re-triggers our right of first refusal. Upon termination or expiration of your franchise, Stanley Steemer has Franchise Agreement, we also have a right of first refusal to purchase any Stanley Steemer Vehicles, Cleaning Platform(s) and Service Vehicle(s), without any obligation to purchase the remainder of your Stanley Steemer Business</u>
o. Franchisor's option to purchase franchisee's business	<u>Not applicable.</u>	<u>Not applicable.</u>
p. Death or disability of franchisee	<u>FA, Article XII, Section C.</u>	<u>In the event of your death or disability, your authorized representative may assign the Franchise Agreement and franchised business to a new operator if the operator meets our qualifications.</u> ~~Franchise must be transferred by estate to approved buyer within 24 months.~~ <u>If the new operator, including your heirs, do not qualify, the estate must sell to a qualified buyer within eighteen (18) months of the date of death; we may grant a single extension of up to six (6) months upon written request.</u>
q. ~~Non-competition~~ <u>Noncompetition</u>	<u>FA, Article VII-E, Section F</u>	~~No involvement in ownership or operation of a competitive carpet, upholstery, or other cleaning business or franchise, or any business involved in carpet sales, water restoration, air~~

Provision	Section In Franchise in Agreement	Summary
<u>n</u> covenants during the term of the franchise		~~duct cleaning, carpet installation, or services similar to those provided by us or a~~ You (or any owner, officer, director, or manager holding at least ten percent (10%) ownership or their respective spouses and/or entities under their control) may not, directly or indirectly, own, operate, manage, be employed by, advise, or have any financial interest in any business offering cleaning, restoration, mitigation, or related services that are the same as or substantially similar to any services offered as part of the Stanley Steemer System. You may not become a franchisee or licensee of any competing system or divert any customer to a competitor.
r. Non-competition covenants after the franchise is terminated or expires	<u>FA, Article XV, Section A.12</u>	For two years after termination or expiration of the Franchise Agreement, you (or any other owner, officer, director, or manager holding at least ten percent (10%) ownership interests in the franchisee entity, or any of their respective spouses and/or entities under their control) may not—without our prior written consent—directly or indirectly in the Franchised Area: (a) engage in any cleaning, restoration, mitigation, or related business that competes with Stanley Steemer Businesses ((a two percent (2%) passive investment exception applies for publicly traded companies); b) solicit, divert, or accept business from any person who was your customer during the final twenty-four (24) months of the term, regardless of location; or (c) interfere with the relationship between us (or any Stanley Steemer franchisee) and any vendor, supplier, or service provider. ~~No involvement with similar business for 2 years within the franchise owner's area (including after assignment) or within 25 miles of the franchise owner's area. If you violate the non-compete, the two-year period will be extended by the duration of the violation.~~
s. Modification of the agreement	<u>FA, Article XVIII, Sections B, & Article III.B. and C.2.E</u>	~~No modifications generally unless~~ The Franchise Agreement may not be modified unless the modification is in writing and signed by both parties, ~~but Stanley Steemer System and Manuals subject to change by us~~ (including by electronic signature). We have the right to modify the Brand Standards and our Manuals in our sole discretion, and you must comply with all modifications.
t. Integration/-merger clause	<u>FA, Article XVIII, Section E.</u>	~~Only the terms of~~ Subject to applicable state law, the Franchise Agreement ~~are binding. Any other promises or~~ and ancillary agreements signed by you and us, including the Technology Systems Access Agreement (“TSAA”), are the entire agreement between us and you. Any prior negotiations, representations ~~are unenforceable~~ , warranties, agreements or promises outside of the agreements and the franchise disclosure document that we provided to you are not binding.

Provision	Section ~~In~~ Franchise in Agreement	Summary
		~~on you or us or enforceable.~~ However, nothing in the Franchise Agreement, ~~or in any related agreement~~ <u>the ancillary agreements and the TSAA</u> , is intended to disclaim the representations ~~we~~ made in the franchise disclosure document that we furnished to you <u>(See State Addenda)</u> .
u. Dispute resolution by arbitration or mediation	<u>FA</u> , Article XVI	With limited exceptions, all disputes ~~will~~ <u>must</u> be resolved ~~by a mandatory~~ <u>through a three-step process—good faith: negotiation, mediation (if negotiation is unsuccessful to resolve claims) and arbitration (if mediation is unsuccessful to resolve claims).</u> Mediation will be held in Chicago, Illinois by JAMS, The Resolution Experts. Mediator to be mutually selected, but if we cannot agree, then by the rules of JAMS. Arbitration will be held in Chicago, Illinois. Damages for punitive, exemplary, indirect, special, consequential or incidental damages, or any other damages may not be in excess of actual direct damages or any limit set out in the Franchise Agreement, whichever is lower. Prevailing party may be awarded costs and expenses in compelling arbitration. Arbitration may not be brought on a class wide or multiple plaintiff basis, and arbitration, typically held in Columbus, Ohio. The prevailing party may recover its attorneys' fees, accounting fees, and related expenses. We may seek replevin or similar orders to return products and inventory to us; injunctions to enforce our rights in the Stanley Steemer Trademarks, Brand Standards, Integrated Technology Systems, Confidential Information, and post-termination obligations. We may also pursue other equitable relief. We may also seek enforcement (without arbitration) for promissory notes in federal or state courts. See State Addenda, if applicable.
v. Choice of forum	<u>FA</u> , Article XVIII, <u>Section D-</u>	~~Litigation~~ Subject to applicable state law, any court action must be filed in the United States District Court for the Southern District of Ohio, located in Columbus, Ohio, or the Court of Common Pleas of Franklin County, Ohio, also located in Columbus, Ohio. ~~Subject to state law.~~ See State Addenda, if applicable.
w. Choice of law	<u>Franchise Agreement</u> , Article XVIII, <u>Section C-</u>	Except as governed by the U.S. Trademark Act of 1946, as amended, ~~Ohio law applies. Subject to~~ <u>and unless otherwise provided by applicable state law-</u> , the Franchise Agreement is governed the laws of the State of Ohio <u>(See State Addenda, if applicable).</u>

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

Cognovit Business Purpose Promissory Note

Provision	Section In Cognovit Promissory Note	Summary
a. Length of the franchise term	~~Paragraph 2 of the Cognovit Promissory Note, Section 3(a) and Schedule 1~~	~~The term is between 6 months and 5 years as agreed between you and us~~ <u>Up to 5 years from the date of the Note.</u>
b. Renewal or extension of the term	~~Paragraph 5 of the Cognovit Promissory Note, Sections 7 and 13(c)~~	~~The time for~~ <u>There is no renewal term under the Note, but the payment term may be extended without releasing liability only by written amendment signed by both parties. Any extension of time we grant does not release or affect the liability of any person who is the maker of the Note.</u>
c. Requirements for franchisee to renew or extend	Not applicable.	~~Not applicable~~ <u>Generally, the term renewal means that the franchise relationship is extended for an additional term of years under the then-current form of Franchise Agreement. There is no renewal term under the Note.</u>
d. Termination by franchisee	Not applicable.	Not applicable.
e. Termination by franchisor without cause	Not applicable.	Not applicable.
f. Termination by franchisor with cause	~~Paragraph 4 of the Cognovit Promissory Note, Sections 5 and 6~~	~~Upon your default in payment we may, at our option, declare the entire outstanding principal amount due under the Note may become and all accrued interest immediately due and payable.~~
g. “Cause” defined — curable defaults	~~Not applicable~~ <u>Note, Sections 5(a) and 13(g)</u>	~~Not applicable~~ <u>You will have ten (10) days following written notice that you have failed to make a payment when due (except the final payment due at the maturity date of the Note which must be paid in full on the maturity date).</u>

Provision	Section In ~~Cognovit~~ Promissory Note	Summary
h. “Cause” defined — non-curable defaults	~~Paragraph 4 of the Cognovit Promissory Note, Sections 5(b)–(e)~~	~~Default in payment~~ <u>Non-curable defaults include: (1) a default or breach under the Franchise Agreement; (2) any material misrepresentation by you in connection with the Note; (3) your filing for bankruptcy or other insolvency relief, or your making an assignment for the benefit of creditors; (4) death or legal incapacity of any individual maker of the Note, or dissolution, liquidation, or cessation of operations of any maker; or (5) failure to make the final payment at maturity of the Note.</u>
i. Franchisee’s obligations on termination/ ~~non-renewal~~ <u>non-renewal</u>	~~Paragraph 4 of the Cognovit Promissory Note, Sections 6 and 9~~	~~Payment of the entire unpaid~~ <u>Pay all outstanding principal, together with all accrued and unpaid interest and our costs, any late charges, and our reasonable attorneys’ fees, court costs, and expenses in enforcing our rights under the note of collection and enforcement.</u>
j. Assignment of contract by franchisor	~~Not applicable~~ <u>Note, Section 13(d)</u>	~~Not applicable~~ <u>We may assign this Note or any interest in it to a third party without your consent.</u>
k. “Transfer” by franchisee – defined	Not applicable.	Not applicable.
l. ~~Franchisor’s~~ <u>Franchisor</u> approval of transfer by franchisee	Not applicable.	Not applicable.
m. Conditions for ~~franchisor’s~~ <u>franchisor</u> approval of transfer	Not applicable.	Not applicable.
n. Franchisor’s right of first refusal to acquire franchisee’s business	Not applicable.	Not applicable.
o. Franchisor’s option to purchase franchisee’s business	Not applicable.	Not applicable.
p. Death or disability of franchisee	~~Not applicable~~ <u>Note, Section 5(e)</u>	~~Not applicable~~ <u>The death or legal incapacity of any individual maker of the Note is an immediate event of default under the Note without opportunity or notice to cure..</u>

Provision	Section In ~~Cognovit~~ Promissory Note	Summary
q. ~~Non-competition~~ Noncompetition covenants during the term of the franchise	Not applicable.	Not applicable.
r. Non-competition covenants after the franchise is terminated or expires	Not applicable.	Not applicable.
s. Modification of the agreement	~~Not applicable~~ Note, Section 13(c)	~~Not applicable~~ No amendment, modification, or waiver of any provision of this Note is effective unless made in writing and signed by both parties.
t. Integration/ - merger clause	~~Not applicable~~ Note, Section 13(a)	Subject to applicable law, the Note constitutes the entire agreement between the parties regarding its subject matter. Any prior negotiations, representations, warranties, agreements or promises outside of the Note and the franchise disclosure document that we provided to you are not binding on you or us or enforceable. ~~Not applicable~~ However, nothing in the Note is intended to disclaim the representations made in the franchise disclosure document that we provided to you (See State Addenda).
u. Dispute resolution by arbitration or mediation	~~Not applicable~~ Note, Section 10(d)-(g)	~~Not~~ In our discretion, disputes under the Note may be resolved by binding arbitration in Columbus, Ohio. The right to elect arbitration belongs exclusively to us — you do not have the right to demand arbitration under this Note. The prevailing party is entitled to payment from the other party of all arbitration costs and attorneys' fees incurred by the prevailing party. Arbitration provisions in the Note are subject to state law. See State Addenda, if applicable.

Provision	Section In Cognovit Promissory Note	Summary
v. Choice of forum	~~Paragraph 6 of the Cognovit Promissory Note, Sections 10(b) and 10(c)~~	~~Subject to state law, after the indebtedness becomes due, you authorize any attorney to appear in any court of record in the State of Ohio, or elsewhere in the United States, so that judgment can be entered against you.~~ If we do not elect arbitration, actions under the Note must be brought in the U.S. District Court for the Southern District of Ohio or the Court of Common Pleas of Frankling County, Ohio, located in Columbus, Ohio.
w. Choice of law	~~Not applicable.~~ Note, Section 10(b)	Subject to <u>applicable</u> state law, Ohio law applies (See State Addenda).

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

Option to Purchase Agreement

Provision	Section In Option to Purchase Agreement	Summary
a. Length of the franchise term	Section 1 of the Option to Purchase Agreement	One year ~~from the date of the Option to Purchase Agreement.~~
b. Renewal or extension of the term	Not applicable.	Not applicable.
c. Requirements for franchisee to renew or extend	Not applicable.	<u>Generally, the term renewal means that the franchise relationship is extended for an additional term of years under the then-current form of Franchise Agreement. There is no renewal term under the Option to Purchase Agreement.</u> ~~Although the term “renewal” does not apply to the Option to Purchase Agreement, the term renewal generally means that the franchise relationship is extended for an additional term of years.~~ <u>Not applicable.</u>
d. Termination by franchisee	Not applicable.	Not applicable.
e. Termination by franchisor without cause	Not applicable.	Not applicable.

Provision	Section In Option to Purchase Agreement	Summary
f. Termination by franchisor with cause	Not applicable.	Not applicable.
g. “Cause” defined – curable defaults	Not applicable.	Not applicable.
h. “Cause” defined – non-curable defaults	Not applicable.	Not applicable.
i. Franchisee’s obligations on termination / nonrenewal	Not applicable.	Not applicable.
j. Assignment of contract by franchisor	~~Not applicable~~ <u>Section 10 of the Option to Purchase Agreement</u>	~~Not applicable~~ <u>We may freely assign this Agreement to any successor or affiliate without your consent.</u>
k. “Transfer” by franchisee – defined	~~Section~~ <u>Sections 2 and 10 of the Option to Purchase Agreement</u>	~~With our consent, you can~~ <u>You may not assign or transfer the option fee to reserve another franchised area or purchase another Stanley Steemer franchise Agreement or any rights under it without our prior written consent. Any purported assignment without consent is void. The Option Fee may, at our sole discretion, be transferred and applied toward the initial franchise fee for a different area if you and we mutually agree in writing during the Option Period.</u>
l. Franchisor’s approval of transfer by franchisee	~~Not applicable~~ <u>Section 10 of the Option to Purchase Agreement</u>	~~Not applicable~~ <u>Our prior written consent is required for any assignment or transfer.</u>
m. Conditions for franchisor’s approval of transfer	Not applicable.	Not applicable.
n. Franchisor’s right of first refusal to acquire franchisee’s business	Not applicable.	Not applicable.
o. Franchisor’s option to purchase franchisee’s business	Not applicable.	Not applicable.
p. Death or disability of franchisee	Not applicable.	Not applicable.
q. Non-competition covenants during the term of the franchise	Not applicable.	Not applicable.

Provision	Section In Option to Purchase Agreement	Summary
r. Non-competition covenants after the franchise is terminated or expires	Not applicable.	Not applicable.
s. Modification of the agreement	~~Not applicable~~ Section 7 of the Option to Purchase Agreement	~~Not applicable~~ Any modification must be in writing and signed by both parties.
t. Integration/merger clause	Section 36 of the Option to Purchase Agreement	The ~~Option to Purchase~~ Agreement contains the entire agreement of the parties. ~~However, nothing in the Option to Purchase Agreement or any related agreement is intended to disclaim the representations we made to you in~~ Any prior negotiations, representations, warranties, agreements or promises outside of the agreement and the franchise disclosure document that we provided to you are not binding on you or us or enforceable. Nothing in the Agreement or in any related agreement is intended to disclaim the representations made in the franchise disclosure document we provided to you.
u. Dispute resolution by arbitration or mediation	Not applicable.	Not applicable.
v. Choice of forum	~~Not applicable~~ Section 4 of the Option to Purchase Agreement	~~Not applicable~~ Subject to state law, all actions or proceedings must be brought in the United States District Court for the Southern District of Ohio located in Columbus, Ohio, or the Court of Common Pleas of Franklin County, Ohio, also located in Columbus, Ohio.
w. Choice of law	~~Not applicable~~ Section 4 of the Option to Purchase Agreement	~~Not applicable~~ Subject to state law, Ohio law applies (See State Addenda).

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

Technology Systems Access Agreement

Provision	Section In Technology Systems Access Agreement	Summary
a. Length of the franchise term	~~TSAA, Section 1 of the Technology Systems Access Agreement~~	~~The term continues until either party terminates the Agreement according to the provisions of the Agreement of the Technology Systems Access Agreement (“TSAA”) runs concurrently with the term of your Franchise Agreement and automatically terminates upon any termination or expiration of the Franchise Agreement.~~
b. Renewal or extension of the term	~~Not applicable~~ <u>TSAA, Section 1</u>	~~Not applicable~~ <u>Generally, the term renewal means that the franchise relationship is extended for an additional term of years under the then-current form of Franchise Agreement between franchisor and franchisee. The TSAA does not provide for a separate renewal or extension process. The TSAA automatically continues for any renewal term of the Franchise Agreement and terminates upon the expiration or termination of the Franchise Agreement.</u>
c. Requirements for franchisee to renew or extend	~~Not applicable~~ <u>TSAA, Section 1</u>	~~Although the term “renewal” does not apply to the Agreement, the term renewal generally means that the franchise relationship is extended for an additional term of years~~ <u>None under the TSAA. The TSAA will continue automatically if the Franchise Agreement is renewed.</u>
d. Termination by franchisee	~~TSAA, Section 11 of the Technology Systems Access Agreement~~ <u>13.A</u>	~~You may terminate the Agreement for a default by us not cured within 30 days after notice of the default~~ <u>TSAA, effective on written notice to us, if we materially breach the TSAA and that breach either (i) is incapable of cure, or (ii) remains uncured thirty (30) days.</u>
e. Termination by franchisor without cause	~~Section 11 of the Technology Systems Access Agreement~~ <u>Not applicable.</u>	~~We can may not terminate upon sixty (60) day written notice to you for any reason~~ <u>the TSAA without cause.</u>
f. Termination by	~~Section 11 of the~~	~~We may terminate the Agreement~~

Provision	Section In Technology Systems Access Agreement	Summary
franchisor with cause	~~Technology Systems Access Agreement~~ <u>TSAA, Sections 13.A, 13.C, 13.E</u>	~~for a default by you not cured within 30 days after notice of the default~~ <u>TSAA, effective on written notice to you, if you breach the TSAA and that breach is either incurable or fails to be cured within the applicable cure period.</u>
g. “Cause” defined – curable defaults	~~Not applicable~~ <u>TSAA, Sections 13.A, 13.C</u>	~~Not applicable~~ <u>You may cure default for failure to implement or continuously use Required Components; security or data protection violations that are capable of remediation; and non-payment of Technology Fees.</u>
h. “Cause” defined – non-curable defaults	~~Not applicable~~ <u>TSAA, Section 13.E</u>	~~Not applicable~~ <u>We may terminate immediately, without opportunity to cure, if you or someone acting on your behalf or with your knowledge: intentionally discloses, customer data to an unauthorized party; deliberately circumventing or disabling security protocols or access controls; or uses the integrated technology systems for criminal activity (including fraud, identity theft, unauthorized computer access, and money laundering).</u>
i. Franchisee’s obligations on termination / nonrenewal	~~Not applicable~~ <u>TSAA, Section 13.E</u>	~~Not applicable~~ <u>Not applicable.</u>
j. Assignment of contract by franchisor	~~Not applicable~~ <u>TSAA, Sections 1, 18.D</u>	~~Not applicable~~ <u>We may assign the Agreement and all of our rights and obligations under it without your consent if we also assign or transfer our rights and obligations under the Franchise Agreement.</u>
k. “Transfer” by franchisee – defined	~~Not applicable~~ <u>TSAA, Section 13.E</u>	~~Not applicable~~ <u>Not applicable.</u>
l. Franchisor’s approval of transfer by franchisee	~~Not applicable~~ <u>TSAA, Section 13.E</u>	~~Not applicable~~ <u>Not applicable.</u>
m. Conditions for franchisor’s approval of transfer	~~Not applicable~~ <u>TSAA, Section 13.E</u>	~~Not applicable~~ <u>Not applicable.</u>

Provision	Section In Technology Systems Access Agreement	Summary
n. Franchisor's right of first refusal to acquire franchisee's business	Not applicable.	Not applicable.
o. Franchisor's option to purchase franchisee's business	Not applicable.	Not applicable.
p. Death or disability of franchisee	Not applicable.	Not applicable.
q. Non-competition covenants during the term of the franchise	Not applicable.	Not applicable.
r. Non-competition covenants after the franchise is terminated or expires	Not applicable.	Not applicable.
s. Modification of the agreement	~~Section 16(B) of the Technology Systems Access Agreement~~ <u>TSAA, Sections 18.B, 18.G</u>	~~Agreement may only be modified in a writing signed by the parties, however, franchisees must comply with all requirements in Operations Manual pertaining to Technology Systems, which we may change from time to time~~ <u>Generally, modifications require written agreement signed by both parties, but we may make some unilateral modifications with advance written notice to you, including: modifications to Required Components, fees, or technology specifications; changes to data governance, privacy, or security requirements; and changes to operational procedures or support processes;. And emergency modifications to address security, legal compliance, or system integrity threats.</u>

Provision	Section In Technology Systems Access Agreement	Summary
t. Integration/merger clause	~~TSAA, Section 16(18.E) of the Technology Systems Access Agreement~~	<u>The TSAA and the Franchise Agreement are the entire agreements regarding technology between us and you. Any prior negotiations, representations, warranties, promises or agreements are not binding on you or us or enforceable. However, nothing in the agreements is intended to disclaim the representations made in the agreements and the franchise disclosure document we provided to you (Subject to Applicable State Law. See State Addenda).</u> ~~The Agreement contains the entire agreement of the parties. However, nothing in the Agreement or any related agreement is intended to disclaim the representations we made to you in the franchise disclosure document that we provided to you.~~
u. Dispute resolution by arbitration or mediation	~~Not applicable~~ <u>TSAA, Section, 18.D</u>	~~Not applicable~~ <u>The dispute resolution provision in the Franchise Agreement also apply to disputes under the TSAA.</u>
v. Choice of forum	~~TSAA, Section 16(, 18.D) of the Technology Systems Access Agreement~~	<u>Subject to applicable state law, state any court in Franklin County, Ohio or the U.S. action or proceeding must be filed in the United States District Court for the Southern District of Ohio-, located in Columbus, Ohio, or the Court of Common Pleas of Franklin County, Ohio, also located in Columbus, Ohio (Subject to Applicable State Law. See State Addenda).</u>
w. ~~Choice of law~~ <u>Governing Law</u>	~~TSAA, Section 16(, 18.C) of the Technology Systems Access Agreement~~	<u>Subject to applicable state law, Ohio law applies the Agreement is governed by the laws of the State of Ohio (See State Addenda).</u>

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

Guarantee, and Indemnification, and Acknowledgment Agreement

Provision	Section in Guarantee, and Indemnification, and Acknowledgment Agreement	Summary
a. Length of the franchise term	~~Paragraph 3~~ <u>Guarantee, Section 5</u>	~~The term continues until~~ <u>Terminates upon the termination or expiration of the Franchise Agreement is terminated or expires.</u>
b. Renewal or extension of the term	Not applicable.	Not applicable.
c. Requirements for franchisee to renew or extend	Not applicable.	Not applicable.
d. Termination by franchisee	Not applicable.	Not applicable.
e. Termination by franchisor without cause	Not applicable.	Not applicable.
f. Termination by franchisor with cause	Not applicable.	Not applicable.
g. “Cause” defined – curable defaults	Not applicable.	Not applicable.
h. “Cause” defined – non-curable defaults	Not applicable.	Not applicable.
i. Franchisee’s obligations on termination/ nonrenewal	Not applicable.	Not applicable.
j. Assignment of contract by franchisor	Not applicable.	Not applicable.
k. “Transfer” by franchisee – defined	Not applicable.	Not applicable.
l. Franchisor’s approval of transfer by franchisee	Not applicable.	Not applicable.
m. Conditions for franchisor’s approval of transfer	Not applicable.	Not applicable.
n. Franchisor’s right of first refusal to acquire franchisee’s business	Not applicable.	Not applicable.
o. Franchisor’s option to purchase franchisee’s business	Not applicable.	Not applicable.

Provision	Section in Guarantee, and Indemnification, and Acknowledgment Agreement	Summary
p. Death or disability of franchisee	~~Not applicable~~ <u>Guarantee, Section 5</u>	~~Not applicable~~ <u>Upon the death of an individual guarantor, the guarantor's estate is bound by this Guarantee only for obligations and defaults existing at the time of death. The obligations of any remaining co-guarantors continue in full force and effect.</u>
q. Non-competition covenants during the term of the franchise	~~Not applicable~~ <u></u>	~~Not applicable~~ <u></u>
r. Non-competition covenants after the franchise is terminated or expires	~~Not applicable~~ <u></u>	~~Not applicable~~ <u></u>
s. Modification of the agreement	~~Not applicable~~ <u></u>	~~Not applicable~~ <u></u>
t. Integration/merger clause	~~Not applicable~~ <u></u>	~~Not applicable~~ <u></u>
u. Dispute resolution by arbitration or mediation	~~Not applicable~~ <u>Guarantee, Section 7(b) and (c)</u>	~~Not applicable~~ <u>We may require disputes relating to the Guarantee be resolved by binding arbitration under the dispute resolution provisions of the Franchise Agreement.</u>
v. Choice of forum	~~Not applicable~~ <u>Guarantee, Section 7(a)</u>	~~Not applicable~~ <u>Any action, suit, or proceeding relating to the Guarantee must be in the United States District Court of the Southern District of Ohio, located in Columbus, Ohio, or in the Common Pleas Court of Franklin County, Ohio, also located in Columbus, Ohio.</u>
~~w. Choice of law~~	~~Paragraph 4~~	~~Ohio law applies.~~
<u>w. Choice of law</u>	<u>Guarantee, Section 6</u>	<u>Subject to applicable state law, the Guarantee is governed by the laws of the State of Ohio (See State Addenda). However, if any provision would not be enforceable under Ohio law but would be enforceable under the law of the state where the franchised business is located, that provision will be interpreted under the law of that state.</u>

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

Strategic Account Participation Agreement

<u>Provision</u>	<u>Section in SAPA</u>	<u>Summary</u>
a. <u>Length of the franchise term</u>	<u>SAPA, Section 13.A</u>	<u>Terminates upon the termination or expiration of the Franchise Agreement.</u>
b. <u>Renewal or extension of the term</u>	<u>Not applicable.</u>	<u>Not applicable.</u>
c. <u>Requirements for franchisee to renew or extend</u>	<u>Not applicable.</u>	<u>Generally, the term renewal means that the terms of the franchise relationship and the franchise agreement are extended for an additional term of years under the then-current form of franchise agreement. There is no renewal term under the SAPA.</u> <u>Not applicable.</u>
d. <u>Termination by franchisee</u>	<u>SAPA, Section 12.A</u>	<u>Terminates upon termination of the Franchise Agreement. You may withdraw from any Account Addendum on thirty (30) days' notice without default or penalty.</u>
e. <u>Termination by franchisor</u>	<u>SAPA, Sections 13.A and 13.B</u>	<u>We may terminate individual Account Addenda for failure or breach of service level requirements or the termination of the Franchise Agreement.</u>
g. <u>"Cause" defined – curable defaults</u>	<u>SAPA, Sections 5.E and 13.B</u>	<u>You have fifteen (15) days to cure a default of service level requirements related to an individual account addendum.</u>
h. <u>"Cause" defined – non-curable defaults</u>	<u>Not applicable.</u>	<u>Not applicable.</u>
i. <u>Franchisee's obligations on termination / nonrenewal</u>	<u>SAPA, Sections 12.B and 13.E</u>	<u>Complete in-progress work, orderly transition, and return of Confidential Information.</u>
j. <u>Assignment of contract by franchisor</u>	<u>Not applicable.</u>	<u>Not applicable.</u>
k. <u>"Transfer" by franchisee – defined</u>	<u>SAPA, Section 14.F</u>	<u>No assignment without our consent unless in connection with an approved transfer of the Franchise Agreement.</u>

<u>Provision</u>	<u>Section in SAPA</u>	<u>Summary</u>
<u>l. Franchisor's approval of transfer by franchisee</u>	<u>SAPA, Section 14.F</u>	<u>We consent to the transfer if we consent to the transfer of the Franchise Agreement.</u>
<u>m. Conditions for franchisor's approval of transfer</u>	<u>SAPA, Section 14.F</u>	<u>We consent to the transfer if we consent to the transfer of the Franchise Agreement.</u>
<u>n. Franchisor's right of first refusal to acquire franchisee's business</u>	<u>Not applicable.</u>	<u>Not applicable.</u>
<u>o. Franchisor's option to purchase franchisee's business</u>	<u>Not applicable.</u>	<u>Not applicable.</u>
<u>p. Death or disability of franchisee</u>	<u>Not applicable.</u>	<u>Not applicable.</u>
<u>q. Non-competition covenants during the term of the franchise</u>	<u>Not applicable.</u>	<u>Not applicable.</u>
<u>r. Non-competition covenants after the franchise is terminated or expires</u>	<u>SAPA, Section 12.E</u>	<u>Franchise Owner may not use confidential information, including account-specific pricing, and , program terms, to independently solicit Account Customers.</u>
<u>s. Modification of the agreement</u>	<u>SAPA, Section 14.L</u>	<u>Amendments to the SAPA require a written agreement signed by both parties. We may modify systemwide standards, operational procedures, and specifications applicable to the SAPA in the Manuals without your signature.</u>
<u>t. Integration/merger clause</u>	<u>Sections 14.A and 14.K</u>	<u>Subject to applicable state law: The SAPA and any Account Addenda constitute the entire agreement between the parties concerning Strategic Account participation. Any prior negotiations, representations, warranties, promises and agreements relating to the SAPA, Account Addenda or the Strategic Account program are not binding on you or us or enforceable, unless otherwise stated in the SAPA. However, nothing in the SAPA, Account Addenda or the Franchise Agreement is intended to disclaim the representations made in the franchise disclosure document that</u>

<u>Provision</u>	<u>Section in SAPA</u>	<u>Summary</u>
		<u>we provided to you.</u>
<u>u. Dispute resolution by arbitration or mediation</u>	<u>Not applicable.</u>	<u>Not applicable.</u>
<u>v. Choice of forum</u>	<u>Not applicable.</u>	<u>Not applicable.</u>
<u>w. Choice of law</u>	<u>Not applicable.</u>	<u>Not applicable.</u>

ITEM 18. PUBLIC FIGURES

Stanley Steemer does not use any public ~~figure~~figures to promote its franchise.

ITEM 19. FINANCIAL PERFORMANCE REPRESENTATIONS

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

Those Stanley Steemer franchisees that were in operation for all of ~~2024~~2025 had average annual gross sales for ~~2024~~2025 in the amounts listed below. As used in this Item 19, "gross sales" means the total revenue derived from the sale of goods or services, less sales tax, discounts, allowances, and returns.

Although franchisees operated their Stanley Steemer Businesses from their homes or office warehouses, the locations of ~~franchisee's~~franchisees' offices made no significant difference in gross sales.

We provided substantially the same services to all franchisees, and all franchisees provided substantially the same services to the public. Franchisees use substantially the same accounting system to account for gross sales.

The information disclosed in this Item 19 relates to the historical performance of franchised Stanley Steemer Businesses for calendar year ~~2024~~2025. No company-owned branch locations were included in the information disclosed below in Item 19.

NATIONWIDE

Two hundred eight (208) Stanley Steemer franchisees were in operation during all of ~~2024~~2025. During ~~2024~~2025, one (1) franchise had an outlet terminated, canceled, not renewed, or otherwise ceased to do business in ~~2024~~2025. Nationwide, the average annual gross sales of franchisees who were in operation during all of ~~2024~~2025 was \$1,744,505. ~~Sixty-five~~1,742,025. Sixty-four (6564) franchisees achieved this sales volume or more. The lowest amount of gross sales achieved by a franchisee was \$33,61643,724. The highest amount of gross sales achieved by a franchisee was \$13,445,08113,374,992. Nationwide, ~~franchisee's~~franchisees' median annual gross sales ~~were~~was \$1,196,3581,179,370.

NEW ENGLAND STATES

(Connecticut, Maine, Massachusetts, Rhode Island, New Hampshire, Vermont)

Eight (8) Stanley Steemer franchisees were in operation during all of ~~2024~~2025 in the New England States. During ~~2024~~2025, there were no franchisees in these states that had an outlet terminated, canceled, not renewed, or who otherwise ceased to do business. The average annual gross sales of these franchisees was ~~\$1,722,746~~\$1,650,746. Two (2) of the eight (8) franchisees achieved this sales volume or more. The lowest amount of gross sales achieved by a franchisee was ~~\$392,892~~\$382,696. The highest amount of gross sales achieved by a franchisee was ~~\$4,592,777~~\$4,405,725. Their median annual gross sales ~~were~~was ~~\$1,278,461~~\$1,236,511.

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MID-ATLANTIC STATES

(New York, Pennsylvania, Maryland, Delaware, New Jersey)

Twenty-one (21) Stanley Steemer franchisees were in operation during all of ~~2024~~2025 in the Mid-Atlantic States. During ~~2024~~2025, there were no franchisees in these states that had an outlet terminated, canceled, not renewed, or who otherwise ceased to do business. The average annual gross sales of these franchisees was ~~\$2,622,156~~\$2,562,268. Nine (9) of the twenty-one (21) franchisees achieved this sales volume or more. The lowest amount of gross sales achieved by a franchisee was ~~\$360,069~~\$369,913. The highest amount of gross sales achieved by a franchisee was ~~\$7,372,940~~\$7,346,681. Their median annual gross sales ~~were~~was ~~\$2,279,123~~\$2,252,511.

GREAT LAKE STATES

(Ohio, Illinois, Indiana, Wisconsin, Michigan)

Forty-seven (47) Stanley Steemer franchisees were in operation during all of ~~2024~~2025 in the Great Lake States. ~~In connection with a franchise transfer in 2024, one existing franchised Stanley Steemer Business was consolidated into one location. Other than this consolidation~~ During ~~2024~~2025, there were no franchisees ~~who~~ in these states that had an outlet terminated, canceled, not renewed, or otherwise ceased to do business in ~~2024~~2025. The average annual gross sales of these franchisees was ~~\$1,171,951~~\$1,115,067. ~~Sixteen~~Fifteen (~~16~~15) of the forty-seven (47) franchisees achieved this sales volume or more. The lowest amount of gross sales achieved by a franchisee was ~~\$33,616~~\$43,724. The highest amount of gross sales achieved by a franchisee was ~~\$5,131,300~~\$4,732,661. Their median annual gross sales ~~were~~was ~~\$724,151~~\$704,006.

MID-SOUTH STATES

(Virginia, North Carolina, Tennessee, West Virginia, Kentucky)

Twenty-nine (29) Stanley Steemer franchisees were in operation during all of ~~2024~~2025 in the Mid-South States. During ~~2024~~2025, there were no franchisees in these states that had an outlet terminated, canceled, not renewed, or who otherwise ceased to do business. The average annual gross sales of these franchisees was ~~\$1,670,694~~\$1,674,071. Thirteen (13) of the twenty-nine (29) franchisees achieved this sales volume or more. The lowest amount of gross sales achieved by a franchisee was ~~\$62,269~~\$64,470. The highest amount of gross sales achieved by a franchisee was ~~\$4,483,397~~\$4,437,974. Their median annual gross sales ~~were~~was ~~\$1,388,402~~\$1,437,812.

SOUTHEAST STATES

(Florida, South Carolina, Georgia)

Twenty-five (25) Stanley Steemer franchisees were in operation during all of ~~2024~~2025 in the Southeast States. ~~In connection with a franchise transfer in 2024, two existing franchised Stanley Steemer Businesses were consolidated into one location. Other than these consolidations, there were no franchisees~~ During ~~2024~~2025, there was one (1) franchise in these states

canceled, not renewed, or otherwise ceased to do business in ~~2024~~2025. The average annual gross sales of these franchisees was ~~\$3,520,891~~. ~~Seven~~3,789,863. ~~Eight (78)~~ of the twenty-five (25) franchisees achieved this sales volume or more. The lowest amount of gross sales achieved by a franchisee was ~~\$107,538~~559,037. The highest amount of gross sales achieved by a franchisee was ~~\$13,445,081~~13,374,991. Their median annual gross sales ~~were~~was ~~\$1,858,901~~2,107,209.

GREAT PLAINS STATES

(Arkansas, Kansas, Iowa, Missouri, Minnesota, Nebraska, Oklahoma)

~~Eighteen~~Nineteen (1819) Stanley Steemer franchisees were in operation during all of ~~2024~~2025 in the Great Plains States. ~~In connection with a franchise transfer in 2024, one existing franchised Stanley Steemer Business was consolidated into one location. In connection with a franchise reacquisition in 2024, one existing franchised Stanley Steemer Business was reacquired. Other than this consolidation and this reacquisition~~During 2025, there were no franchisees in these states that had an outlet terminated, canceled, not renewed, or otherwise ceased to do business in ~~2024~~2025. The average annual gross sales of these franchisees was ~~\$739,678~~712,501. ~~Eight (8)~~ of the ~~eighteen~~nineteen (1819) franchisees achieved this sales volume or more. The lowest amount of gross sales achieved by a franchisee was ~~\$110,532~~174,471. The highest amount of gross sales achieved by a franchisee was ~~\$1,708,842~~1,600,713. Their median annual gross sales ~~were~~was ~~\$452,516~~465,939.

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SOUTHWEST STATES

(Arizona, New Mexico, Colorado, Utah, Texas, Nevada)

Seventeen (17) Stanley Steemer franchisees were in operation during all of ~~2024~~2025 in the Southwest States. During ~~2024~~2025, there ~~was one (1) franchisee~~were no franchisees in these states that had an outlet terminated, canceled, not renewed, or who otherwise ceased to do business. The average annual gross sales of these franchisees was ~~\$1,260,920~~1,192,790. Six (6) of the seventeen (17) franchisees achieved this sales volume or more. The lowest amount of gross sales achieved by a franchisee was ~~\$106,607~~106,006. The highest amount of gross sales achieved by a franchisee was ~~\$6,674,686~~5,744,755. Their median annual gross sales ~~were~~was ~~\$951,742~~943,296.

PACIFIC COAST STATES

(Alaska, California, Hawaii, Oregon, Washington)

Twenty-seven (27) Stanley Steemer franchisees were in operation during all of ~~2024~~2025 in the Pacific Coast States. During ~~2024~~2025, there were no franchisees in these states that had an outlet terminated, canceled, not renewed, or who otherwise ceased to do business. The average annual gross sales of these franchisees was ~~\$1,790,796~~1,729,485. Six (6) of the twenty-seven (27) franchisees achieved this sales volume or more. The lowest amount of gross sales achieved by a franchisee was ~~\$96,304~~88,329. The highest amount of gross sales achieved by a franchisee was ~~\$11,497,805~~11,101,163. Their median annual gross sales ~~were~~was ~~\$1,028,165~~993,605.

SOUTHERN STATES

(Alabama, Louisiana, Mississippi)

~~Thirteen~~Twelve (1312) Stanley Steemer franchisees were in operation during all of ~~2024~~2025 in the Southern States. ~~During 2024~~ In connection with a franchise transfer in 2025, two existing franchised Stanley Steemer Businesses were consolidated into one location. Other than these consolidations, there were no franchisees in these states that had an outlet terminated, canceled, not renewed, or who otherwise ceased to do business. The average annual gross sales of these franchisees was

~~\$1,324,336~~1,425,152. ~~Six~~Five (~~65~~) of the ~~thirteen~~twelve (~~13~~12) franchisees achieved this sales volume or more. The lowest amount of gross sales achieved by a franchisee was ~~\$79,315~~198,669. The highest amount of gross sales achieved by a franchisee was ~~\$4,200,979~~4,270,793. Their median annual gross sales ~~were~~was ~~\$966,055~~1,099,875.

NORTHWESTERN STATES

(Idaho, Montana, North Dakota, South Dakota, Wyoming)

Three (3) Stanley Steemer franchisees were in operation during all of ~~2024~~2025 in the Northwestern States. During ~~2024~~2025, there were no franchisees in these states that had an outlet terminated, canceled, not renewed, or who otherwise ceased to do business. The average annual gross sales of these franchisees was ~~\$712,638~~670,678. Two (2) of the three (3) franchisees achieved this sales volume or more. The lowest amount of gross sales achieved by a franchisee was ~~\$97,521~~75,914. The highest amount of gross sales achieved by a franchisee was ~~\$1,073,718~~1,004,440. Their median annual gross sales ~~were~~was ~~\$966,675~~931,680.

These figures were obtained from gross sales reports made by franchisees to Stanley Steemer in compliance with the requirements of their Franchise Agreements that they supply these figures. These figures have been compiled from those reports in accordance with generally accepted accounting principles.

We have presented these figures on a nationwide basis and in geographic subsets. We selected these geographic subsets based upon regional variations in weather, population density, and consumer consumption patterns. While these figures may be useful in determining possible future gross sales and locations, data other than geographical locations and community size could affect sales. Those factors include the number and financial resources of competitors, average income levels in the community, local advertising costs, the number of commercial establishments in the community, climate, and the number of part-time residents.

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

Written substantiation of the data used in preparing the information in Item 19 will be made available to any prospective franchisee, upon reasonable demand, provided, however, that this will not be construed to require disclosure of the identity of a specific franchisee or to require the release of data without the consent of the franchisee. Other than the financial performance representations above, Stanley Steemer does not make any financial performance 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 Stanley Steemer's management by contacting Stanley Steemer at the attention of D. Ryan Jankowski, 5800 Innovation Drive, Dublin, Ohio 43016, (614) 764-2007, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20. OUTLETS AND FRANCHISEE INFORMATION

A list of our Stanley Steemer franchisees that were in operation during our ~~2024~~2025 fiscal year, and who were still in operation as of the original issuance date of this disclosure document (~~March 27~~31, 2025), ~~2026~~, as well as the addresses and telephone numbers of their business offices, is attached as Exhibit B to this disclosure document. Information concerning transfers of franchisees' Stanley Steemer Businesses, franchises that were reacquired by us, and franchisees who left the Stanley Steemer franchise system is also included in Exhibit B. A list of franchisees who signed a Franchise Agreement after the end of the ~~2024~~2025 fiscal year, but before the original issuance date of this disclosure document (~~March 27~~31, 2025), ~~2026~~, is included below. A list of our company-owned Stanley Steemer branch locations as

of ~~February 13, 2025~~ March 25, 2026, and the addresses and telephone numbers of their offices is also included in the attached Exhibit B to this disclosure document.

Stanley Steemer Franchises

~~Following~~ The following is information on Stanley Steemer's franchised and company-owned Stanley Steemer Businesses as of the end of its ~~2022, 2023 and, 2024, and 2025~~ fiscal years:

**ITEM 20 TABLE NO. 1
SYSTEMWIDE OUTLET SUMMARY
FOR FISCAL YEARS ~~2022/2023/2024/2025~~**

Column 1 Outlet Type	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets at the End of the Year	Column 5 Net Change
	~~2022~~	~~217~~	~~215~~	~~-2~~
~~Franchised~~ <u>Franchised</u>	2023	215	212	-3
	2024	212	210	-2
	~~2022-2025~~	~~56-210~~	~~56-210~~	0
~~Company-Owned~~ <u>Company-Owned</u>	2023	56	57	+1
	2024	57	57	0
	~~2022-2025~~	~~273-57~~	~~271-54~~	~~-2-3~~
~~Total Outlets~~ <u>Total Outlets</u>	2023	271	269	-2
	2024	269	267	-2
	~~2025~~	~~267~~	~~264~~	~~-3~~

Following is information on transfers of Stanley Steemer's franchised Stanley Steemer Businesses to new owners (other than to Stanley Steemer) as of the end of its ~~2022, 2023 and, 2024 and 2025~~ fiscal years:

**ITEM 20 TABLE NO. 2
TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS
(OTHER THAN THE FRANCHISOR)
FOR FISCAL YEARS ~~2022/2023/2024/2025~~**

Column 1 State	Column 2 Year	Column 3 Number of Transfers
~~California~~ <u>California</u>	~~2023~~	~~4~~
	~~2022-2024~~	~~1~~
	~~2025~~	~~1~~
~~Arkansas~~ <u>Florida</u>	2023	0
	2024	0
	~~2022-2025~~	~~21~~
~~California~~ <u>Georgia</u>	2023	~~41~~
	2024	~~10~~
	~~2022-2025~~	~~31~~
~~Florida~~ <u>Illinois</u>	2023	~~01~~
	2024	0
	~~2022-2025~~	~~0~~
~~Georgia~~ <u>Indiana</u>	2023	~~10~~
	2024	~~01~~
	~~2025~~	~~1**~~

Column 1 State	Column 2 Year	Column 3 Number of Transfers
<u>Iowa</u>	~~2022~~ 2023	0
	2024	0
	2025	2
<u>Illinois</u> <u>Kentucky</u>	2023	1
	2024	0
	~~2022~~ 2025	0
<u>Indiana</u> <u>Michigan</u>	2023	0
	2024	~~1~~ 0
	~~2022~~ -2025	~~0~~ 1*
<u>Kentucky</u> <u>Minnesota</u>	2023	~~1~~ 0
	2024	0
	~~2022~~ -2025	1
<u>Mississippi</u> <u>Mississippi</u>	2023	0
	2024	0
	~~2022~~ 2025	~~1~~ 2
<u>Missouri</u> <u>Missouri</u>	2023	1
	2024	0
	2025	1
<u>New York</u>	2023	0
	~~2022~~ -2024	~~2~~ 0
	2025	1
<u>North Carolina</u> <u>North Carolina</u>	2023	1
	2024	0
	~~2022~~ 2025	~~2~~ 0
<u>Ohio</u> <u>Ohio</u>	2023	0
	2024	0
	~~2022~~ 2025	~~1~~ 2
<u>Tennessee</u> <u>Tennessee</u>	2023	1
	2024	0
	~~2022~~ 2025	~~1~~ 30
<u>Total</u> <u>Total</u>	2023	10
	2024	2
	2025	14

* In 2025, a Michigan franchisee transferred its Mason, Michigan Stanley Steemer Business to a new Michigan franchisee.

** Also, in 2025, a Michigan franchisee transferred its Benton Harbor, Michigan Stanley Steemer Business to an existing Stanley Steemer franchisee. In connection with this transfer, the franchised area was changed from Michigan to Indiana. This transfer is included in Table 2 as an Indiana transfer.

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Following is information on Stanley Steemer's franchised Stanley Steemer Businesses as of the end of its ~~2022, 2023 and,~~ 2024 and 2025 fiscal years:

ITEM 20 TABLE NO. 3 STATUS OF FRANCHISED OUTLETS

FOR FISCAL YEARS ~~2022~~/2023/2024/2025

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened	Col. 5 Term- inations	Col. 6 Non- Renewals	Col. 7 Re-acqui- red by Franchisor	Col. 8 Ceased Oper-ati- ons Other Reasons	Col. 9 Outlets at End of Year
~~Alabama~~	~~2022~~	~~5~~	~~1~~	~~0~~	~~0~~	~~0~~	~~0~~	~~6~~
<u>Alabama</u>	2023	6	0	0	0	0	0	6
	2024	6	0	0	0	0	0	6
~~Alaska~~	~~2022~~	~~1~~	~~0~~	~~1~~	~~0~~	~~0~~	~~0~~	~~0~~
	~~2023~~ <u>2025</u>	~~0~~ <u>6</u>	0	0	0	0	0	~~0~~ <u>6</u>
	2024	0	0	0	0	0	0	0
Arizona	~~2022~~ <u>2023</u>	3	0	0	0	0	0	3
	~~2023~~ <u>2024</u>	3	0	0	0	0	0	3
	~~2024~~ <u>2025</u>	3	0	0	0	0	0	3
Arkansas	~~2022~~ <u>2023</u>	2	0	0	0	0	0	2
	~~2023~~ <u>2024</u>	2	0	0	0	0	0	2
	~~2024~~ <u>2025</u>	2	0	0	0	0	0	2
~~California~~	~~2022~~	~~20~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~20~~
<u>California</u>	2023	20	0	0	0	0	0	19
	2024	19	0	0	0	0	0	19
~~Colorado~~	~~2022~~ <u>2025</u>	~~3~~ <u>19</u>	0	0	0	0	0	~~3~~ <u>19</u>
<u>Colorado</u>	2023	3	0	0	0	0	0	3
	2024	3	0	0	0	0	0	3
Florida*	~~2022~~ <u>2025</u>	~~20~~ <u>3</u>	0	0	0	0	0	~~18~~ <u>3</u>
<u>Florida*</u>	2023	18	0	0	0	0	0	18
	2024	18	1	0	0	0	0	17
~~Georgia~~	~~2022~~ <u>2025</u>	~~4~~ <u>17</u>	~~0~~ <u>1</u>	~~0~~ <u>1</u>	0	0	0	~~4~~ <u>17</u>
<u>Georgia</u>	2023	4	0	0	0	0	0	4
	2024	4	1	0	0	0	0	5
~~Hawaii~~	~~2022~~ <u>2025</u>	~~1~~ <u>5</u>	0	0	0	0	0	~~1~~ <u>5</u>
<u>Hawaii</u>	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
~~Idaho~~	~~2022~~ <u>2025</u>	~~1~~	0	0	0	0	0	1
<u>Idaho</u>	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
~~Illinois~~	~~2022~~ <u>2025</u>	~~7~~ <u>1</u>	0	0	0	0	0	~~7~~ <u>1</u>

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened	Col. 5 Term- inations	Col. 6 Non- Renewals	Col. 7 Re-acqui- red by Franchisor	Col. 8 Ceased Oper-ati- ons Other Reasons	Col. 9 Outlets at End of Year
	<u>25</u>							
<u>Illinois</u>	2023	7	0	0	0	0	0	7
	2024	7	0	0	0	0	0	7
~~Indiana**~~	~~2022~~ <u>20</u> <u>25</u>	~~15~~ <u>7</u>	0	0	0	0	0	~~15~~ <u>7</u>
<u>Indiana**</u>	2023	15	0	0	0	0	0	15
	2024	15	0	0	0	0	0	14
~~Iowa~~	~~2022~~ <u>2025</u>	~~5~~ <u>14</u>	0	0	0	0	0	~~5~~ <u>15</u>
<u>Iowa</u>	2023	5	0	0	0	0	0	5
	2024	5	0	0	0	0	0	5
~~Kansas~~	~~2022~~ <u>20</u> <u>25</u>	~~2~~ <u>5</u>	0	0	0	0	0	~~2~~ <u>5</u>
<u>Kansas</u>	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
~~Kentucky***~~	~~2022~~ <u>20</u> <u>25</u>	~~8~~ <u>2</u>	0	0	0	0	0	~~8~~ <u>2</u>
<u>Kentucky***</u>	2023	8	0	0	0	0	0	8
	2024	8	0	0	0	0	0	7
~~Louisiana~~	~~2022~~ <u>20</u> <u>25</u>	~~4~~ <u>7</u>	0	0	0	0	0	~~4~~ <u>7</u>
<u>Louisiana</u>	2023	4	0	0	0	0	0	4
	2024	4	0	0	0	0	0	4
~~Maine~~	~~2022~~ <u>20</u> <u>25</u>	~~2~~ <u>4</u>	0	0	0	0	0	~~2~~ <u>4</u>
<u>Maine</u>	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
~~Maryland~~	~~2022~~ <u>20</u> <u>25</u>	~~3~~ <u>2</u>	0	0	0	~~1~~ <u>0</u>	0	2
<u>Maryland</u>	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
~~Mass.~~	~~2022~~ <u>20</u> <u>25</u>	~~3~~ <u>2</u>	0	0	0	0	0	~~3~~ <u>2</u>
<u>Mass.</u>	2023	3	0	0	0	0	0	3
	2024	3	0	0	0	0	0	3
~~Michigan~~	~~2022~~ <u>20</u> <u>25</u>	~~7~~ <u>3</u>	0	0	0	0	0	~~7~~ <u>3</u>
<u>Michigan**</u>	2023	7	0	0	0	0	0	7
	2024	7	0	0	0	0	0	7
~~Minnesota~~	~~2022~~ <u>20</u> <u>25</u>	~~2~~ <u>7</u>	~~1~~ <u>0</u>	0	0	0	0	~~3~~ <u>6</u>
<u>Minnesota</u>	2023	3	0	0	0	0	0	3
	2024	3	0	0	0	0	0	3
~~Miss.~~	~~2022~~ <u>20</u> <u>25</u>	3	0	0	0	0	0	3

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened	Col. 5 Term- inations	Col. 6 Non- Renewals	Col. 7 Re-acqui- red by Franchisor	Col. 8 Ceased Oper-ati- ons Other Reasons	Col. 9 Outlets at End of Year
<u>Miss.*****</u>	2023	3	0	0	0	0	0	3
	2024	3	0	0	0	0	0	3
~~Missouri-~~	~~2022~~ 2025	~~5~~ 3	0	0	0	0	0	~~5~~ 2
<u>Missouri</u>	2023	5	0	0	0	0	0	5
	2024	5	1	0	0	1	0	5
~~Montana-~~	~~2022~~ 2025	~~2~~ 5	0	~~1~~ 0	0	0	0	~~1~~ 5
<u>Montana</u>	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
~~Nebraska****-~~	~~2022~~ 2025	~~2~~ 1	0	0	0	0	0	~~2~~ 1
<u>Nebraska****</u>	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	1
~~Nevada-~~	~~2022~~ 2025	1	0	0	0	0	0	1
<u>Nevada</u>	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
~~New Hamp.-~~	~~2022~~ 2025	~~2~~ 1	0	0	0	0	0	~~2~~ 1
<u>New Hamp.</u>	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
~~New Jersey-~~	~~2022~~ 2025	2	0	0	0	0	0	2
<u>New Jersey</u>	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
~~New Mexico-~~	~~2022~~ 2025	~~1~~ 2	0	0	0	0	0	~~1~~ 2
<u>New Mexico</u>	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
~~New York-~~	~~2022~~ 2025	~~9~~ 1	~~1~~ 0	0	0	0	0	~~10~~ 1
<u>New York</u>	2023	10	0	0	0	0	0	10
	2024	10	0	0	0	0	0	10
~~North-Carolina~~	~~2022~~ 2025	~~7~~ 10	0	0	0	0	0	~~7~~ 10
<u>North Carolina</u>	2023	7	0	0	0	0	0	7
	2024	7	1	0	0	0	0	8
~~Ohio-~~	~~2022~~ 2025	~~15~~ 8	0	0	0	0	0	~~15~~ 8
<u>Ohio</u>	2023	15	0	0	0	0	0	15
	2024	15	0	0	0	0	0	15
~~Oklahoma-~~	~~2022~~ 2025	~~1~~ 15	0	0	0	0	0	~~1~~ 15
<u>Oklahoma</u>	2023	1	0	0	0	0	0	1

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened	Col. 5 Term- inations	Col. 6 Non- Renewals	Col. 7 Re-acqui- red by Franchisor	Col. 8 Ceased Oper-ati- ons Other Reasons	Col. 9 Outlets at End of Year
	2024	1	0	0	0	0	0	1
~~Oregon~~	~~2022~~ <u>20</u> ~~25~~	~~4~~ <u>1</u>	~~0~~ <u>1</u>	0	0	0	0	~~4~~ <u>2</u>
<u>Oregon</u>	2023	4	0	0	0	0	0	4
	2024	4	0	0	0	0	0	4
~~Penn.~~	~~2022~~ <u>20</u> ~~25~~	~~7~~ <u>4</u>	0	0	0	0	0	~~7~~ <u>4</u>
<u>Penn.</u>	2023	7	0	0	0	0	0	7
	2024	7	0	0	0	0	0	7
~~South- Carolina~~	~~2022~~ <u>20</u> ~~25~~	~~5~~ <u>7</u>	0	0	0	0	0	~~5~~ <u>7</u>
<u>South Carolina</u>	2023	5	0	0	0	1	0	4
	2024	4	0	0	0	0	0	4
~~South Dakota~~	~~2022~~ <u>20</u> ~~25~~	~~1~~ <u>4</u>	0	0	0	0	0	~~1~~ <u>4</u>
<u>South Dakota</u>	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
~~Tennessee***~~	~~2022~~ <u>20</u> ~~25~~	~~6~~ <u>1</u>	0	0	0	0	0	~~6~~ <u>1</u>
<u>Tennessee***</u>	2023	6	0	0	0	0	0	6
	2024	6	0	0	0	0	0	7
~~Texas~~	~~2022~~ <u>20</u> ~~25~~	~~9~~ <u>7</u>	0	0	0	0	0	~~9~~ <u>7</u>
<u>Texas</u>	2023	9	0	0	0	0	0	9
	2024	9	0	1	0	0	0	8
~~Utah~~	~~2022~~ <u>20</u> ~~25~~	~~1~~ <u>8</u>	0	0	0	0	0	~~1~~ <u>8</u>
<u>Utah</u>	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
~~Vermont~~	~~2022~~ <u>20</u> ~~25~~	1	0	0	0	0	0	1
<u>Vermont</u>	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
~~Virginia*****~~	~~2022~~ ~~2025~~	~~5~~ <u>1</u>	0	0	0	~~1~~ <u>0</u>	0	~~4~~ <u>1</u>
<u>Virginia*****</u>	2023	4	0	0	0	0	0	4
	2024	4	0	0	0	0	0	5
~~Wash.~~	~~2022~~ <u>20</u> ~~25~~	~~3~~ <u>5</u>	0	0	0	0	0	~~3~~ <u>5</u>
<u>Wash.</u>	2023	3	0	0	0	0	0	3
	2024	3	0	0	0	0	0	3
~~West- Virginia*****~~ ~~*~~	~~2022~~ <u>20</u> ~~25~~	3	0	0	0	0	0	3
<u>West</u>	2023	3	0	0	0	0	0	3

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened	Col. 5 Term- inations	Col. 6 Non- Renewals	Col. 7 Re-acqui- red by Franchisor	Col. 8 Ceased Oper-ati- ons Other Reasons	Col. 9 Outlets at End of Year
Virginia*****	2024	3	0	0	0	0	0	2
~~Wisconsin~~	~~2022~~ <u>20</u> <u>25</u>	~~4~~ <u>2</u>	0	0	0	0	0	~~4~~ <u>2</u>
<u>Wisconsin</u>	2023	4	0	0	0	0	0	4
	2024	4	0	0	0	0	0	4
~~Wyoming~~	~~2022~~ <u>20</u> <u>25</u>	~~0~~ <u>4</u>	~~1~~ <u>0</u>	0	0	0	0	~~1~~ <u>4</u>
<u>Wyoming</u>	2023	1	0	1	0	0	0	0
	2024	0	0	0	0	0	0	0
~~Total~~	~~2022~~ <u>2025</u>	~~217~~ <u>0</u>	~~4~~ <u>0</u>	~~2~~ <u>0</u>	0	~~2~~ <u>0</u>	0	~~215~~ <u>0</u>
<u>Total</u>	2023	215	1	1	0	1	0	212
	2024	212	4	1	0	1	0	210*****
	<u>2025</u>	210	2	1	0	0	0	210*****

* In 2024, a franchisee-operated Stanley Steemer Business located in Inverness, Florida consolidated two (2) separate Stanley Steemer Businesses owned by the same franchise owner located in Tallahassee, Florida and New Port Richey, Florida respectively. Additionally, in 2024, Stanley Steemer sold two (2) company-owned Stanley Steemer Businesses to the same franchise owner located in Ft. Lauderdale, Florida and Miami, Florida, respectively. The acquiring franchise owner subsequently consolidated these Stanley Steemer Businesses into a single Stanley Steemer Business. Because of these consolidations, the total number of franchisee-operated businesses in Florida was reduced to seventeen (17).

** In 2024, a franchisee-operated Stanley Steemer Business located in Merrillville, Indiana acquired a separate franchisee-operated Stanley Steemer Business located in Rensselaer, Indiana which was subsequently consolidated with the Stanley Steemer Business operated by the acquiring franchisee. Because of this consolidation, the total number of franchisee operated businesses in Indiana was reduced to fourteen (14).

** In 2025, a Stanley Steemer Business located in Benton Harbor, Michigan was transferred to an acquiring owner who then relocated the Stanley Steemer Business to South Bend, Indiana. Because of this relocation, the total number of franchisee-operated businesses in Michigan in 2025 was reduced to six (6) and the total number of franchisee-operated businesses in Indiana in 2025 increased to fifteen (15).

*** In 2024, a franchisee-operated Stanley Steemer Business located in Bowling Green, Kentucky relocated its principal place of business to Clarksville, Tennessee. Because of this relocation, the total number of franchisee-operated businesses in Kentucky was reduced to seven (7) and the total number of franchisee-operated businesses in Tennessee was increased to seven (7).

**** In 2024, a franchisee-operated Stanley Steemer Business located in Sioux City, Iowa consolidated a separate Stanley Steemer Business owned by the same franchise owner located in Wayne, Nebraska. Because of this consolidation, the total number of franchisee-operated businesses in Nebraska was reduced to one (1).

***** In 2024, a franchisee-operated Stanley Steemer Business located in Martinsburg, West Virginia relocated its principal place of business to Winchester, Virginia. Because of this relocation, the total number of franchisee-operated businesses in West Virginia was reduced to two (2) and the total number of franchisee-operated businesses in Virginia ~~was~~ increased to five (5).

***** In 2025, two (2) Stanley Steemer Businesses located in Mississippi were transferred to an acquiring owner who then consolidated the two (2) Stanley Steemer Businesses into a single Stanley Steemer Business. The consolidation of the Stanley Steemer Businesses reduced the total number of franchised businesses in Mississippi at the end of 2025 to two (2). Because of these consolidations, the total number of franchisee-operated businesses was two hundred ten (210).

***** In 2024, a franchisee-operated Stanley Steemer Business located in Merrillville, Indiana acquired a separate franchisee-operated Stanley Steemer Business located in Rensselaer, Indiana, which was subsequently consolidated with the Stanley Steemer Business operated by the acquiring franchisee. Additionally, in 2024, a franchisee-operated Stanley Steemer Business located in Inverness, Florida consolidated two (2) separate Stanley Steemer Businesses owned by the same franchise owner located in Tallahassee, Florida and New Port Richey, Florida, respectively. Additionally, in 2024, Stanley Steemer sold two (2) company-owned Stanley Steemer Businesses to the same franchise owner located in Ft. Lauderdale, Florida and Miami, Florida, respectively. The acquiring franchise owner thereafter consolidated these Stanley Steemer Businesses into a single Stanley Steemer Business. Because of these consolidations, the total number of franchisee-operated businesses was reduced to two hundred ten (210).

Company-Owned Stanley Steemer Branch Locations

Following is information on Stanley Steemer company-owned Stanley Steemer branch locations as of the end of its ~~2022, 2023 and~~, 2024 and 2025 fiscal years:

**ITEM 20 TABLE NO. 4
STATUS OF COMPANY-OWNED OUTLETS
FOR FISCAL YEARS ~~2022/2023/2024~~/2025**

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened	Col. 5 Outlets Reacquired from Franchisees	Col. 6 Outlets Closed	Col. 7 Outlets Sold to Franchisees	Col. 8 Outlets at End of Year
Arizona	~~2022~~ <u>20</u> <u>23</u>	2	0	0	0	0	2
	~~2023-~~ <u>2024</u>	2	0	0	0	0	2
	~~2024~~ <u>20</u> <u>25</u>	2	0	0	0	0	2
California	~~2022~~ <u>20</u> <u>23</u>	1	0	0	0	0	1
	~~2023-~~ <u>2024</u>	1	0	0	0	0	1
	~~2024~~ <u>20</u> <u>25</u>	1	0	0	0	0	1
Colorado	~~2022~~ <u>20</u> <u>23</u>	3	0	0	0	0	3
	~~2023-~~	3	0	0	0	0	3

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened	Col. 5 Outlets Reacquired from Franchisees	Col. 6 Outlets Closed	Col. 7 Outlets Sold to Franchisees	Col. 8 Outlets at End of Year
	~~2024~~						
	~~2024~~ <u>20</u> <u>25</u>	3	0	0	0	0	3
Conn.	~~2022~~ <u>20</u> <u>23</u>	2	0	0	0	0	2
	~~2023~~ ~~2024~~	2	0	0	0	0	2
	~~2024~~ <u>20</u> <u>25</u>	2	0	0	0	0	2
Delaware	~~2022~~ <u>20</u> <u>23</u>	1	0	0	0	0	1
	~~2023~~ ~~2024~~	1	0	0	0	0	1
	~~2024~~ <u>20</u> <u>25</u>	1	0	0	0	0	1
~~Florida~~	~~2022~~	~~3~~	~~0~~	~~0~~	~~0~~	~~0~~	~~3~~
<u>Florida</u>	2023	3	0	0	0	0	3
	2024	3	0	0	0	2*	1
~~Illinois~~	~~2022~~ ~~2025~~	~~4~~ <u>1</u>	0	0	0	0	~~4~~ <u>1</u>
<u>Illinois</u>	2023	4	0	0	0	0	4
	2024	4	1	0	0	0	5
~~Indiana~~	~~2022~~ <u>20</u> <u>25</u>	~~1~~ <u>5</u>	0	0	0	0	~~1~~ <u>5</u>
<u>Indiana</u>	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
~~Kansas~~	~~2022~~ <u>20</u> <u>25</u>	1	0	0	0	0	1
<u>Kansas</u>	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
~~Kentucky~~	~~2022~~ <u>20</u> <u>25</u>	1	0	0	0	0	1
<u>Kentucky</u>	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
~~Maryland**~~	~~2022~~ <u>20</u> <u>25</u>	~~2~~ <u>1</u>	0	~~1~~ <u>0</u>	0	0	~~2~~ <u>1</u>
<u>Maryland</u>	2023	2	0	0	0	0	2
	2024	2	0	0	0	0	2
~~Mass.~~	~~2022~~ <u>20</u> <u>25</u>	~~1~~ <u>2</u>	0	0	0	0	~~1~~ <u>2</u>
<u>Mass.</u>	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
~~Michigan~~	~~2022~~ <u>20</u> <u>25</u>	~~2~~ <u>1</u>	0	0	0	0	~~2~~ <u>1</u>
<u>Michigan</u>	2023	2	0	0	0	0	2
	2024	2	0	0	0	0	2

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened	Col. 5 Outlets Reacquired from Franchisees	Col. 6 Outlets Closed	Col. 7 Outlets Sold to Franchisees	Col. 8 Outlets at End of Year
~~Minnesota~~	~~2022~~ <u>20</u> <u>25</u>	~~1~~ <u>2</u>	0	0	0	0	~~1~~ <u>2</u>
<u>Minnesota</u>	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
~~Missouri~~	~~2022~~ <u>20</u> <u>25</u>	~~0~~ <u>1</u>	0	0	0	0	~~0~~ <u>1</u>
<u>Missouri</u>	2023	0	0	0	0	0	0
	2024	0	0	1	0	0	1
~~Nevada~~	~~2022~~ <u>20</u> <u>25</u>	1	0	0	0	0	1
<u>Nevada</u>	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
~~New Jersey~~	~~2022~~ <u>20</u> <u>25</u>	~~3~~ <u>1</u>	0	0	0	0	~~3~~ <u>1</u>
<u>New Jersey</u>	2023	3	0	0	0	0	3
	2024	3	0	0	0	0	3
~~New York~~	~~2022~~ <u>20</u> <u>25</u>	~~2~~ <u>3</u>	0	0	0	0	~~2~~ <u>3</u>
<u>New York</u>	2023	2	0	0	0	0	2
	2024	2	0	0	0	0	2
~~North Carolina~~	~~2022~~ <u>20</u> <u>25</u>	~~1~~ <u>2</u>	0	0	~~0~~ <u>1</u>	0	1
<u>North Carolina</u>	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
~~Ohio~~	~~2022~~ <u>20</u> <u>25</u>	~~5~~ <u>1</u>	0	0	0	0	~~5~~ <u>1</u>
<u>Ohio</u>	2023	5	0	0	0	0	5
	2024	5	0	0	0	0	5
~~Oklahoma~~	~~2022~~ <u>20</u> <u>25</u>	~~2~~ <u>5</u>	0	0	0	0	~~2~~ <u>5</u>
<u>Oklahoma</u>	2023	2	0	0	0	0	2
	2024	2	0	0	0	0	2
~~Oregon~~	~~2022~~ <u>20</u> <u>25</u>	2	0	0	~~1~~ <u>0</u>	~~0~~ <u>1</u>	1
<u>Oregon</u>	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
~~Penn.~~	~~2022~~ <u>20</u> <u>25</u>	1	0	0	0	0	1
<u>Penn.</u>	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
~~Rhode Island~~	~~2022~~ <u>20</u> <u>25</u>	1	0	0	0	0	1
<u>Rhode Island</u>	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
~~South Carolina~~	~~2022~~ <u>20</u> <u>25</u>	1	0	0	0	0	1

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened	Col. 5 Outlets Reacquired from Franchisees	Col. 6 Outlets Closed	Col. 7 Outlets Sold to Franchisees	Col. 8 Outlets at End of Year
<u>South Carolina</u>	2023	1	0	1	0	0	2
	2024	2	0	0	0	0	2
~~Texas~~	~~2022~~ <u>2025</u>	~~4~~ <u>2</u>	0	0	0	0	~~4~~ <u>2</u>
<u>Texas</u>	2023	4	0	0	0	0	4
	2024	4	0	0	0	0	4
~~Utah~~	~~2022~~ <u>2025</u>	~~4~~ <u>4</u>	0	0	0	0	~~4~~ <u>4</u>
<u>Utah</u>	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
~~Virginia~~	~~2022~~ <u>2025</u>	~~4~~ <u>1</u>	0	~~1~~ <u>0</u>	0	0	~~5~~ <u>1</u>
<u>Virginia</u>	2023	5	0	0	0	0	5
	2024	5	0	0	0	0	5
~~Wash.~~	~~2022~~ <u>2025</u>	~~2~~ <u>5</u>	0	0	~~0~~ <u>1</u>	0	~~2~~ <u>4</u>
<u>Wash.</u>	2023	2	0	0	0	0	2
	2024	2	0	0	0	0	2
~~Wisconsin~~	~~2022~~ <u>2025</u>	~~1~~ <u>2</u>	0	0	0	0	~~1~~ <u>2</u>
<u>Wisconsin</u>	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
~~Total~~	~~2022~~ <u>2025</u>	~~56~~ <u>1</u>	0	~~2~~ <u>0</u>	~~1~~ <u>0</u>	0	~~56~~ <u>1</u>
<u>Total</u>	2023	56	0	1	0	0	57
	2024	57	1	1	0	2	57
	2025	<u>57</u>	<u>0</u>	<u>0</u>	<u>2</u>	<u>1</u>	<u>54</u>

●* In 2024, two (2) Florida company-owned branch locations were sold to a Florida franchisee, who subsequently consolidated the two (2) locations with the franchisee's s-existing Florida location.

~~** In 2022, we reacquired a franchisee operated Stanley Steemer Business in Maryland. We subsequently consolidated this location with an existing company-owned branch location located in Maryland. Because of this consolidation, the total number of company-owned branch locations remained unchanged for 2022.~~

Following is information on our projections for the sale of Stanley Steemer franchises and the opening of company-owned Stanley Steemer branch locations during Stanley Steemer's ~~2025~~2026 fiscal year (January 1, ~~2025~~2026 through December 31, ~~2025~~2026):

**ITEM 20 TABLE NO. 5
PROJECTED OPENINGS AS OF DECEMBER 31, ~~2024~~2025**

Column 1 State	Column 2 Franchise Agreements Signed but	Column 3 Projected New Franchised Outlets in the	Column 4 Projected New Company-Owne d Outlets in the

	Outlet Not Opened	Next Fiscal Year	Next Fiscal Year
Alaska	0	1	0
New York	0	1	0
North Dakota	0	1	0
Wyoming	0	1	0
Total	0	34	0

Following is a list of names, cities and states and the current business telephone numbers (or, if unknown, the last known home telephone numbers) of every franchisee, excluding transferees, that signed a Franchise Agreement after our most recent fiscal year end until the original issuance date of this disclosure document:

~~None.~~

Rhett A. Malo, 9770 River Road, Marcy, New York 13403.

Following is a list of the names, cities and states, and the current business telephone numbers (or, if unknown, the last known home telephone numbers) of every franchisee who transferred their Stanley Steemer Businesses during our prior fiscal year to another individual or business entity (other than Stanley Steemer), as well as the names, addresses, cities and states, and current business telephone numbers of the individual or business entity that acquired the franchised Stanley Steemer Business:

Transferor/Seller	Transferor Address and Phone Number	Transferee/Buyer	Transferee Address and Phone Number
~~OLMF, LLC~~ Jeff Schneider	~~899 S 4th St~~ 77-556 El Duna Court, Suite A ~~Grover Beach~~ Palm Desert, CA 93433 92211 (805847) 481-1053494-2179	Sam & Wassim Fakih-Brothers, LLC	899 S 4th St 77-556 El Duna Court Suite A ~~Grover Beach~~ Palm Desert, CA 93433 92211 (909800) 481-7100783-3637
Guy & Martie Martin	3400 Dairy Road Melbourne, FL 32904 (321) 723-1417	Danny Sylwestrak	2401 Crystal Dr. Fort Myers, FL 33907 (800) 783-3637
Joe & Peggy Kuehn	286 Ketch Court Destin, FL 32541 (478) 474-5333	Jerry & Rob Quatela	3730 Honeysuckle Lane Atlanta, GA 30340 (770) 451-3035
Mike & Peggy Mitchell	5726 Oakbrook Road Davenport, IA 52806 (563) 355-2321	Bob Gyuro	702 E. Price Street Eldridge, IA 52748 (563) 355-2321
Steve Brown	1906 Straightline Pike Richmond, IN 47374 (765) 935-2123	Bob Gyuro	1155 SE 28 th Street Grimes, IA 50111 (515) 223-5868
GDM Enterprises- LLCGreg Pucci*	3408 Hollywood Rd Saint Joseph, MI 49085 4701 W 300 N Rensselaer, Indiana 47978 (219616) 866-5101878-7575	~~S&S Enterprises,~~ Steve & Sharon Dill	3480 E. 83 rd Place Merrillville, Indiana IN 46410 (219800) 736-0304783-3637
Greg Pucci	831 Kim Drive Mason, MI 48854 (616) 878-7575	Garth Gilbert	831 Kim Drive Mason, MI 48854 (517) 394-0600
Chris Lewis	1928 32 nd Ave. NW, Bld. C	Paul Lashuk	4481 N. Frontage Rd.

	<u>Rochester, MN 55901</u> <u>(507) 513-1212</u>		<u>Rochester, MN 55901</u> <u>(800) 783-3637</u>
<u>Phil & Sue Dean</u>	<u>2205 Forte Court</u> <u>Maryland Heights, MO 63043</u> <u>(314) 770-9999</u>	<u>Zach Hurtt</u>	<u>2205 Forte Court</u> <u>Maryland Heights, MO</u> <u>63043</u> <u>(800) 783-3637</u>
<u>Ron Thomason</u>	<u>34 – 29th Street, Suite K</u> <u>Gulfport, MS 39507</u> <u>(251) 661-7701</u>	<u>Patrick Shade</u>	<u>34 – 29th Street, Suite K</u> <u>Gulfport, MS 39507</u> <u>(228) 863-1313</u>
<u>Ron Thomason</u>	<u>34 – 29th Street, Suite K</u> <u>Gulfport, MS 39507</u> <u>(251) 661-7701</u>	<u>Patrick Shade</u>	<u>34 – 29th Street, Suite K</u> <u>Gulfport, MS 39507</u> <u>(228) 863-1313</u>
<u>David McBride</u>	<u>725 South Avenue</u> <u>Rochester, NY 14620</u> <u>(585) 244-4445</u>	<u>Eric Ford</u>	<u>725 South Avenue</u> <u>Rochester, NY 14620</u> <u>(585) 244-4440</u>
<u>Jeff Smelser</u>	<u>1211 Brittany Dr.</u> <u>Celina, OH 45822</u> <u>(419) 586-4070</u>	<u>Terry & Stefanie</u> <u>Davis</u>	<u>5590 Miller Road</u> <u>Celina, OH 45822</u> <u>(419) 586-4070</u>
<u>Anthony Albanese</u>	<u>1231 Park Ave. E, Box 6</u> <u>Mansfield, OH 44905</u> <u>(419) 589-6346</u>	<u>Joey Snyder</u>	<u>1231 Park Ave. E, Box 6</u> <u>Mansfield, OH 44905</u> <u>(419) 589-6346</u>

Following is a list of the names, cities and states, and the current business telephone numbers (or, if unknown, the last known home telephone numbers) of every franchisee who transferred their Stanley Steemer Businesses from the date of our most recently completed fiscal year end until the original issuance date of this disclosure document (other than Stanley Steemer), as well as the named, addresses, cities and states, and current business telephone numbers of the individual or business entity that acquired the franchised Stanley Steemer Business:

Transferor/Seller	Transferor Address and Phone Number	Transferee/Buyer	Transferee Address and Phone Number
~~Jeff Smelser~~ <u>Scott & Trishia Stites</u>	~~1211 Brittany Drive Celina, Ohio 45822~~ <u>2020 Research Drive</u> <u>Fort Wayne, IN 46808</u> ~~(419) 260~~ <u>586-4070</u> ~~482-3543~~	~~T&S Davis Enterprises, LLC,~~ <u>Zach Hurtt</u>	~~5590 Miller Road~~ <u>2020 Research Drive</u> <u>Celina, Ohio 45822</u> <u>Fort Wayne, IN 46808</u> ~~(419) 260~~ <u>586-4070</u> ~~482-3543~~
~~Michianna SS Holdings, Inc.~~ <u>Kyle Laming</u>	~~8225 Pfeiffer Farms Dr, # 500~~ <u>Byron Center, MI 49315</u> <u>6520 Oley Speaks Way</u> <u>Suite C&D</u> <u>Canal Winchester, OH 43110</u> ~~(616) 614~~ <u>878-7575</u> ~~548-0490~~	~~S&S Enterprises, Inc.~~ <u>Joey Snyder</u>	~~3480~~ <u>1231 Park Avenue E.-</u> <u>83rd Place</u> <u>Merrillville, Indiana 46410</u> <u>Box 6</u> <u>Mansfield, OH 44905</u> ~~(219) 614~~ <u>736-2883</u> ~~548-0490~~
Transferor/Seller	Transferor Address and Phone Number	Transferee/Buyer	Transferee Address and Phone Number
~~Stanley Steemer of Cedar Rapids, LLC~~	~~1906 Straightline Pike~~ <u>Richmond, IN 47374</u> ~~(765) 935-2123~~	~~SSDM, LLC~~	~~1155 SE 28th Street~~ <u>Grimes, Iowa</u> ~~(515) 276-4178~~
~~Joseph, Daniel, Hamilton & Associates, Inc.,~~	~~286 Ketch Court~~ <u>Destin, FL 32541</u> ~~(478) 474-5333~~	~~One Moore Quatela, LLC~~	~~3730 Honeysuckle Lane~~ <u>Atlanta, Georgia 30340</u> ~~(770) 451-3035~~

Following is a list of the names, cities and states and current business telephone numbers (or, if unknown, the last known home telephone number) of every franchisee who had an outlet terminated, canceled, not renewed or who otherwise voluntarily or involuntarily ceased to do business under the Franchise Agreement during our most recently completed fiscal year or who has not communicated with us within 10 weeks before the original issuance date of this disclosure document:

~~Demetrius Roach, 1809 Narcissis Avenue, Big Pine Key, Florida 33043 (305) 872-7377~~
~~SS Clean of West Texas, LLC~~

~~9213 Gaston Avenue~~

~~Amarillo, Texas 79119~~

~~(570) 332-8168~~

Following is a list of the names, cities and states and current business telephone numbers (or, if unknown, the last known home telephone numbers) of every franchisee who had a Franchise Agreement terminated, cancelled, not renewed, or who otherwise voluntarily or involuntarily ceased to do business under the Franchise Agreement from the date of our most recently completed fiscal year end until the original issuance date of this disclosure document:

~~Sean Vann, 9770 River Road, Marcy, New York 13403 (315-316-0063)~~
~~Complete Perfection Services, LLC~~

~~30725 Overseas Highway~~

~~Big Pine Key, Florida 33043~~

~~(305) 872-7377~~

Following is a list of the names, cities and states, and the current business telephone numbers (or, if unknown, the last known home telephone numbers) of every franchisee who had their Stanley Steemer Businesses reacquired by Stanley Steemer during our prior fiscal year, as well as the names, addresses, cities and states, and current business telephone numbers of the individual or business entity that acquired the franchised Stanley Steemer Business: None.

~~Dean Enterprises, Inc.~~
~~1245 Walnut Hill Farm~~
~~Chesterfield, Missouri 63005~~
~~(314) 239-2803~~

Following is a list of the names, cities and states, and the current business telephone numbers (or, if unknown, the last known home telephone numbers) of every franchisee who had their Stanley Steemer Businesses reacquired by Stanley Steemer from the date of our most recently completed fiscal year end until the original issuance date of this disclosure document (other than Stanley Steemer), as well as the named, addresses, cities and states, and current business telephone numbers of the individual or business entity that acquired the franchised Stanley Steemer Business:

None.

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

Following is a list of the names, cities and states and current business telephone numbers of franchisees that signed a Franchise Agreement during our most recent fiscal year but have not yet opened a franchised outlet:

None.

Certain former franchisees signed confidentiality clauses during the last three fiscal years. In some instances, former franchisees sign provisions restricting their ability to speak openly about their experience with Stanley Steemer.

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.

There are no known trademark-specific franchisee organization associated with the franchise system being offered.

ITEM 21. FINANCIAL STATEMENTS

Stanley Steemer's annual audited financial statements for the fiscal years ended December 31, 2025, 2024, and 2023, ~~and 2022~~ are attached to this disclosure document as Exhibit A.

ITEM 22. CONTRACTS

Attached to this disclosure document are copies of the following agreements relating to the offering of the Stanley Steemer franchise:

Exhibit C	Stanley Steemer International, Inc. Franchise Agreement
Exhibit D	Optional Franchise Agreement Language
Exhibit E	~~Cognovit~~ <u>Business Purpose Promissory Note</u>
Exhibit F	Option to Purchase Agreement
Exhibit G	Technology Systems Access Agreement
Exhibit J	State Addenda
Exhibit K	Guarantee, <u>and</u> Indemnification ~~and Acknowledgement Agreement~~
Exhibit L	General Release of All Claims
Exhibit M	~~Receipt Pages~~ <u>Strategic Account Participation Agreement</u>
Exhibit N	<u>SBA Addendum to Franchise Agreement</u>

ITEM 23. RECEIPTS

The last page of this disclosure document is a detachable document acknowledging your receipt of the disclosure document. If this page or any other pages or exhibits are missing from your copy, please contact us at this address or phone number:

Stanley Steemer International, Inc.
5800 Innovation Drive
Dublin, Ohio 43016
(614) 764-2007

EXHIBIT A

**STANLEY STEEMER INTERNATIONAL INC.
FINANCIAL STATEMENTS**



Partners

To the Stockholders and Board of Directors
Stanley Steemer International, Inc. and Subsidiary
Dublin, Ohio

Independent Auditor's Report

Opinion

We have audited the accompanying consolidated financial statements of Stanley Steemer International, Inc. and Subsidiary, which comprise the consolidated balance sheets as of December 31, 2024, 2023 and 2022, and the related consolidated statements of income and comprehensive income, changes in stockholders' equity and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Stanley Steemer International, Inc. and Subsidiary as of December 31, 2024, 2023 and 2022, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of Stanley Steemer International, Inc. and Subsidiary 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated 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 consolidated financial statements are issued or available to be issued.

To the Stockholders and Board of Directors
Stanley Steemer International, Inc. and Subsidiary
Page 2

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 consolidated 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 consolidated 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.

GBQ Partners LLC

Columbus, Ohio
March 10, 2025

STANLEY STEEMER INTERNATIONAL, INC. AND SUBSIDIARY

Consolidated Balance Sheets December 31, 2024, 2023 and 2022

	2024	2023	2022
ASSETS			
Current Assets			
Cash and cash equivalents	\$ 15,145,028	\$ 24,321,276	\$ 22,672,932
Investments - marketable securities	6,055,000	7,845,000	8,920,000
Receivables:			
Trade	3,647,569	3,451,590	3,221,718
Due from franchisees	4,603,120	3,436,331	3,836,587
Notes receivable from franchisees - current portion	173,310	1,272,320	400,555
Allowance for credit losses and notes receivable -current portion	(864,862)	(620,608)	(479,222)
Net receivables	7,559,137	7,539,633	6,979,638
Inventories, net	7,031,636	9,279,378	10,151,915
Other current assets	2,039,714	1,299,031	803,113
Commodity hedge - current portion	-	-	862,115
Total current assets	37,830,515	50,284,318	50,389,713
Property, Plant and Equipment, net	49,001,401	42,717,452	40,897,058
Right-Of-Use-Assets - Operating Leases, net	37,824,487	38,131,137	42,010,623
Other Assets			
Notes receivable from franchisees - less current portion	3,415,899	220,564	167,365
Allowance for credit losses notes receivable - less current portion	(50,000)	(50,000)	(50,000)
Goodwill	16,930,943	16,641,050	15,391,050
Note receivable from related party	4,463,304	1,325,491	-
Deposits and other	874,644	745,099	964,414
Total other assets	25,634,790	18,882,204	16,472,829
TOTAL ASSETS	\$ 150,291,193	\$ 150,015,111	\$ 149,770,223

The accompanying notes are an integral part of the consolidated financial statements.

STANLEY STEEMER INTERNATIONAL, INC. AND SUBSIDIARY

Consolidated Balance Sheets (continued) December 31, 2024, 2023 and 2022

	2024	2023	2022
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current Liabilities			
Trade accounts payable	\$ 4,342,954	\$ 4,698,524	\$ 3,414,023
Current portion long-term operating lease liabilities	8,906,275	9,800,679	9,882,652
Accrued compensation and related taxes	16,518,660	16,697,772	16,788,698
Other accrued expenses	4,413,315	5,246,128	4,756,048
Deferred guarantee revenue	3,846,472	3,838,087	3,476,617
Total current liabilities	38,027,676	40,281,190	38,318,038
Deferred Revenue - Franchise License Fees	3,066,454	809,342	930,959
Long-term Operating Lease Liabilities, net	29,755,420	29,866,495	33,574,558
Total liabilities	70,849,550	70,957,027	72,823,555
Stockholders' Equity			
Controlling interest in stockholders' equity			
Common stock	1,652,770	1,652,770	1,652,770
Retained earnings	84,408,094	80,935,961	78,561,245
Accumulated other comprehensive income	-	-	862,115
Treasury stock, shares at cost	(822,729)	(822,729)	(822,729)
Total controlling interest in stockholders' equity	85,238,135	81,766,002	80,253,401
Non-controlling interest in stockholders' deficit	(5,796,492)	(2,707,918)	(3,306,733)
Total stockholders' equity	79,441,643	79,058,084	76,946,668
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 150,291,193	\$ 150,015,111	\$ 149,770,223

The accompanying notes are an integral part of the consolidated financial statements.

STANLEY STEEMER INTERNATIONAL, INC. AND SUBSIDIARY

Consolidated Statements of Income and Comprehensive Income For the Years Ended December 31, 2024, 2023, and 2022

	2024	2023	2022
Revenues			
Branch operations	\$ 242,320,714	\$ 238,344,012	\$ 232,536,150
Manufacturing	10,748,687	12,883,626	15,199,487
Franchise royalty fees	24,602,552	24,278,288	23,624,503
Franchise license fees	224,064	168,616	178,083
Franchise contact center support fees	3,029,484	2,934,338	3,245,185
Franchise national advertising fees	6,953,933	7,004,444	6,821,905
Total revenues	287,879,434	285,613,624	281,605,313
Costs and Expenses			
Cost of operations and selling expenses	256,967,180	248,178,809	242,578,165
General and administrative expenses	19,510,584	19,922,043	20,235,950
Total costs and expenses	276,477,764	268,100,852	262,814,115
Operating Income	11,401,670	17,512,772	18,791,198
Other Income (Expense)			
Interest income	983,249	597,946	229,244
Interest expense	(21,946)	(10,917)	(14,985)
Other	149,021	60,988	40,092
Total other income, net	1,110,324	648,017	254,351
Net Income	12,511,994	18,160,789	19,045,549
Less: Net Loss (Income) Attributable to Non-Controlling Interests	3,088,574	(598,815)	(408,564)
Net Income Attributable to Stanley Steemer International, Inc.	\$ 15,600,568	\$ 17,561,974	\$ 18,636,985
Other Comprehensive Loss			
Change in cash flow hedge	-	(862,115)	(435,753)
Comprehensive Income Attributable to Stanley Steemer International, Inc.	\$ 15,600,568	\$ 16,699,859	\$ 18,201,232

The accompanying notes are an integral part of the consolidated financial statements.

STANLEY STEEMER INTERNATIONAL, INC. AND SUBSIDIARY

Consolidated Statements of Stockholders' Equity For the Years Ended December 31, 2024, 2023 and 2022

	Common Stock	Stock Subscriptions Receivable	Retained Earnings	Accumulated Other Comprehensive Income	Treasury Stock	Total Stockholders' Equity Attributable to Stanley Steemer International, Inc.	Stockholders' Deficit Attributable to Non-Controlling Interest	Total Stockholders' Equity
Balance - December 31, 2021	\$ 1,652,770	\$ -	\$ 73,244,619	\$ 1,297,868	\$ (822,729)	\$ 75,372,528	\$ (3,745,297)	\$ 71,657,231
Net income	-	-	18,636,985	-	-	18,636,985	408,564	19,045,549
Distributions to stockholders	-	-	(13,320,359)	-	-	(13,320,359)	-	(13,320,359)
Change in cash flow hedge	-	-	-	(435,753)	-	(435,753)	-	(435,753)
Balance - December 31, 2022	1,652,770	-	78,561,245	862,115	(822,729)	80,253,401	(3,306,733)	76,946,668
Net income	-	-	17,561,974	-	-	17,561,974	593,815	18,160,789
Distributions to stockholders	-	-	(15,187,258)	-	-	(15,187,258)	-	(15,187,258)
Change in cash flow hedge	-	-	-	(862,115)	-	(862,115)	-	(862,115)
Balance - December 31, 2023	1,652,770	-	80,935,961	-	(822,729)	81,766,002	(2,707,918)	79,058,084
Net income (loss)	-	-	15,600,568	-	-	15,600,568	(3,088,574)	12,511,994
Distributions to stockholders	-	-	(12,128,435)	-	-	(12,128,435)	-	(12,128,435)
Balance - December 31, 2024	\$ 1,652,770	\$ -	\$ 84,408,094	\$ -	\$ (822,729)	\$ 85,238,135	\$ (5,796,492)	\$ 79,441,643

The accompanying notes are an integral part of the consolidated financial statements.

STANLEY STEEMER INTERNATIONAL, INC. AND SUBSIDIARY

Consolidated Statements of Cash Flows

For the Years Ended December 31, 2024, 2023 and 2022

	2024	2023	2022
Cash Flows from Operating Activities			
Net income	\$ 12,511,994	\$ 18,160,789	\$ 19,045,549
Adjustments to reconcile net income to net cash and cash equivalents provided by (used in) operating activities:			
Depreciation and amortization expense	13,495,088	12,446,288	11,549,243
Bad debt expense	810,493	714,378	574,391
Loss (gain) on the sale of property, plant and equipment	501,349	(110,773)	(24,632)
Loss on the sale of franchise re-acquisition rights	14,664	-	-
(Increase) decrease in operating assets:			
Accounts receivable - trade, related parties and franchisees	(1,929,007)	(402,607)	(531,700)
Inventories	2,247,742	872,537	(1,961,682)
Other assets	(870,728)	(276,603)	(404,465)
Operating lease assets and liabilities, net	(698,829)	89,450	1,446,587
(Decrease) Increase in operating liabilities:			
Trade accounts payable	(355,570)	1,284,501	(1,242,427)
Accrued compensation and related taxes	(179,112)	(90,926)	(3,839,287)
Other accrued expenses	(832,813)	329,856	(790,737)
Deferred guarantee revenue	34,679	361,470	(33,215)
Deferred revenue - franchise license fee	(176,564)	(121,617)	(118,083)
Total adjustments	12,061,892	15,095,954	4,623,993
Net cash and cash equivalents provided by operating activities	24,573,886	33,256,743	23,669,542
Cash Flows from Investing Activities			
Purchases of marketable securities	(1,040,000)	-	(2,385,000)
Proceeds from sales of marketable securities	2,830,000	1,075,000	989,000
Purchase of property, plant and equipment	(20,845,722)	(13,877,650)	(15,350,862)
Proceeds from disposals of property, plant and equipment	270,589	171,741	335,879
Net loans provided to related party	(3,137,813)	(1,325,491)	-
Net loans payment from (provided to) franchisees	1,153,675	(924,964)	1,229,462
Cash paid for franchise re-acquisitions	(1,845,459)	(1,539,776)	(779,000)
Proceeds from sale of franchises	993,031	-	-
Net cash and cash equivalents used in investing activities	(21,621,699)	(16,421,140)	(15,960,521)
Cash Flows from Financing Activities			
Cash distributions to stockholders	(12,128,435)	(15,187,259)	(13,320,358)
Net cash and cash equivalents used in financing activities	(12,128,435)	(15,187,259)	(13,320,358)
Net (decrease) increase in cash and cash equivalents	(9,176,248)	1,648,344	(5,611,337)
Cash and Cash Equivalents - Beginning of Year	24,321,276	22,672,932	28,284,269
Cash and Cash Equivalents - End of Year	\$ 15,145,028	\$ 24,321,276	\$ 22,672,932

The accompanying notes are an integral part of the consolidated financial statements.

STANLEY STEEMER INTERNATIONAL, INC. AND SUBSIDIARY

Consolidated Statements of Cash Flows (continued) For the Years Ended December 31, 2024, 2023 and 2022

	2024	2023	2022
Supplemental Disclosure of Cash Flow Information			
Cash paid during the year for interest	\$ 21,946	\$ 10,917	\$ 14,985
Supplemental Disclosures of Non-Cash Investing and Financing Activities			
During 2024, 2023 and 2022, the Company re-acquired various franchise locations. In conjunction with the re-acquisitions, the assets and liabilities are as follows:			
Goodwill	\$ 1,169,226	\$ 1,250,000	\$ 667,822
Less: former franchisee liabilities paid	-	(160,224)	-
Add: former franchisee assets acquired	676,233	450,000	111,178
Net cash paid for re-acquisitions	\$ 1,845,459	\$ 1,539,776	\$ 779,000
During 2024, the Company sold franchise rights for franchise territories. In conjunction with these sales, the following activity was recorded:			
Proceeds from sale of franchises	\$ 993,031	\$ -	\$ -
Plus: note receivable	3,250,000	-	-
Less: franchise assets	(970,980)	-	-
Less: liabilities assumed, net of liabilities satisfied	(2,407,382)	-	-
Less: goodwill	(879,333)	-	-
Loss on the sale of franchises	\$ (14,664)	\$ -	\$ -

The accompanying notes are an integral part of the consolidated financial statements.

STANLEY STEEMER INTERNATIONAL, INC. AND SUBSIDIARY

Notes to Consolidated Financial Statements December 31, 2024, 2023 and 2022

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Nature and Scope of Business

Stanley Steemer International, Inc. (the Company) operates and franchises businesses engaged in cleaning carpets, upholstery, area rugs and air ducts and in providing water mitigation and restoration services for individuals and businesses throughout the United States. The Company also manufactures and sells carpet cleaning, tile and grout cleaning and hardwood cleaning equipment and supplies and sells cleaning products, air duct cleaning equipment and supplies, water mitigation and restoration equipment and other supplies and equipment to owners of franchises.

The Company grants franchises to private operators in exchange for an initial franchise license fee and receives royalties based on a percentage of franchisee gross sales. Services provided by the Company under franchise agreements include: (1) the use of advertising materials developed by the Company, (2) the sale of assembled carpet cleaning machines and vans and related repair parts, (3) initial training, including copies of operations manuals and (4) advice, counseling and management assistance as reasonably requested.

The number of company-owned and franchised locations at December 31 are as follows:

	2024	2023	2022
Company-owned	57	57	56
Franchised	210	212	215
Total system-wide operations	267	269	271

In 2000, Stanley Steemer National Advertising Fund, Inc. (the Fund) was established as an Ohio non-profit organization to collect and administer funds contributed by the Company and franchise owners. These contributions are used for a national advertising program designed to advertise, promote and market the Stanley Steemer Carpet Cleaner System and the products and services offered by the Company and its franchise owners.

Summary of Significant Accounting Policies

Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Variable Interest Entities

The *Consolidation* Topic of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) provides a framework for identifying variable interest entities (VIEs) and determining when a company should include the assets, liabilities, non-controlling interests and results of operations of a VIE in its consolidated financial statements.

STANLEY STEEMER INTERNATIONAL, INC. AND SUBSIDIARY

Notes to Consolidated Financial Statements December 31, 2024, 2023 and 2022

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Summary of Significant Accounting Policies (continued)

Variable Interest Entities (continued)

As required by the *Consolidation* Topic of the FASB ASC, a VIE shall be consolidated by an entity that has the power to direct the activities of a VIE that most significantly impact the entity's economic performance, an obligation to absorb losses of the entity or the right to receive benefits that could be potentially significant to the entity. An entity that consolidates the VIE is called the primary beneficiary. Upon consolidation, the primary beneficiary generally must initially record all of the VIE's assets, liabilities and non-controlling interests at cost for related parties.

Management has determined that the Fund, franchisees and the two related real estate entities, Bates Property Management, LTD. (BPM) Bates Family Investments, LLC (BFI) are VIEs.

The Company is considered the primary beneficiary of the Fund since it has the ability to significantly influence the daily operations of the Fund. Three of the five Board of Trustee members governing the Fund are members of management of the Company and the Fund does not have sufficient equity to finance its operations without loan advances made by the Company.

The Fund has been consolidated in the accompanying consolidated financial statements since management has determined that the Company is the primary beneficiary of this entity.

The Company has determined that the two related real estate entities are VIEs and that the Company is the primary beneficiary. The Company elected not to consolidate the real estate entities as of December 31, 2024, 2023 and 2022 as the Company met the requirements under Accounting Standards Update (ASU) 2014-07 *Applying Variable Interest Entities Guidance to Common Control Leasing Arrangements*.

The Company sells new franchise territories under arrangements where a portion, or the entire franchise fee, is financed. A third party bank extends lines of credit to developing franchisees and the Company guarantees certain franchisee debt arrangements under a guidance line. The Company's objective in extending the flexible financing is to establish and grow long-term franchisee relationships. The Company is not considered the primary beneficiary of these franchisees as the franchise owner has the power to direct the activities of the VIE that most significantly impact the entity's economic performance. Revenues generated by franchisees with these types of debt arrangements were approximately \$46,000,000, \$51,000,000, and \$42,000,000 for the years ended December 31, 2024, 2023 and 2022, respectively.

See the *Notes Receivable from Franchisees, Related Parties, Leases and Commitments and Contingencies* footnotes for additional disclosures related to the VIEs.

Principles of Consolidation

The consolidated financial statements include the financial statements of Stanley Steemer International, Inc. and Stanley Steemer National Advertising Fund, Inc. All significant intercompany balances and transactions have been eliminated in consolidation.

STANLEY STEEMER INTERNATIONAL, INC. AND SUBSIDIARY

Notes to Consolidated Financial Statements December 31, 2024, 2023 and 2022

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Summary of Significant Accounting Policies (continued)

Revenue Recognition

At contract inception, the Company assesses the goods and services promised in contracts with customers and identifies a performance obligation for each promise to transfer to the customer a good or service (or a bundle of goods and services) that is distinct. To identify the performance obligations, the Company considers all the goods and services promised in the contract regardless of whether they are explicitly stated or are implied by customary business practices.

Nature of Products and Services with Company-Operated Branches

Branch operations revenue

Revenue from branch operation services are recognized at the agreed-upon contractual amount over time as the services are provided, most of which are started and completed within one day, as the customer simultaneously receives and consumes the benefits of the services as they are performed. Upon completion of service, a receivable is recorded related to the revenue as the Company has an unconditional right to invoice and receive payment. Payments are typically received shortly after services have been rendered.

One-Year Guarantee Program

The Company has a one-year service program. The service contract consists of an initial one-time application of protection followed with up to three additional cleanings over the one-year period. Payments are received at the commencement of the contract, which generates a contract liability referred to as deferred guarantee revenue in the consolidated balance sheets. For these contracts, the Company has an obligation, which the customer receives and consumes the benefits over the annual period. Associated service costs are expensed as incurred. The Company measures progress toward satisfaction of the obligation over a twelve-month period at a set rate and recognizes revenue as part of branch operations revenue. See deferred guarantee program footnote for details.

Nature of Products and Services with Franchisees

Contracts with franchisees can include various combinations of products and services, which are generally capable of being distinct and accounted for as separate performance obligations. The Company has concluded that manufacturing, royalty fees, franchise license fees, contact center support and national advertising fees are separate performance obligations within its franchise arrangement. For such arrangements, the contract transaction price is allocated to the separate performance obligations on a relative standalone selling price (SSP) basis. The Company determines the SSP based on an observable standalone selling price.

STANLEY STEEMER INTERNATIONAL, INC. AND SUBSIDIARY

Notes to Consolidated Financial Statements December 31, 2024, 2023 and 2022

Summary of Significant Accounting Policies (continued)

Revenue Recognition (continued)

Nature of Products and Services with Franchisees (continued)

Additionally, the Company has determined that its franchise dispositions usually represent multiple-performance obligations, and as such, the cash consideration received is allocated to the separate obligations based on their SSP. Cash consideration generally includes up-front consideration for the franchise license fees, intangibles, equipment and future cash consideration for royalties, contact center support and national advertising fees. The Company obtains evidence to estimate the relative selling price of the stated equipment which is primarily based upon comparable equipment sales. The cash consideration per franchise for license fees is consistent with the amounts stated in the related franchise agreements which are charged for separate standalone arrangements. Therefore, the Company recognizes the franchise license fee when earned over the term of the franchise agreement. The Company estimates the value of intangibles on the residual value method to determine the SSP. The intangibles are considered functional intellectual property and revenue related to the intangibles is recognized at a point in time. Future royalty, contract center support and national advertising fee revenue is also recognized as earned, see revenue recognition below for further information.

Manufacturing, sale of products

Revenue from manufacturing operations for the sale of carpet cleaning and air duct equipment, water restoration and mitigation equipment, products and supplies to franchisees is recognized at a point in time once control transfers to the customer, which generally occurs upon shipment or delivery of the product. A receivable is recorded related to these sales as the Company has an unconditional right to invoice and receive payment. Payments are typically received shortly after a customer is invoiced.

Royalty fees

The Company has franchise agreements in which royalty fee revenue consists principally of sales-based royalties received as part of the consideration for the franchise right and is calculated as a percentage of customer level revenue. Franchise royalty fees revenue, which are based upon percentages of carpet cleaning, air duct cleaning, tile and grout cleaning, hardwood cleaning, carpet sales, water restoration and mitigation services by the franchisees, is recognized by the Company at the agreed-upon contractual rates over time as the customer level revenue is generated by the franchisees. A receivable is recognized for an estimate of the unreported royalty fees, which are reported and remitted to the Company in arrears. Continuing franchise royalties recorded in 2024, 2023 and 2022 were approximately \$24,600,000, \$24,300,000 and \$23,600,000, respectively.

The Company also receives certain additional royalty fees in connection with the sale of a franchise. These additional royalties are generally payable by the franchisee monthly up to a specified maximum amount at a fixed percentage of sales commencing after the first year of operation of the franchisee. Additional royalties recorded in 2024, 2023 and 2022 were approximately \$18,000, \$30,000 and \$47,000, respectively.

STANLEY STEEMER INTERNATIONAL, INC. AND SUBSIDIARY

Notes to Consolidated Financial Statements December 31, 2024, 2023 and 2022

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Summary of Significant Accounting Policies (continued)

Revenue Recognition (continued)

Nature of Products and Services with Franchisees (continued)

Franchise license fees

Initial franchise fees result from the sale of a franchise license, which includes the use of the name, trademarks and proprietary methods. The franchise license is considered symbolic intellectual property and revenue related to the sale of this right is recognized at the agreed upon contractual amount over the term of the initial franchise agreement.

Contact center support/ marketing fees

The Company provides contact center support services and marketing services to franchisees. Revenues for these services are recognized over time as services are performed and the fees become receivable from the franchisees.

National advertising fees

For 2024, 2023, and 2022, the Fund received approximately 2.00% of all carpet cleaning and all air duct cleaning sales from branches and franchises. Advertising fee revenue totaled approximately \$11,800,000, \$11,800,000 and \$11,400,000 in 2024, 2023 and 2022, respectively. Branch revenues have been properly eliminated in consolidation. The revenues received are used by the Fund for a national advertising program designed to advertise, promote and market the Stanley Steemer Carpet Cleaner System and the products and services offered by the Company and its franchise owners. The advertising fee revenues are generally payable monthly and recognized over time based on output methods as services are performed and the revenues are receivable. Unused fee revenues are deferred until the costs have been properly incurred to recognize the revenue.

The Company records sales net of sales tax collected.

Cash and Cash Equivalents

For purposes of the consolidated statements of cash flows, cash and cash equivalents represent cash on deposit and money market accounts.

Investments – Marketable Securities

Investments in marketable securities consist of corporate and municipal debt securities, which are variable rate demand notes. Management determines the appropriate classification of securities at the time of purchase as available-for-sale, held-to-maturity or trading. A security is classified as available-for-sale if management does not intend to hold the security until maturity and the security was not purchased for selling it in the near term. The variable rate demand notes are classified as available-for-sale and carried at their fair values as further described herein.

STANLEY STEEMER INTERNATIONAL, INC. AND SUBSIDIARY

Notes to Consolidated Financial Statements December 31, 2024, 2023 and 2022

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Summary of Significant Accounting Policies (continued)

Investments – Marketable Securities (continued)

Marketable securities are exposed to market risk due to changes in interest rates and credit risk. Accordingly, it is at least reasonably possible that changes in the fair value of marketable securities may occur in the near term, which could be material. The Company regularly monitors credit risk and attempts to mitigate its exposure by investing in highly-rated securities and through investment diversification.

Management evaluates securities for other-than-temporary impairment at least on a quarterly basis, and more frequently when economic or market concerns warrant such evaluation. Consideration is given to (1) length of time and the extent to which the fair market value has been less than cost, (2) the financial condition and near-term prospects of the issuer and (3) the intent and ability of the Company to retain its investment in the issuer for a period of time sufficient to allow for any anticipated recovery in fair value. Based on the Company's evaluation and the intent and ability to hold these investments for a reasonable period of time, sufficient for a forecasted recovery of fair value, the Company does not consider these investments to be other-than-temporarily impaired as of December 31, 2024, 2023 and 2022.

Under U.S. GAAP, the Company discloses information to facilitate the financial statement users' evaluation of the Company's credit risk, how the risk is analyzed and the changes and reasons for changes in allowance for credit losses. The Company is required to disclose the information on two defined levels of disaggregation – portfolio segments and class of financing receivable. Portfolio segments are defined as a level at which the Company develops and documents a systematic method for determining credit losses. Classes are defined as a disaggregation of portfolio segments. Under the updated provisions, management has determined notes receivable from franchisees represent the only portfolio segment and class.

Receivables

Trade Receivables and Due from Franchisees

The Company provides services to a large number of individual and commercial customers. The Company's trade accounts receivable are exposed to credit risk; however, the risk is limited due to the large number of customers and their wide geographic dispersion. Balances with individual and commercial customers exceeding their terms are considered delinquent; however, no interest is charged on delinquent balances. The Company and the Fund have significant transactions with the Company's franchisees. The Company's and the Fund's receivables from franchisees are exposed to credit risk; however, the risk is limited due to the large number of franchisees and their wide geographic dispersion. Annual interest of 18% is charged to delinquent balances due from franchisees and is recorded twice a month. Balances from franchisees that exceed their contractual terms are considered delinquent.

Notes Receivable from Franchisees

The Company provides notes to franchisees which are individually negotiated. Balances from franchisees that exceed their contractual terms are considered delinquent. Interest on notes receivable is charged at rates ranging from 0% to 6%.

STANLEY STEEMER INTERNATIONAL, INC. AND SUBSIDIARY

Notes to Consolidated Financial Statements December 31, 2024, 2023 and 2022

Summary of Significant Accounting Policies (continued)

Receivables (continued)

Allowance for Credit Losses – Trade Receivables and Due from Franchisees

The carrying amount of the trade receivables and balances due from franchisees is reduced by a valuation allowance for expected credit losses, as necessary, that reflects management's best estimate of the amount that will not be collected. This estimation takes into consideration historical experience, current conditions and, as applicable, reasonable supportable forecasts. Actual results could vary from the estimate. Accounts are charged against the allowance when management deems them to be uncollectible. The allowance for credit losses was approximately \$860,000, \$620,000 and \$479,000 at December 31, 2024, 2023 and 2022, respectively. Changes in the valuation allowance were not material to the accompanying consolidated financial statements.

Allowance for Credit Losses – Notes Receivable from Franchisees

The carrying amount of notes receivables are reduced by a valuation allowance for expected credit losses, as necessary, that reflects management's best estimate of the amount that will not be collected. This estimation takes into consideration historical experience, current conditions and, as applicable, reasonable supportable forecasts. Actual results could vary from the estimate. Accounts are charged against the allowance when management deems them to be uncollectible. The allowance for doubtful accounts for notes receivable from franchisees was approximately \$50,000 at December 31, 2024, 2023 and 2022. Changes in the valuation allowance were not material to the accompanying consolidated financial statements.

Inventories

Inventories consisting principally of cleaning products and equipment parts are stated at the lower of cost, using the first-in first-out (FIFO) method, or net realizable value. A provision for potentially obsolete or slow moving inventory is made based on inventory levels, future sales forecasts and management's judgment of potentially obsolete inventory.

Property, Plant and Equipment

Property, plant and equipment are carried at cost. The Company provides for depreciation and amortization of property and equipment primarily using the straight-line method. Major renewals and betterments are capitalized and depreciated; maintenance and repairs that neither improve nor extend the life of the respective asset are charged to expense as incurred. Assets purchased, but not yet placed into service, are capitalized; depreciation is not computed until the assets are placed in service. The following summarizes the estimated useful lives used in the calculation of depreciation and amortization:

Leasehold improvements	5 - 10 years
Furniture and fixtures	5 - 7 years
Machinery and equipment	5 - 7 years
Transportation equipment/aircraft	3 - 7 years
Computer equipment and software	3 - 10 years

STANLEY STEEMER INTERNATIONAL, INC. AND SUBSIDIARY

Notes to Consolidated Financial Statements December 31, 2024, 2023 and 2022

Summary of Significant Accounting Policies (continued)

Long-Lived Assets Impairment Policy

The carrying values of long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate the amount of the assets may not be recoverable. When an indication of impairment is present and the undiscounted cash flows estimated to be generated by the related assets are less than the assets' carrying amount, an impairment loss will be recorded based on the difference between the carrying amount of the assets and their estimated fair value. Management has determined that no impairment existed as of December 31, 2024, 2023 and 2022.

Derivatives and Hedging Activities

The Company maintains a derivative financial instrument for the purpose of hedging the risks of certain identifiable and anticipated transactions. In general, the types of risks hedged are those relating to the variability of future earnings and cash flows caused by movements in commodity prices. Currently, the derivative instrument used by the Company as part of its risk-management strategy is a fixed price commodity hedge used to offset changes in commodity prices (cash flow hedge). The specific terms and notional amount of the hedge is determined based on management's assessment of future commodity prices and other factors. The Company does not enter into derivative instrument agreements for trading or speculative purposes.

In accordance with ASU 2017-12 *Derivatives and Hedging*, the Company recognized the entire change in fair value within accumulated other comprehensive income.

The Company formally documents all relationships between the hedging instrument and the hedged items, as well as their risk-management objectives and strategies for undertaking various hedge transactions. This process includes linking the hedge to the specific assets or liabilities on the consolidated balance sheets. The Company also formally assesses, both at the hedge's inception and on an ongoing basis, whether the derivative used in the hedging transactions has been highly effective in offsetting changes in the cash flow/fair value of the hedged items and whether the derivative may be expected to remain highly effective in future periods. When it is determined that the derivative is not, or has ceased to be, highly effective as a hedge, the Company will discontinue hedge accounting prospectively. If hedge accounting is discontinued and the derivative remains outstanding, the Company will carry the derivative at its fair values on the consolidated balance sheet, recognizing changes in the fair values in current period earnings.

Management values derivatives based on valuations reported by the bank equal to what the bank would receive or pay to terminate the agreement at the reporting date, taking into account current commodity prices and current creditworthiness of the counterparties. This method may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Company believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

STANLEY STEEMER INTERNATIONAL, INC. AND SUBSIDIARY

Notes to Consolidated Financial Statements December 31, 2024, 2023 and 2022

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Summary of Significant Accounting Policies (continued)

Goodwill and Impairment Policy

The Company incurs costs to reacquire franchise rights from existing franchisees. Goodwill represents the excess of costs over fair value of assets of franchisees acquired. Goodwill is tested for impairment at least annually in accordance with FASB ASC 350, *Intangibles*, following the qualitative assessment as prescribed by ASU 2011-08, *Testing Goodwill for Impairment*. An impairment loss is recognized to the extent that the carrying amount exceeds the asset's fair value. No impairment loss was noted in 2024, 2023 or 2022.

Advertising Costs

Advertising costs for the Company primarily relate to television, print and digital media advertisements, including production costs. Such costs are expensed as incurred.

The Fund expenses the costs of advertising the first time the advertising takes place.

Total advertising expenses were approximately \$42,400,000, \$39,200,000 and \$36,200,000, in 2024, 2023 and 2022, respectively.

Leases

Pursuant to GAAP, a contract contains a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is defined as having both the right to obtain substantially all of the economic benefits from use of the asset and the right to direct the use of the asset. Management only reassesses its determination if the terms and conditions of the contract are changed.

Operating leases are included in operating lease right-of-use (ROU) assets, other current liabilities, and operating lease liabilities within the Company's accompanying consolidated balance sheets.

ROU assets represent the Company's right to use an underlying asset for the lease term, and lease liabilities represent the Company's obligation to make lease payments. Operating lease ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. The Company uses the implicit rate when it is readily determinable. If the Company's leases do not provide an implicit rate, the Company elected the practical expedient to utilize the risk-free rate to determine the present value of lease payments. Operating lease ROU assets also includes any lease payments made and excludes any lease incentives. Lease expense for lease payments is recognized on a straight-line basis over the lease term. The Company's lease terms may include options to extend or terminate the lease when it is reasonably certain that the Company will exercise the option.

The Company has lease agreements with lease and non-lease components, however the Company has elected the practical expedient to account for the lease and non-lease components as a single lease.

STANLEY STEEMER INTERNATIONAL, INC. AND SUBSIDIARY

Notes to Consolidated Financial Statements December 31, 2024, 2023 and 2022

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Summary of Significant Accounting Policies (continued)

Income Taxes

The Company has elected to be treated as an S Corporation for federal and certain state income tax purposes. Accordingly, the Company is not required to pay these income taxes. The Company's stockholders include their respective share of the Company's taxable income in their individual tax returns. Under a stockholder agreement, the Company is obligated to make distributions to its stockholders to permit them to pay their income taxes related to their proportionate share of the Company's taxable income. The Company has elected to be taxed at the entity-level for certain state income taxes under eligible pass-through entity tax (PTET) regulations. Amounts owed or paid for state PTET are recognized as a reduction of members' equity in the accompanying financial statements

Because of timing differences in the recognition of income and expense between financial statement and income tax reporting purposes, distributions under the stockholder agreement may be disproportionate to financial statement income.

The Company pays certain state and local income taxes on its taxable income based upon statutory rates.

The Fund is an Ohio non-profit organization, which is subject to federal income tax under the Internal Revenue Code, but exempt from state income taxation. The Fund maintains a tax year-end of May 31. Deferred income taxes are recognized for temporary differences between the financial reporting and tax bases of assets and liabilities. The Fund has temporary differences relating to the recognition of certain prepaid expenses for tax purposes. A valuation allowance equal to the resulting deferred tax asset has been recorded, as the deferred tax asset may not be utilized in the future.

The Company and the Fund account for uncertainty in income taxes in their financial statements as required under FASB ASC 740, *Income Taxes*. The standard prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. The standard also provides guidance on de-recognition, classification, interest and penalties, accounting in interim periods, disclosure and transition accounting. Management determined there were no material uncertain positions taken in its tax returns.

Fair Value Measurements

U.S. GAAP established a fair value hierarchy that prioritizes the inputs to measure the fair value of the assets or liabilities being measured. Fair value is defined as the exchange value that would be received on the measurement date to sell an asset or to value the amount paid to transfer a liability in the principal or most advantageous market available to the entity in an orderly transaction between market participants. The three levels of the fair value hierarchy are as follows:

- Level 1 Inputs are unadjusted quoted market prices in active markets for identical assets or liabilities that the entity has the ability to access at the measurement date. Level 1 inputs provide the most reliable measure of fair value as of the measurement date.

STANLEY STEEMER INTERNATIONAL, INC. AND SUBSIDIARY

Notes to Consolidated Financial Statements December 31, 2024, 2023 and 2022

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Summary of Significant Accounting Policies (continued)

Fair Value Measurements (continued)

Level 2 Inputs are based on significant observable inputs, including unadjusted quoted market prices for similar assets and liabilities in active markets, unadjusted quoted prices for identical or similar assets or liabilities in markets that are not active or inputs other than quoted prices that are observable for the asset or liability.

Level 3 Inputs are significant unobservable inputs for the asset or liability.

The level of the fair value hierarchy within which a fair value measurement in its entirety falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

Following is a description of the valuation methodologies used for assets and liabilities measured at fair value. There have been no changes in the methodologies used at December 31, 2024, 2023 and 2022.

Variable Rate

Demand Notes: Level 2 Measurement - Valued using observable market prices by third-party pricing services. The securities can be put (sold at par) typically on a daily basis with settlement periods ranging from the same day to one week.

Derivatives:

Level 2 Measurement - Valued by management based on valuations reported by the bank equal to what the bank would receive or pay to terminate the commodity hedge agreement at the reporting date, taking into account current prices and current creditworthiness of the counterparties.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Company believes its valuation method is appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Cash and Cash Equivalents

Cash and cash equivalents are primarily maintained at financial institutions and, at times, balances may exceed federally insured limits.

STANLEY STEEMER INTERNATIONAL, INC. AND SUBSIDIARY

Notes to Consolidated Financial Statements December 31, 2024, 2023 and 2022

Related Party Notes Receivable

Effective June 12, 2023 and July 25, 2023 the Company extended two promissory notes to a related party in the amounts of \$1,100,000 and \$959,525, respectively. The notes accrue interest at 3.56% and 3.85%, respectively, per annum with a maturity date for both notes of December 31, 2027. The balance on the notes at December 31, 2024 and 2023, were \$0 and \$92,881 and \$365,966 and \$959,525, respectively. Effective March 8, 2024 and January 1, 2025, the Company extended two new promissory notes to related parties in the amounts of \$1,204,734 and \$4,000,000, respectively. The Company extended the \$4,000,000 loan in 2024 and thus recorded the balance as a receivable on the consolidated balance sheets. Interest is payable on this note beginning March 15, 2025. The notes accrue interest at 4.13% and 4.18% per annum with maturity dates of December 31, 2027 and December 31, 2030, respectively. The balances on the notes at December 31, 2024 were \$370,423 and \$4,000,000, respectively.

Investments – Marketable Securities

The variable demand notes have varying maturities through 2051.

The amortized cost and fair value of variable rate demand notes that had stated maturities as of December 31, 2024 are shown below by contractual maturity.

	Amortized Cost	Fair Value
Maturity date:		
Due within 1 year	\$ 35,000	\$ 35,000
Due after 1 year through 5 years	1,050,000	1,050,000
Due after 5 years through 10 years	2,615,000	2,615,000
Due after 10 years	2,355,000	2,355,000
Total	\$ 6,055,000	\$ 6,055,000

Inventories

The components of inventories are as follows at December 31:

	2024	2023	2022
Raw materials	\$ 4,337,623	\$ 6,059,875	\$ 7,314,090
Work-in-process	229,536	279,802	273,636
Finished goods	2,498,963	2,949,701	2,574,189
Provision for obsolescence	(34,486)	(10,000)	(10,000)
Total inventories, net	\$ 7,031,636	\$ 9,279,378	\$ 10,151,915

STANLEY STEEMER INTERNATIONAL, INC. AND SUBSIDIARY

Notes to Consolidated Financial Statements December 31, 2024, 2023 and 2022

Property, Plant and Equipment

Property, plant and equipment are as follows at December 31:

	2024	2023	2022
Leasehold improvements	\$ 15,187,008	\$ 15,409,076	\$ 13,977,585
Furniture and fixtures	2,946,957	3,371,204	3,221,779
Machinery and equipment	43,616,932	40,302,463	38,476,345
Transportation equipment	52,654,716	48,292,732	44,192,586
Aircraft	2,351,563	1,710,938	1,710,938
Computer equipment and software	22,577,597	22,701,472	20,991,825
Work-in-process	759,214	375,780	351,626
	<u>140,093,987</u>	<u>132,163,665</u>	<u>122,922,684</u>
Less: accumulated depreciation and amortization	<u>(91,092,586)</u>	<u>(89,446,213)</u>	<u>(82,025,626)</u>
Total property, plant and equipment, net	<u>\$ 49,001,401</u>	<u>\$ 42,717,452</u>	<u>\$ 40,897,058</u>

Derivative Financial Instruments

On May 29, 2020, the Company entered into a commodity swap agreement with a notional amount of \$2,806,999 which terminated in December 2023. The outstanding receivable was \$862,115 as of December 31, 2022. Under the agreement, the Company paid or received the net difference of the notional quantity at the fixed rate (\$1.23/gallon in 2022 and \$1.34/gallon in 2023) and the floating rate (indexed on the commodity NYMEX New York Harbor Unleaded Gasoline).

While the counterparty to its derivative financial instrument contract exposed the Company to credit losses in the event of nonperformance, the counterparty was an established bank. The Company had no reason to believe that the counterparty would not be able to fully satisfy its obligations under the contract.

The agreement was designated as an effective cash flow hedge of the Company's commodity purchases for fuel. If there were changes in the Company's forecasted purchases, the swap would no longer qualify as an effective hedge, and amounts would have been recorded in accumulated other comprehensive income would be reclassified to earnings.

Goodwill

During 2024, the Company reacquired rights to one territory, St. Louis, Missouri. The excess of purchase price over the fair market value of assets acquired resulted in additional goodwill of \$1,169,226. The Company also sold the rights to two territories, Ft. Lauderdale and Miami, Florida, resulting in a decrease of goodwill of \$879,333 and loss recognized of \$823,293 presented in Costs and Expenses on the Consolidating Statements of Income and Comprehensive Income.

During 2023, the Company reacquired rights to one territory, Columbia, South Carolina. The excess of purchase price over the fair market value of assets acquired resulted in additional goodwill of \$1,250,000.

STANLEY STEEMER INTERNATIONAL, INC. AND SUBSIDIARY

Notes to Consolidated Financial Statements December 31, 2024, 2023 and 2022

Goodwill (continued)

During 2022, the Company reacquired rights to two territories, Fredericksburg, Virginia and Frederick, Maryland. The excess of purchase price over the fair market value of assets acquired resulted in additional goodwill of \$667,822.

Insurance Reserves

In an effort to maximize the cost-effectiveness of its insurance coverage, the Company has a self-insurance program for healthcare benefits and workers' compensation. The Company has stop-loss coverage of \$225,000 per individual for the healthcare program and stop-loss coverage of \$250,000 per individual for the workers' compensation program. The Company also has variable stop-loss coverages in the aggregate for the programs. The Company accrues the estimated cost of reported claims and also incurred-but-not-reported claims.

Included in other accrued expenses were approximately \$1,500,000, \$1,900,000 and \$1,300,000 as of December 31, 2024, 2023 and 2022, respectively, related to such self-insured health accruals. Self-insured workers' compensation accruals, included in accrued compensation and related taxes, were approximately \$2,800,000, \$2,300,000 and \$2,000,000 as of December 31, 2024, 2023 and 2022, respectively. The health and workers' compensation self-insurance accruals are estimated and actual results could differ.

Deferred Guarantee Program

Deferred guarantee revenue represents a contract liability and is recognized when cash payments are received in advance of the performance of services, including when the amounts are refundable. Revenue from the guarantee service program is deferred and recognized over time upon completion of services. Changes in deferred guarantee revenue for the years ended December 31 were as follows:

	2024	2023	2022
Deferred guarantee revenue - beginning of year	\$ 3,838,087	\$ 3,476,617	\$ 3,509,832
Guarantee sales	7,675,013	7,658,579	6,925,590
Guarantee revenue recognized	(7,666,628)	(7,297,109)	(6,958,805)
Deferred guarantee revenue - end of year	\$ 3,846,472	\$ 3,838,087	\$ 3,476,617

STANLEY STEEMER INTERNATIONAL, INC. AND SUBSIDIARY

Notes to Consolidated Financial Statements December 31, 2024, 2023 and 2022

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Deferred Franchise License Fees

Deferred franchise license fees represent a contract liability and are recognized over the term of the agreement when an initial franchise license agreement is entered into.

The following is a schedule of the future amortization of deferred franchise license fees as of December 31, 2024:

2025	\$	399,651
2026		399,651
2027		397,794
2028		334,736
2029		284,550
Thereafter		1,250,072
Total		\$ 3,066,454

Note Payable – Line of Credit

At December 31, 2024, the Company had available a \$20,000,000 bank line of credit which bears interest at the Secured Overnight Financing Rate (SOFR) plus 1.25% (5.74%, 6.63% and 5.55% as of December 31, 2024, 2023 and 2022, respectively). The bank line of credit expired in June 2023 and was renewed through June 2025. No outstanding borrowings existed under this line at December 31, 2024, 2023 and 2022. The agreement also requires the Company to maintain certain financial ratios and restricts the amount of debt that the Company can guarantee for others. As of December 31, 2024, 2023 and 2022, the Company was in compliance with the covenants.

Employee Benefits

The Company maintains a 401(k) retirement plan which covers all employees with one year of service who have attained the age of 21 and have 1,000 hours of service each year. Employees are automatically enrolled and may elect to contribute a percentage of their annual compensation to the plan each year. The Company matches a certain percentage, 50% of the first 6% in 2024, 2023 and 2022, of each participating employee's contribution subject to certain limitations. Company contributions were approximately \$1,700,000, \$1,700,000 and \$1,700,000 in 2024, 2023 and 2022, respectively.

Common Stock

The Company has 30,000 shares of no par value, \$.10 stated value, common stock and 270,000 shares of no par value, \$.10 stated value, nonvoting common stock authorized. As of December 31, 2024, 2023 and 2022, there were 27,259 shares of common stock and 245,331 shares of nonvoting common stock issued and outstanding. As of December 31, 2024, 2023 and 2022, the Company had 4,000 shares of treasury stock at cost.

STANLEY STEEMER INTERNATIONAL, INC. AND SUBSIDIARY

Notes to Consolidated Financial Statements December 31, 2024, 2023 and 2022

Related Parties

The Company extended a line of credit to the Fund with a maximum borrowing of \$5,000,000. Balances on the line were \$3,322,000 and \$3,872,000 at December 31, 2023 and 2022, respectively. For the years ended December 31, 2023 and 2022, interest was charged at 3.25%. In December 2024, the Company renewed its line of credit with the fund with a maturity date of December 31, 2030. The maximum borrowing increased to \$7,000,000 with interest charged at 4.18%. The balance on the line was \$6,132,000 at December 31, 2024, and interest is due quarterly. The note, interest income and interest expense have been eliminated in the accompanying consolidated financial statements.

See *Leases* footnote for disclosure of other related party transactions.

Leases

The Company has operating leases for certain branch offices, from both third parties and related parties, under agreements expiring at various dates through 2034. Certain operating leases contain renewal options ranging from one to ten years.

The maturities of lease liabilities as of December 31, 2024 were as follows:

	Third Parties	Related Party (BFI)	Related Party (BPM)	Total
2025	\$ 5,500,000	\$ 2,100,000	\$ 2,100,000	\$ 9,700,000
2026	4,200,000	1,700,000	1,100,000	7,000,000
2027	3,500,000	1,700,000	1,100,000	6,300,000
2028	2,900,000	1,600,000	1,100,000	5,600,000
2029	1,700,000	1,600,000	1,100,000	4,400,000
Thereafter	2,300,000	2,100,000	3,800,000	8,200,000
Total undiscounted cash flows	20,100,000	10,800,000	10,300,000	41,200,000
Less: present value discount	(1,300,000)	(500,000)	(700,000)	(2,500,000)
Total lease liabilities	\$ 18,800,000	\$ 10,300,000	\$ 9,600,000	\$ 38,700,000

Lease expense is included as a component of selling, general and administrative expenses within the accompanying statements of income and comprehensive income. The following summarizes the lease expense for the years ended December 31:

	2024	2023	2022
Third parties	\$ 6,500,000	\$ 6,700,000	\$ 6,400,000
Related Party (BFI)	2,100,000	2,000,000	1,900,000
Related Party (BPM)	2,200,000	2,000,000	1,900,000
Total lease expense	\$ 10,800,000	\$ 10,700,000	\$ 10,200,000

STANLEY STEEMER INTERNATIONAL, INC. AND SUBSIDIARY

Notes to Consolidated Financial Statements December 31, 2024, 2023 and 2022

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Leases (continued)

The following summarizes additional information related to leases for the year ended December 31:

	2024	2023	2022
Cash paid for amounts included in the measurement of lease liabilities			
Operating cash flows from operating leases	\$ 10,639,128	10,373,787	9,468,804
ROU assets obtained in exchange for new operating lease liabilities	9,596,145	5,741,747	52,375,635
Weighted-average remaining lease term in years for operating leases	5.84	5.98	6.20
Weighted-average discount rate for operating leases	2.17%	1.72%	1.63%

Commitments and Contingencies

The Company maintains a \$25,000,000 guidance line of credit with a financial institution. The line of credit is intended to provide certain franchisees loans with terms not to exceed seven years and bearing interest at a fixed rate of 3.75% above the bank's swap rate. The guidance line of credit expires on October 31, 2027. The Company guarantees the greater of 10% of total outstanding loans under the guidance line, the largest outstanding loan by a franchisee under the guidance line or \$500,000. Under the guarantee, and in line with the agreement limit, the Company is required to purchase loans where the borrower has been in default for more than 90 days. The total loans required to be purchased is limited by the Company's guarantee. The Company does not expect any guarantees to require future payment as of December 31, 2024. At December 31, 2024, the outstanding balance of the guidance line of credit was approximately \$4,000,000 and the Company's guarantee was \$2,267,716.

At December 31, 2024, contractual commitments entered into by the Fund for future media expenditures amounted to approximately \$10,800,000.

At December 31, 2024, the Company had a \$3,800,000 letter of credit available for the general liability insurance policy and had no amounts outstanding under the available letter of credit.

Subsequent Events

Management has evaluated subsequent events through the date of the Independent Auditor's Report, the date on which the consolidated financial statements were available to be issued.



Partners

To the Stockholders and Board of Directors
Stanley Steemer International, Inc. and Subsidiary
Dublin, Ohio

Independent Auditor's Report

Opinion

We have audited the accompanying consolidated financial statements of Stanley Steemer International, Inc. and Subsidiary, which comprise the consolidated balance sheets as of December 31, 2025, 2024 and 2023, and the related consolidated statements of income and comprehensive income, changes in stockholders' equity and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Stanley Steemer International, Inc. and Subsidiary as of December 31, 2025, 2024 and 2023, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of Stanley Steemer International, Inc. and Subsidiary 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated 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 consolidated financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 consolidated 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 consolidated 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.

GBQ Partners LLC

Columbus, Ohio
March 12, 2026

STANLEY STEEMER INTERNATIONAL, INC. AND SUBSIDIARY

Consolidated Balance Sheets

December 31, 2025, 2024 and 2023

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	2025	2024	2023
ASSETS			
Current Assets			
Cash and cash equivalents	\$ 22,472,918	\$ 15,145,028	\$ 24,321,276
Investments - marketable securities	-	6,055,000	7,845,000
Receivables:			
Trade	3,734,160	3,647,569	3,451,590
Due from franchisees	4,078,579	4,603,120	3,436,331
Notes receivable from franchisees - current portion	591,877	173,310	1,272,320
Allowance for credit losses - current portion	(792,449)	(864,862)	(620,608)
Net receivables	7,612,167	7,559,137	7,539,633
Inventories, net	7,491,763	7,031,636	9,279,378
Other current assets	1,526,627	2,039,714	1,299,031
Total current assets	39,103,475	37,830,515	50,284,318
Property, Plant and Equipment, net	49,875,463	49,001,401	42,717,452
Right-Of-Use Asset - Operating Leases, net	39,295,848	37,824,487	38,131,137
Other Assets			
Notes receivable from franchisees -			
less current portion	3,010,564	3,415,899	220,564
Allowance for credit losses notes receivable -			
less current portion	(50,000)	(50,000)	(50,000)
Goodwill	16,972,278	16,930,943	16,641,050
Note receivable from related party	-	4,463,304	1,325,491
Deposits and other	1,128,777	874,644	745,099
Total other assets	21,061,619	25,634,790	18,882,204
TOTAL ASSETS	\$ 149,336,405	\$ 150,291,193	\$ 150,015,111

The accompanying notes are an integral part of the consolidated financial statements.

STANLEY STEEMER INTERNATIONAL, INC. AND SUBSIDIARY

Consolidated Balance Sheets (continued) December 31, 2025, 2024 and 2023

	2025	2024	2023
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current Liabilities			
Trade accounts payable	\$ 6,016,470	\$ 4,342,954	\$ 4,698,524
Current portion of operating lease liabilities	7,932,503	8,906,275	9,800,679
Accrued compensation and related taxes	13,264,482	16,518,660	16,697,772
Other accrued expenses	4,649,419	4,413,315	5,246,128
Deferred guarantee revenue	3,817,832	3,846,472	3,838,087
Deferred franchise license fees - current portion	412,377	399,651	156,283
Total current liabilities	36,093,083	38,427,327	40,437,473
Deferred Franchise License Fees - less current portion	2,379,573	2,666,803	653,059
Long-term Operating Lease Liabilities, net	32,378,521	29,755,420	29,866,495
Total liabilities	70,851,177	70,849,550	70,957,027
Stockholders' Equity			
Controlling interest in stockholders' equity			
Common stock	1,652,770	1,652,770	1,652,770
Retained earnings	86,162,394	84,408,094	80,935,961
Treasury stock, shares at cost	(822,729)	(822,729)	(822,729)
Total controlling interest in stockholders' equity	86,992,435	85,238,135	81,766,002
Non-controlling interest in stockholders' deficit	(8,507,207)	(5,796,492)	(2,707,918)
Total stockholders' equity	78,485,228	79,441,643	79,058,084
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 149,336,405	\$ 150,291,193	\$ 150,015,111

The accompanying notes are an integral part of the consolidated financial statements.

STANLEY STEEMER INTERNATIONAL, INC. AND SUBSIDIARY

Consolidated Statements of Income and Comprehensive Income For the Years Ended December 31, 2025, 2024 and 2023

	2025	2024	2023
Revenues			
Branch operations	\$ 232,777,320	\$ 242,320,714	\$ 238,344,012
Manufacturing	9,535,196	10,748,687	12,883,926
Franchise royalty fees	24,373,371	24,602,552	24,278,288
Franchise license fees	533,762	224,064	168,616
Franchise contact center support fees	2,809,572	3,029,484	2,934,338
Franchise national advertising fees	6,885,363	6,953,933	7,004,444
Total revenues	276,914,584	287,879,434	285,613,624
Costs and Expenses			
Cost of operations and selling expenses	252,127,380	256,967,180	248,178,809
General and administrative expenses	17,758,131	19,510,584	19,922,043
Total costs and expenses	269,885,511	276,477,764	268,100,852
Operating Income	7,029,073	11,401,670	17,512,772
Other Income (Expense)			
Interest income	885,514	983,249	597,946
Interest expense	(12,025)	(21,946)	(10,917)
Other	128,818	149,021	60,988
Total other income, net	1,002,307	1,110,324	648,017
Net Income	8,031,380	12,511,994	18,160,789
Less: Net Loss (Income) Attributable to Non-Controlling Interests	2,710,715	3,088,574	(598,815)
Net Income Attributable to Stanley Steemer International, Inc.	\$ 10,742,095	\$ 15,600,568	\$ 17,561,974
Other Comprehensive Loss			
Change in cash flow hedge	-	-	(862,115)
Comprehensive Income Attributable to Stanley Steemer International, Inc.	\$ 10,742,095	\$ 15,600,568	\$ 16,699,859

The accompanying notes are an integral part of the consolidated financial statements.

STANLEY STEEMER INTERNATIONAL, INC. AND SUBSIDIARY

Consolidated Statements of Stockholders' Equity For the Years Ended December 31, 2025, 2024 and 2023

	Common Stock	Retained Earnings	Accumulated Other Comprehensive Income	Treasury Stock	Total Stockholders' Equity Attributable to Stanley Steemer International, Inc.	Stockholders' Deficit Attributable to Non-Controlling Interest	Total Stockholders' Equity
Balance - December 31, 2022	\$ 1,652,770	\$ 78,561,245	\$ 862,115	\$ (822,729)	\$ 80,253,401	\$ (3,306,733)	\$ 76,946,668
Net income	-	17,561,974	-	-	17,561,974	598,815	18,160,789
Distributions to stockholders	-	(15,187,258)	-	-	(15,187,258)	-	(15,187,258)
Change in cash flow hedge	-	-	(862,115)	-	(862,115)	-	(862,115)
Balance - December 31, 2023	1,652,770	80,935,961	-	(822,729)	81,766,002	(2,707,918)	79,058,084
Net income (loss)	-	15,600,568	-	-	15,600,568	(3,088,574)	12,511,994
Distributions to stockholders	-	(12,128,435)	-	-	(12,128,435)	-	(12,128,435)
Balance - December 31, 2024	1,652,770	84,408,094	-	(822,729)	85,238,135	(5,796,492)	79,441,643
Net income (loss)	-	10,742,095	-	-	10,742,095	(2,710,715)	8,031,380
Distributions to stockholders	-	(8,987,795)	-	-	(8,987,795)	-	(8,987,795)
Balance - December 31, 2025	\$ 1,652,770	\$ 86,162,394	\$ -	\$ (822,729)	\$ 86,992,435	\$ (8,507,207)	\$ 78,485,228

The accompanying notes are an integral part of the consolidated financial statements.

STANLEY STEEMER INTERNATIONAL, INC. AND SUBSIDIARY

Consolidated Statements of Cash Flows

For the Years Ended December 31, 2025, 2024 and 2023

	2025	2024	2023
Cash Flows from Operating Activities			
Net income	\$ 8,031,380	\$ 12,511,994	\$ 18,160,789
Adjustments to reconcile net income to net cash and cash equivalents provided by operating activities:			
Depreciation and amortization expense	12,310,793	13,495,088	12,446,288
Bad debt expense	601,079	810,493	714,378
(Gain) loss on the sale of property, plant and equipment	(243,663)	501,349	(110,773)
(Gain) loss on the sale of branches	(759,165)	14,664	-
(Increase) decrease in operating assets:			
Accounts receivable - trade, related parties and franchisees	(235,542)	(1,929,007)	(402,607)
Inventories	(460,127)	2,247,742	872,537
Other assets	258,954	(870,228)	(276,603)
Operating lease assets and liabilities, net	177,968	(698,829)	89,450
Increase (decrease) in operating liabilities:			
Trade accounts payable	1,673,516	(355,570)	1,284,501
Accrued compensation and related taxes	(3,254,178)	(179,112)	(90,926)
Other accrued expenses	236,104	(832,813)	329,856
Deferred guarantee revenue	(28,640)	34,679	361,470
Deferred franchise license fees	(401,771)	(176,564)	(121,617)
Total adjustments	9,875,328	12,061,892	15,095,954
Net cash and cash equivalents provided by operating activities	17,906,708	24,573,886	33,256,743
Cash Flows from Investing Activities			
Purchases of marketable securities	-	(1,040,000)	-
Proceeds from sales of marketable securities	6,055,000	2,830,000	1,075,000
Purchase of property, plant and equipment	(13,613,547)	(20,845,722)	(13,877,650)
Proceeds from disposals of property, plant and equipment	287,452	270,589	171,741
Net loan payments from (provided to) related party	4,463,304	(3,137,813)	(1,325,491)
Net loan payments (provided to) from franchisees	(13,232)	1,153,675	(924,964)
Cash paid for franchise re-acquisitions	-	(1,845,459)	(1,539,776)
Proceeds from sale of branches	1,230,000	993,031	-
Net cash and cash equivalents used in investing activities	(1,591,023)	(21,621,699)	(16,421,140)
Cash Flows from Financing Activities			
Cash distributions to stockholders	(8,987,795)	(12,128,435)	(15,187,259)
Net cash and cash equivalents used in financing activities	(8,987,795)	(12,128,435)	(15,187,259)
Net increase (decrease) in cash and cash equivalents	7,327,890	(9,176,248)	1,648,344
Cash and Cash Equivalents - Beginning of Year	15,145,028	24,321,276	22,672,932
Cash and Cash Equivalents - End of Year	\$ 22,472,918	\$ 15,145,028	\$ 24,321,276

The accompanying notes are an integral part of the consolidated financial statements.

STANLEY STEEMER INTERNATIONAL, INC. AND SUBSIDIARY

Consolidated Statements of Cash Flows (continued) For the Years Ended December 31, 2025, 2024 and 2023

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	2025	2024	2023
Supplemental Disclosure of Cash Flow Information			
Cash paid during the year for interest	\$ 12,025	\$ 21,946	\$ 10,917
Supplemental Disclosures of Non-Cash Investing and Financing Activities			
During 2024 and 2023, the Company re-acquired various franchise locations. In conjunction with the re-acquisitions, the assets and liabilities are as follows:			
Goodwill	\$ -	\$ 1,169,226	\$ 1,250,000
Less: former franchisee liabilities paid	-	-	(160,224)
Add: former franchisee assets acquired	-	676,233	450,000
Net cash paid for re-acquisitions	\$ -	\$ 1,845,459	\$ 1,539,776
During 2025 and 2024, the Company sold branches for franchise rights. In conjunction with these sales, the following activity was recorded:			
Proceeds from sale of branches	\$ 1,230,000	\$ 993,031	\$ -
Plus: note receivable	-	3,250,000	-
Less: franchise assets	(343,568)	(970,980)	-
Less: liabilities assumed, net of liabilities satisfied	(127,267)	(2,407,382)	-
Less: goodwill	-	(879,333)	-
Gain (loss) on the sale of branches	\$ 759,165	\$ (14,664)	\$ -

The accompanying notes are an integral part of the consolidated financial statements.

STANLEY STEEMER INTERNATIONAL, INC. AND SUBSIDIARY

Notes to Consolidated Financial Statements December 31, 2025, 2024 and 2023

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Nature and Scope of Business

Stanley Steemer International, Inc. (the Company) operates and franchises businesses engaged in cleaning carpets, upholstery, area rugs and air ducts and in providing water mitigation and restoration services for individuals and businesses throughout the United States. The Company also manufactures and sells carpet cleaning, tile and grout cleaning and hardwood cleaning equipment and supplies and sells cleaning products, air duct cleaning equipment and supplies, water mitigation and restoration equipment and other supplies and equipment to owners of franchises.

The Company grants franchises to private operators in exchange for an initial franchise license fee and receives royalties based on a percentage of franchisee gross sales. Services provided by the Company under franchise agreements include: (1) the use of advertising materials developed by the Company, (2) the sale of assembled carpet cleaning machines and vans and related repair parts, (3) initial training, including copies of operations manuals and (4) advice, counseling and management assistance as reasonably requested.

The number of company-owned and franchised locations at December 31 are as follows:

	2025	2024	2023
Company-owned	54	57	57
Franchised	210	210	212
Total system-wide operations	264	267	269

In 2000, Stanley Steemer National Advertising Fund, Inc. (the Fund) was established as an Ohio non-profit organization to collect and administer funds contributed by the Company and franchise owners. These contributions are used for a national advertising program designed to advertise, promote and market the Stanley Steemer Carpet Cleaner System and the products and services offered by the Company and its franchise owners.

Summary of Significant Accounting Policies

Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Variable Interest Entities

The *Consolidation* Topic of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) provides a framework for identifying variable interest entities (VIEs) and determining when a company should include the assets, liabilities, non-controlling interests and results of operations of a VIE in its consolidated financial statements.

STANLEY STEEMER INTERNATIONAL, INC. AND SUBSIDIARY

Notes to Consolidated Financial Statements December 31, 2025, 2024 and 2023

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Summary of Significant Accounting Policies (continued)

Variable Interest Entities (continued)

As required by the *Consolidation* Topic of the FASB ASC, a VIE shall be consolidated by an entity that has the power to direct the activities of a VIE that most significantly impact the entity's economic performance, an obligation to absorb losses of the entity or the right to receive benefits that could be potentially significant to the entity. An entity that consolidates the VIE is called the primary beneficiary. Upon consolidation, the primary beneficiary generally must initially record all of the VIE's assets, liabilities and non-controlling interests at cost for related parties.

Management has determined that the Fund, franchisees and the two related real estate entities, Bates Property Management, LTD. (BPM) and Bates Family Investments, LLC (BFI) are VIEs.

The Company is considered the primary beneficiary of the Fund since it has the ability to significantly influence the daily operations of the Fund. Three of the five Board of Trustee members governing the Fund are members of management of the Company and the Fund does not have sufficient equity to finance its operations without loan advances made by the Company. The Fund has been consolidated in the accompanying consolidated financial statements.

The Company has determined that the two related real estate entities are VIEs and that the Company is the primary beneficiary. The Company elected not to consolidate the real estate entities as of December 31, 2025, 2024 and 2023 as the Company met the requirements under Accounting Standards Update (ASU) 2014-07 *Applying Variable Interest Entities Guidance to Common Control Leasing Arrangements*.

The Company sells new franchise territories under arrangements where a portion, or the entire franchise fee, is financed. A third party bank extends lines of credit to developing franchisees and the Company guarantees certain franchisee debt arrangements under a guidance line. The Company's objective in extending the flexible financing is to establish and grow long-term franchisee relationships. The Company is not considered the primary beneficiary of these franchisees as the franchise owner has the power to direct the activities of the VIE that most significantly impact the entity's economic performance. Revenues generated by franchisees with these types of debt arrangements were approximately \$23,000,000, \$46,000,000, and \$51,000,000 for the years ended December 31, 2025, 2024 and 2023, respectively.

See the *Notes Receivable from Franchisees, Related Parties, Leases and Commitments and Contingencies* footnotes for additional disclosures related to the VIEs.

Principles of Consolidation

The consolidated financial statements include the financial statements of Stanley Steemer International, Inc. and Stanley Steemer National Advertising Fund, Inc. All significant intercompany balances and transactions have been eliminated in consolidation.

STANLEY STEEMER INTERNATIONAL, INC. AND SUBSIDIARY

Notes to Consolidated Financial Statements December 31, 2025, 2024 and 2023

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Summary of Significant Accounting Policies (continued)

Revenue Recognition

At contract inception, the Company assesses the goods and services promised in contracts with customers and identifies a performance obligation for each promise to transfer to the customer a good or service (or a bundle of goods and services) that is distinct. To identify the performance obligations, the Company considers all the goods and services promised in the contract regardless of whether they are explicitly stated or are implied by customary business practices.

Nature of Products and Services with Company-Operated Branches

Branch operations revenue

Revenue from branch operation services are recognized at the agreed-upon contractual amount over time as the services are provided, most of which are started and completed within one day, as the customer simultaneously receives and consumes the benefits of the services as they are performed. Upon completion of service, a receivable is recorded related to the revenue as the Company has an unconditional right to invoice and receive payment. Payments are typically received shortly after services have been rendered.

One-Year Guarantee Program

The Company has a one-year service program. The service contract consists of an initial one-time application of protection followed with up to three additional cleanings over the one-year period. Payments are received at the commencement of the contract, which generates a contract liability referred to as deferred guarantee revenue in the consolidated balance sheets. For these contracts, the Company has an obligation, which the customer receives and consumes the benefits over the annual period. Associated service costs are expensed as incurred. The Company measures progress toward satisfaction of the obligation over a twelve-month period at a set rate and recognizes revenue as part of branch operations revenue. See deferred guarantee program footnote for details.

Nature of Products and Services with Franchisees

Contracts with franchisees can include various combinations of products and services, which are generally capable of being distinct and accounted for as separate performance obligations. The Company has concluded that manufacturing, royalty fees, franchise license fees, contact center support and national advertising fees are separate performance obligations within its franchise arrangement. For such arrangements, the contract transaction price is allocated to the separate performance obligations on a relative standalone selling price (SSP) basis. The Company determines the SSP based on an observable standalone selling price.

STANLEY STEEMER INTERNATIONAL, INC. AND SUBSIDIARY

Notes to Consolidated Financial Statements December 31, 2025, 2024 and 2023

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Summary of Significant Accounting Policies (continued)

Revenue Recognition (continued)

Nature of Products and Services with Franchisees (continued)

Additionally, the Company has determined that its franchise dispositions usually represent multiple-performance obligations, and as such, the cash consideration received is allocated to the separate obligations based on their SSP. Cash consideration generally includes up-front consideration for the franchise license fees, intangibles, equipment and future cash consideration for royalties, contact center support and national advertising fees. The Company obtains evidence to estimate the relative selling price of the stated equipment which is primarily based upon comparable equipment sales. The cash consideration per franchise for license fees is consistent with the amounts stated in the related franchise agreements which are charged for separate standalone arrangements. Therefore, the Company recognizes the franchise license fee when earned over the term of the franchise agreement. The Company estimates the value of intangibles on the residual value method to determine the SSP. The intangibles are considered functional intellectual property and revenue related to the intangibles is recognized at a point in time. Future royalty, contact center support and national advertising fee revenue is also recognized as earned, see revenue recognition below for further information.

Manufacturing, sale of products

Revenue from manufacturing operations for the sale of carpet cleaning and air duct equipment, water restoration and mitigation equipment, products and supplies to franchisees is recognized at a point in time once control transfers to the customer, which generally occurs upon shipment or delivery of the product. A receivable is recorded related to these sales as the Company has an unconditional right to invoice and receive payment. Payments are typically received shortly after a customer is invoiced.

Royalty fees

The Company has franchise agreements in which royalty fee revenue consists principally of sales-based royalties received as part of the consideration for the franchise right and is calculated as a percentage of customer level revenue. Franchise royalty fees revenue, which are based upon percentages of carpet cleaning, air duct cleaning, tile and grout cleaning, hardwood cleaning, carpet sales, water restoration and mitigation services by the franchisees, is recognized by the Company at the agreed-upon contractual rates over time as the customer level revenue is generated by the franchisees. A receivable is recognized for an estimate of the unreported royalty fees, which are reported and remitted to the Company in arrears. Franchise royalties recorded in 2025, 2024 and 2023 were approximately \$23,900,000, \$24,100,000 and \$24,300,000, respectively.

The Company also receives certain additional royalty fees in connection with the sale of a franchise. These additional royalties are generally payable by the franchisee monthly up to a specified maximum amount at a fixed percentage of sales commencing after the first year of operation of the franchisee. Additional royalties recorded in 2025, 2024 and 2023 were approximately \$14,000, \$18,000 and \$30,000, respectively.

STANLEY STEEMER INTERNATIONAL, INC. AND SUBSIDIARY

Notes to Consolidated Financial Statements December 31, 2025, 2024 and 2023

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Summary of Significant Accounting Policies (continued)

Revenue Recognition (continued)

Nature of Products and Services with Franchisees (continued)

Franchise license fees

Initial franchise fees result from the sale of a franchise license, which includes the use of the name, trademarks and proprietary methods. The franchise license is considered symbolic intellectual property and revenue related to the sale of this right is recognized at the agreed upon contractual amount over the term of the initial franchise agreement.

Contact center support/ marketing fees

The Company provides contact center support services and marketing services to franchisees. Revenues for these services are recognized over time as services are performed and the fees become receivable from the franchisees.

National advertising fees

For 2025, 2024 and 2023, the Fund received approximately 2.00% of all carpet cleaning and all air duct cleaning sales from branches and franchises. Advertising fee revenue totaled approximately \$11,500,000, \$11,800,000 and \$11,800,000 in 2025, 2024 and 2023, respectively. Fees charged to branch locations have been properly eliminated in consolidation. The revenues received are used by the Fund for a national advertising program designed to advertise, promote and market the Stanley Steemer Carpet Cleaner System and the products and services offered by the Company and its franchise owners. The advertising fee revenues are generally payable monthly and recognized over time based on output methods as services are performed and the revenues are receivable. Unused fee revenues are deferred until the costs have been properly incurred to recognize the revenue.

The Company records sales net of sales tax collected.

Contract Balances

Timing of revenue recognition may differ from the timing of invoicing to customers. The Company's opening and closing balances of accounts receivables are included in the consolidated balance sheets. A contract liability (deferred franchise license fees and deferred guarantee revenue) represents consideration received, or billings to customers, in advance of the satisfaction of performance obligations. Contract liabilities are recognized as revenue as, or when, the related performance obligations are satisfied.

Cash and Cash Equivalents

For purposes of the consolidated statements of cash flows, cash and cash equivalents represent cash on deposit and money market accounts.

STANLEY STEEMER INTERNATIONAL, INC. AND SUBSIDIARY

Notes to Consolidated Financial Statements December 31, 2025, 2024 and 2023

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Summary of Significant Accounting Policies (continued)

Investments – Marketable Securities

Investments in marketable securities consist of corporate and municipal debt securities, which are variable rate demand notes. Management determines the appropriate classification of securities at the time of purchase as available-for-sale, held-to-maturity or trading. A security is classified as available-for-sale if management does not intend to hold the security until maturity and the security was not purchased for selling it in the near term. The variable rate demand notes are classified as available-for-sale and carried at their fair values as further described herein.

Marketable securities are exposed to market risk due to changes in interest rates and credit risk. Accordingly, it is at least reasonably possible that changes in the fair value of marketable securities may occur in the near term, which could be material. The Company regularly monitors credit risk and attempts to mitigate its exposure by investing in highly-rated securities and through investment diversification.

Management evaluates securities for other-than-temporary impairment at least on a quarterly basis, and more frequently when economic or market concerns warrant such evaluation. Consideration is given to (1) length of time and the extent to which the fair market value has been less than cost, (2) the financial condition and near-term prospects of the issuer and (3) the intent and ability of the Company to retain its investment in the issuer for a period of time sufficient to allow for any anticipated recovery in fair value. Based on the Company's evaluation and the intent and ability to hold these investments for a reasonable period of time, sufficient for a forecasted recovery of fair value, the Company does not consider these investments to be other-than-temporarily impaired as of December 31, 2024 and 2023. There was no investment balance as of December 31, 2025.

Under U.S. GAAP, the Company discloses information to facilitate the financial statement users' evaluation of the Company's credit risk, how the risk is analyzed and the changes and reasons for changes in allowance for credit losses. The Company is required to disclose the information on two defined levels of disaggregation – portfolio segments and class of financing receivable. Portfolio segments are defined as a level at which the Company develops and documents a systematic method for determining credit losses. Classes are defined as a disaggregation of portfolio segments. Under the updated provisions, management has determined notes receivable from franchisees represent the only portfolio segment and class.

STANLEY STEEMER INTERNATIONAL, INC. AND SUBSIDIARY

Notes to Consolidated Financial Statements December 31, 2025, 2024 and 2023

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Summary of Significant Accounting Policies (continued)

Receivables

Trade Receivables and Due from Franchisees

The Company provides services to a large number of individual and commercial customers. The Company's trade accounts receivable are exposed to credit risk; however, the risk is limited due to the large number of customers and their wide geographic dispersion. Balances with individual and commercial customers exceeding their terms are considered delinquent; however, no interest is charged on delinquent balances. The Company and the Fund have significant transactions with the Company's franchisees. The Company's and the Fund's receivables from franchisees are exposed to credit risk; however, the risk is limited due to the large number of franchisees and their wide geographic dispersion. Annual interest of 18% is charged to delinquent balances due from franchisees and is recorded twice a month. Balances from franchisees that exceed their contractual terms are considered delinquent.

Notes Receivable from Franchisees

The Company provides notes to franchisees which are individually negotiated. Balances from franchisees that exceed their contractual terms are considered delinquent. Interest on notes receivable is charged at rates ranging from 0% to 6.50%.

Allowance for Credit Losses – Trade Receivables and Due from Franchisees

The carrying amount of receivables is reduced by a valuation allowance for expected credit losses, as necessary, that reflects management's best estimate of the amount that will not be collected. This estimation takes into consideration historical loss experience, current conditions and subsequent cash collections through the date the consolidated financial statements were available to be issued. Actual results could vary from the estimate. Accounts are charged against the allowance when management deems them to be uncollectible. The allowance for expected credit losses was approximately \$790,000, \$860,000 and \$620,000 at December 31, 2025, 2024 and 2023, respectively. Changes in the valuation allowance were not material to the accompanying consolidated financial statements.

Allowance for Credit Losses – Notes Receivable from Franchisees

The carrying amount of notes receivables are reduced by a valuation allowance for expected credit losses, as necessary, that reflects management's best estimate of the amount that will not be collected. This estimation takes into consideration historical experience, current conditions and, as applicable, reasonable supportable forecasts. Actual results could vary from the estimate. Accounts are charged against the allowance when management deems them to be uncollectible. The allowance for expected credit losses for notes receivable from franchisees was approximately \$50,000 at December 31, 2025, 2024 and 2023. Changes in the valuation allowance were not material to the accompanying consolidated financial statements.

STANLEY STEEMER INTERNATIONAL, INC. AND SUBSIDIARY

Notes to Consolidated Financial Statements December 31, 2025, 2024 and 2023

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Summary of Significant Accounting Policies (continued)

Inventories

Inventories consisting principally of cleaning products and equipment parts are stated at the lower of cost, using the first-in first-out (FIFO) method, or net realizable value. A provision for potentially obsolete or slow moving inventory is made based on inventory levels, future sales forecasts and management's judgment of potentially obsolete inventory.

Property, Plant and Equipment

Property, plant and equipment are carried at cost. The Company provides for depreciation and amortization of property and equipment primarily using the straight-line method. Major renewals and betterments are capitalized and depreciated; maintenance and repairs that neither improve nor extend the life of the respective asset are charged to expense as incurred. Assets purchased, but not yet placed into service, are capitalized; depreciation is not computed until the assets are placed in service. The following summarizes the estimated useful lives used in the calculation of depreciation and amortization:

Leasehold improvements	5 - 10 years
Furniture and fixtures	5 - 7 years
Machinery and equipment	5 - 7 years
Transportation equipment/aircraft	3 - 7 years
Computer equipment and software	3 - 10 years

Long-Lived Assets Impairment Policy

The carrying values of long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate the amount of the assets may not be recoverable. When an indication of impairment is present and the undiscounted cash flows estimated to be generated by the related assets are less than the assets' carrying amount, an impairment loss will be recorded based on the difference between the carrying amount of the assets and their estimated fair value. Management has determined that no impairment existed as of December 31, 2025, 2024 and 2023.

Derivatives and Hedging Activities

The Company maintained a derivative financial instrument for the purpose of hedging the risks of certain identifiable and anticipated transactions. In general, the types of risks hedged are those relating to the variability of future earnings and cash flows caused by movements in commodity prices. Currently, the derivative instrument used by the Company as part of its risk-management strategy is a fixed price commodity hedge used to offset changes in commodity prices (cash flow hedge). The specific terms and notional amount of the hedge is determined based on management's assessment of future commodity prices and other factors. The Company does not enter into derivative instrument agreements for trading or speculative purposes.

In accordance with ASU 2017-12 *Derivatives and Hedging*, the Company recognized the entire change in fair value within accumulated other comprehensive income.

STANLEY STEEMER INTERNATIONAL, INC. AND SUBSIDIARY

Notes to Consolidated Financial Statements December 31, 2025, 2024 and 2023

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Summary of Significant Accounting Policies (continued)

Derivatives and Hedging Activities (continued)

The Company formally documents all relationships between the hedging instrument and the hedged items, as well as their risk-management objectives and strategies for undertaking various hedge transactions. This process includes linking the hedge to the specific assets or liabilities on the consolidated balance sheets. The Company also formally assesses, both at the hedge's inception and on an ongoing basis, whether the derivative used in the hedging transactions has been highly effective in offsetting changes in the cash flow/fair value of the hedged items and whether the derivative may be expected to remain highly effective in future periods. When it is determined that the derivative is not, or has ceased to be, highly effective as a hedge, the Company will discontinue hedge accounting prospectively. If hedge accounting is discontinued and the derivative remains outstanding, the Company will carry the derivative at its fair values on the consolidated balance sheet, recognizing changes in the fair values in current period earnings.

Management values derivatives based on valuations reported by the bank equal to what the bank would receive or pay to terminate the agreement at the reporting date, taking into account current commodity prices and current creditworthiness of the counterparties. This method may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Company believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Goodwill and Impairment Policy

The Company incurs costs to reacquire franchise rights from existing franchisees. Goodwill represents the excess of costs over fair value of assets of franchisees acquired. Goodwill is tested for impairment at least annually in accordance with FASB ASC 350, *Intangibles*, following the qualitative assessment as prescribed by ASU 2011-08, *Testing Goodwill for Impairment*. An impairment loss is recognized to the extent that the carrying amount exceeds the asset's fair value. No impairment loss was noted in 2025, 2024 or 2023.

Advertising Costs

Advertising costs for the Company primarily relate to television, print and digital media advertisements, including production costs. Such costs are expensed as incurred.

The Fund expenses the costs of advertising the first time the advertising takes place.

Total advertising expenses were approximately \$43,700,000, \$42,400,000 and \$39,200,000, in 2025, 2024 and 2023, respectively.

STANLEY STEEMER INTERNATIONAL, INC. AND SUBSIDIARY

Notes to Consolidated Financial Statements December 31, 2025, 2024 and 2023

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Summary of Significant Accounting Policies (continued)

Leases

Pursuant to GAAP, a contract contains a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is defined as having both the right to obtain substantially all of the economic benefits from use of the asset and the right to direct the use of the asset. Management only reassesses its determination if the terms and conditions of the contract are changed.

Operating leases are included in operating lease right-of-use (ROU) assets and operating lease liabilities within the Company's accompanying consolidated balance sheets.

ROU assets represent the Company's right to use an underlying asset for the lease term, and lease liabilities represent the Company's obligation to make lease payments. Operating lease ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. The Company uses the implicit rate when it is readily determinable. If the Company's leases do not provide an implicit rate, the Company elected the practical expedient to utilize the risk-free rate to determine the present value of lease payments. Operating lease ROU assets also includes any lease payments made and excludes any lease incentives. Lease expense for lease payments is recognized on a straight-line basis over the lease term. The Company's lease terms may include options to extend or terminate the lease when it is reasonably certain that the Company will exercise the option.

The Company has lease agreements with lease and non-lease components, however the Company has elected the practical expedient to account for the lease and non-lease components as a single lease.

Income Taxes

The Company has elected to be treated as an S Corporation for federal and certain state income tax purposes. Accordingly, the Company is not required to pay these income taxes. The Company's stockholders include their respective share of the Company's taxable income in their individual tax returns. Under a stockholder agreement, the Company is obligated to make distributions to its stockholders to permit them to pay their income taxes related to their proportionate share of the Company's taxable income. The Company has elected to be taxed at the entity-level for certain state income taxes under eligible pass-through entity tax (PTET) regulations. Amounts owed or paid for state PTET are recognized as a reduction of stockholders' equity in the accompanying financial statements.

Because of timing differences in the recognition of income and expense between financial statement and income tax reporting purposes, distributions under the stockholder agreement may be disproportionate to financial statement income.

The Company pays certain state and local income taxes on its taxable income based upon statutory rates.

STANLEY STEEMER INTERNATIONAL, INC. AND SUBSIDIARY

Notes to Consolidated Financial Statements December 31, 2025, 2024 and 2023

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Summary of Significant Accounting Policies (continued)

Income Taxes (continued)

The Fund is an Ohio non-profit organization, which is subject to federal income tax under the Internal Revenue Code, but exempt from state income taxation. The Fund maintains a tax year-end of May 31. Deferred income taxes are recognized for temporary differences between the financial reporting and tax bases of assets and liabilities. The Fund has temporary differences relating to the recognition of certain prepaid expenses for tax purposes. A valuation allowance equal to the resulting deferred tax asset has been recorded, as the deferred tax asset may not be utilized in the future.

The Company and the Fund account for uncertainty in income taxes in their financial statements as required under FASB ASC 740, *Income Taxes*. The standard prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. The standard also provides guidance on de-recognition, classification, interest and penalties, accounting in interim periods, disclosure and transition accounting. Management determined there were no material uncertain positions taken in its tax returns.

Fair Value Measurements

U.S. GAAP established a fair value hierarchy that prioritizes the inputs to measure the fair value of the assets or liabilities being measured. Fair value is defined as the exchange value that would be received on the measurement date to sell an asset or to value the amount paid to transfer a liability in the principal or most advantageous market available to the entity in an orderly transaction between market participants. The three levels of the fair value hierarchy are as follows:

- Level 1 Inputs are unadjusted quoted market prices in active markets for identical assets or liabilities that the entity has the ability to access at the measurement date. Level 1 inputs provide the most reliable measure of fair value as of the measurement date.
- Level 2 Inputs are based on significant observable inputs, including unadjusted quoted market prices for similar assets and liabilities in active markets, unadjusted quoted prices for identical or similar assets or liabilities in markets that are not active or inputs other than quoted prices that are observable for the asset or liability.
- Level 3 Inputs are significant unobservable inputs for the asset or liability.

The level of the fair value hierarchy within which a fair value measurement in its entirety falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

STANLEY STEEMER INTERNATIONAL, INC. AND SUBSIDIARY

Notes to Consolidated Financial Statements December 31, 2025, 2024 and 2023

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Summary of Significant Accounting Policies (continued)

Fair Value Measurements (continued)

Following is a description of the valuation methodologies used for assets and liabilities measured at fair value. There have been no changes in the methodologies used at December 31, 2025, 2024 and 2023.

Variable Rate

Demand Notes: Level 2 Measurement - Valued using observable market prices by third-party pricing services. The securities can be put (sold at par) typically on a daily basis with settlement periods ranging from the same day to one week.

Derivatives:

Level 2 Measurement - Valued by management based on valuations reported by the bank equal to what the bank would receive or pay to terminate the commodity hedge agreement at the reporting date, taking into account current prices and current creditworthiness of the counterparties.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Company believes its valuation method is appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Newly Adopted Accounting Pronouncements

In July 2025, the FASB issued ASU 2025-05, Measurement of Credit Losses for Accounts Receivable and Contract Assets, which amends ASC 326-20 to provide a practical expedient and an accounting policy election related to the estimation of expected credit losses for current accounts receivable and current contract assets that arise from transactions accounted for under ASC 606. Specifically, the ASU provides a practical expedient to assume that current conditions as of the balance sheet date do not change for the remaining life of the asset. For entities that elect the practical expedient, the ASU also allows an accounting policy election to consider collection activity after the balance sheet date when estimating expected credit losses. ASU 2025-05 is effective for fiscal years beginning after December 15, 2025, with early adoption permitted. The Company has elected to early adopt the practical expedient and accounting policy election, which did not have a material effect to the accompanying consolidated financial statements.

Reclassification

Certain reclassifications have been made to the prior period consolidated financial statements to conform to the current period presentation.

STANLEY STEEMER INTERNATIONAL, INC. AND SUBSIDIARY

Notes to Consolidated Financial Statements December 31, 2025, 2024 and 2023

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Cash and Cash Equivalents

Cash and cash equivalents are primarily maintained at financial institutions and, at times, balances may exceed federally insured limits.

Inventories

The components of inventories are as follows at December 31:

	2025	2024	2023
Raw materials	\$ 3,865,909	\$ 4,337,623	\$ 6,059,875
Work-in-process	333,138	229,536	279,802
Finished goods	3,302,716	2,498,963	2,949,701
Provision for obsolescence	(10,000)	(34,486)	(10,000)
Total inventories, net	\$ 7,491,763	\$ 7,031,636	\$ 9,279,378

Property, Plant and Equipment

Property, plant and equipment are as follows at December 31:

	2025	2024	2023
Leasehold improvements	\$ 15,540,848	\$ 15,187,008	\$ 15,409,076
Furniture and fixtures	2,975,391	2,946,957	3,371,204
Machinery and equipment	45,133,183	43,616,932	40,302,463
Transportation equipment	55,376,028	52,654,716	48,292,732
Aircraft	2,351,563	2,351,563	1,710,938
Computer equipment and software	22,698,875	22,577,597	22,701,472
Work-in-process	2,743,936	759,214	375,780
	146,819,824	140,093,987	132,163,665
Less: accumulated depreciation and amortization	(96,944,361)	(91,092,586)	(89,446,213)
Total property, plant and equipment, net	\$ 49,875,463	\$ 49,001,401	\$ 42,717,452

STANLEY STEEMER INTERNATIONAL, INC. AND SUBSIDIARY

Notes to Consolidated Financial Statements December 31, 2025, 2024 and 2023

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Related Party Notes Receivable

Effective June 12, 2023 and July 25, 2023 the Company extended two promissory notes to a related party in the amounts of \$1,100,000 and \$959,525, respectively. The notes accrued interest at 3.56% and 3.85%, respectively, per annum with a maturity date for both notes of December 31, 2027. The balance on the notes at December 31, 2024 and 2023 were \$0 and \$365,966 and \$92,881 and \$959,525, respectively. The remaining balance was paid off in 2025. Effective March 8, 2024 and January 1, 2025, the Company granted two new promissory notes to related parties in the amounts of \$1,150,309 and \$4,000,000, respectively. The Company extended the \$4,000,000 loan in 2024 and thus recorded the balance as a receivable on the consolidated balance sheets. Interest was payable on this note beginning March 15, 2025. The notes accrued interest at 4.13% and 4.18% per annum with maturity dates of December 31, 2027 and December 31, 2030, respectively. The balances on the notes at December 31, 2024 were \$370,423 and \$4,000,000, respectively. Both notes were paid off in 2025.

Derivative Financial Instruments

On May 29, 2020, the Company entered into a commodity swap agreement with a notional amount of \$2,806,999 which terminated in December 2023. Under the agreement, the Company paid or received the net difference of the notional quantity at the fixed rate (\$1.23/gallon in 2022 and \$1.34/gallon in 2023) and the floating rate (indexed on the commodity NYMEX New York Harbor Unleaded Gasoline).

While the counterparty to its derivative financial instrument contract exposed the Company to credit losses in the event of nonperformance, the counterparty was an established bank. The Company had no reason to believe that the counterparty would not be able to fully satisfy its obligations under the contract.

The agreement was designated as an effective cash flow hedge of the Company's commodity purchases for fuel. If there were changes in the Company's forecasted purchases, the swap would no longer qualify as an effective hedge, and amounts would have been recorded in accumulated other comprehensive income would be reclassified to earnings.

Goodwill

During 2024, the Company reacquired rights to one territory, St. Louis, Missouri. The excess of purchase price over the fair market value of assets acquired resulted in additional goodwill of \$1,169,226. The Company also sold the rights to two territories, Ft. Lauderdale and Miami, Florida, resulting in a decrease of goodwill of \$879,333 and loss recognized of \$14,664 presented in Costs and Expenses on the Consolidated Statements of Income and Comprehensive Income.

During 2023, the Company reacquired rights to one territory, Columbia, South Carolina. The excess of purchase price over the fair market value of assets acquired resulted in additional goodwill of \$1,250,000.

STANLEY STEEMER INTERNATIONAL, INC. AND SUBSIDIARY

Notes to Consolidated Financial Statements December 31, 2025, 2024 and 2023

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Insurance Reserves

In an effort to maximize the cost-effectiveness of its insurance coverage, the Company has a self-insurance program for healthcare benefits and workers' compensation. The Company has stop-loss coverage of \$225,000 per individual for the healthcare program and stop-loss coverage of \$250,000 per individual for the workers' compensation program. The Company also has variable stop-loss coverages in the aggregate for the programs. The Company accrues the estimated cost of reported claims and also incurred-but-not-reported claims.

Included in other accrued expenses were approximately \$1,800,000, \$1,500,000 and \$1,900,000 as of December 31, 2025, 2024 and 2023, respectively, related to such self-insured health accruals. Self-insured workers' compensation accruals, included in accrued compensation and related taxes, were approximately \$2,300,000, \$2,800,000 and \$2,300,000 as of December 31, 2025, 2024 and 2023, respectively. The health and workers' compensation self-insurance accruals are estimated and actual results could differ.

Deferred Guarantee Program

Deferred guarantee revenue represents a contract liability and is recognized when cash payments are received in advance of the performance of services, including when the amounts are refundable. Revenue from the guarantee service program is deferred and recognized over time upon completion of services. Changes in deferred guarantee revenue for the years ended December 31 were as follows:

	2025	2024	2023
Deferred guarantee revenue - beginning of year	\$ 3,846,472	\$ 3,838,087	\$ 3,476,617
Guarantee sales	7,579,426	7,675,013	7,658,579
Guarantee revenue recognized	(7,608,066)	(7,666,628)	(7,297,109)
Deferred guarantee revenue - end of year	\$ 3,817,832	\$ 3,846,472	\$ 3,838,087

Deferred Franchise License Fees

Deferred franchise license fees represent a contract liability and are recognized over the term of the agreement when an initial franchise license agreement is entered into. Changes in deferred franchise license fees for the years ended December 31 were as follows:

	2025	2024	2023
Deferred franchise license fee - beginning of year	\$ 3,066,454	\$ 809,342	\$ 930,959
Franchise license fees	259,258	2,481,176	46,999
Franchise license fees recognized	(533,762)	(224,064)	(168,616)
Deferred franchise license fee - end of year	\$ 2,791,950	\$ 3,066,454	\$ 809,342

STANLEY STEEMER INTERNATIONAL, INC. AND SUBSIDIARY

Notes to Consolidated Financial Statements December 31, 2025, 2024 and 2023

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Deferred Franchise License Fees (continued)

The following is a schedule of the future amortization of deferred franchise license fees as of December 31, 2025:

2026	\$	412,377
2027		410,521
2028		347,462
2029		297,277
2030		294,652
Thereafter		<u>1,029,661</u>
Total	\$	<u>2,791,950</u>

Note Payable – Line of Credit

At December 31, 2025, the Company had available a \$20,000,000 bank line of credit which bears interest at the Secured Overnight Financing Rate (SOFR) plus 1.25% (5.12%, 5.74% and 6.63% as of December 31, 2025, 2024 and 2023, respectively). The bank line of credit expired in June 2025 and was renewed through September 2027. No outstanding borrowings existed under this line at December 31, 2025, 2024 and 2023. The agreement also requires the Company to maintain certain financial ratios and restricts the amount of debt that the Company can guarantee for others. As of December 31, 2025, 2024 and 2023, the Company was in compliance with the covenants.

Employee Benefits

The Company maintains a 401(k) retirement plan which covers all employees with one year of service who have attained the age of 21 and have 1,000 hours of service each year. Employees are automatically enrolled and may elect to contribute a percentage of their annual compensation to the plan each year. The Company matches a certain percentage, 50% of the first 6% in 2025, 2024 and 2023, of each participating employee's contribution subject to certain limitations. Company contributions were approximately \$1,600,000, \$1,700,000 and \$1,700,000 in 2025, 2024 and 2023, respectively.

Common Stock

The Company has 30,000 shares of no par value, \$.10 stated value, common stock and 270,000 shares of no par value, \$.10 stated value, nonvoting common stock authorized. As of December 31, 2025, 2024 and 2023, there were 27,259 shares of common stock and 245,331 shares of nonvoting common stock issued and outstanding. As of December 31, 2025, 2024 and 2023, the Company had 4,000 shares of treasury stock at cost.

STANLEY STEEMER INTERNATIONAL, INC. AND SUBSIDIARY

Notes to Consolidated Financial Statements December 31, 2025, 2024 and 2023

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Related Parties

The Company extended a line of credit to the Fund with a maximum borrowing of \$5,000,000. The balance on the line was \$3,322,000 at December 31, 2023 and interest was charged at 3.25%. In December 2024, the Company renewed its line of credit with the Fund with a maturity date of December 31, 2030. The maximum borrowing increased to \$7,000,000 with interest charged at 4.18%. In August 2025, the line was modified and the maximum borrowing increased to \$10,000,000 with interest charged at 4.00%. The balance on the line was \$8,952,000 and \$6,132,000 at December 31, 2025 and 2024, respectively, with interest due quarterly. The note, interest income and interest expense have been eliminated in the accompanying consolidated financial statements.

See *Leases* footnote for disclosure of other related party transactions.

Leases

The Company has operating leases for certain branch offices, from both third parties and related parties, under agreements expiring at various dates through 2035. Certain operating leases contain renewal options ranging from one to ten years.

The approximate maturities of lease liabilities as of December 31, 2025 were as follows:

	Third Parties	Related Party (BFI)	Related Party (BPM)	Total
2026	\$ 5,500,000	\$ 1,900,000	\$ 1,500,000	\$ 8,900,000
2027	5,000,000	1,900,000	1,300,000	8,200,000
2028	4,200,000	1,800,000	1,300,000	7,300,000
2029	3,100,000	1,800,000	1,300,000	6,200,000
2030	2,000,000	1,800,000	1,300,000	5,100,000
Thereafter	3,100,000	1,400,000	3,700,000	8,200,000
Total undiscounted cash flows	22,900,000	10,600,000	10,400,000	43,900,000
Less: present value discount	(1,900,000)	(700,000)	(900,000)	(3,500,000)
Total lease liabilities	\$ 21,000,000	\$ 9,900,000	\$ 9,500,000	\$ 40,400,000

Lease expense is included as a component of general and administrative expenses within the accompanying consolidated statements of income and comprehensive income. The following summarizes the approximate lease expense for the years ended December 31:

	2025	2024	2023
Third parties	\$ 6,800,000	\$ 6,500,000	\$ 6,700,000
Related Party (BFI)	2,200,000	2,100,000	2,000,000
Related Party (BPM)	2,200,000	2,200,000	2,000,000
Total lease expense	\$ 11,200,000	\$ 10,800,000	\$ 10,700,000

STANLEY STEEMER INTERNATIONAL, INC. AND SUBSIDIARY

Notes to Consolidated Financial Statements December 31, 2025, 2024 and 2023

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Leases (continued)

The following summarizes additional information related to leases for the year ended December 31:

	2025	2024	2023
Cash paid for amounts included in the measurement of lease liabilities			
Operating cash flows from operating leases	\$10,613,895	\$ 10,639,128	\$ 10,373,787
ROU assets obtained in exchange for new operating lease liabilities	11,211,339	9,596,145	5,741,747
Weighted-average remaining lease term in years for operating leases	5.91	5.84	5.98
Weighted-average discount rate for operating leases	2.78%	2.17%	1.72%

Commitments and Contingencies

The Company maintains a \$25,000,000 guidance line of credit with a financial institution. The line of credit is intended to provide certain franchisees loans with terms not to exceed seven years and bearing interest at a fixed rate of 3.75% above the bank's swap rate. The guidance line of credit expires on October 31, 2027. The Company guarantees the greater of 10% of total outstanding loans under the guidance line, the largest outstanding loan by a franchisee under the guidance line or \$500,000. Under the guarantee, and in line with the agreement limit, the Company is required to purchase loans where the borrower has been in default for more than 90 days. The total loans required to be purchased is limited by the Company's guarantee. The Company does not expect any guarantees to require future payment as of December 31, 2025. At December 31, 2025, the outstanding balance of the guidance line of credit was approximately \$5,500,000 and the Company's guarantee was \$2,100,000.

At December 31, 2025, contractual commitments entered into by the Fund for future media expenditures amounted to approximately \$9,100,000.

At December 31, 2025, the Company had a \$3,800,000 letter of credit available for the general liability insurance policy and had no amounts outstanding under the available letter of credit.

Subsequent Events

Management has evaluated subsequent events through the date of the Independent Auditor's Report, the date on which the consolidated financial statements were available to be issued.

EXHIBIT B LIST OF FRANCHISEES



Alabama

Smith, Gregory A. - Birmingham, AL
SSNCA, Inc.
118 Little Valley Ct
Hoover, AL 35244
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(205) 444-4726 (secondary)
(877) 561-2412 (fax)

Thomason, Ron - Dothan, AL
Thomason Group II
1908 Ross Clark Cir
Dothan, AL 36301
(251) 661-7701 (primary)

Gellner, Mark - Huntsville, AL
Stanley Steemer of Northern Alabama, LLC
2800 B Johnson Rd
Huntsville, AL 35805
(256) 351-1000 (primary)
(256) 883-7800 (secondary)
(407) 295-7999 (fax)

Thomason, Ron - Mobile, AL
Thomason Group, Inc.
1766 West Interstate 65 Service Rd S
Mobile, AL 36693
(251) 661-7701 (primary)

Hendrick, Ken - Montgomery, AL
Bama Steemer, LLC
850 Plantation Way
Montgomery, AL 36117
(334) 277-0002 (primary)
(334) 277-0628 (fax)

Knepper, Robert - Troy, AL
Stanley Steemer of South Central Alabama LLC
3641 Julian Town Rd
Letohatchee, AL 36047
(334) 566-4552 (primary)

Arizona

Bennett, Fred & Leora - Lake Havasu City, AZ
1280 Powell Dr
Lake Havasu City, AZ 86406
(928) 855-6818 (primary)

Dickinson, Geno - Prescott, AZ
GD Services, LLC
8676 E Long Mesa Dr
Prescott Valley, AZ 86314
(928) 773-1299 (primary)
(928) 527-0782 (fax)

Niedzwiecki, Jesse - Tucson, AZ
Desert Bear, LLC
2520 N Coyote Dr, Ste 106
Tucson, AZ 85745
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(231) 276-6480 (secondary)
(231) 943-2330 (fax)

Arkansas

Wildman, Chris - Fayetteville, AR
C&M Wildman, Inc.
699 Madison St
Springdale, AR 72762
(479) 927-0909 (primary)

McCoy, Fred & Rena - Little Rock, AR
CFQMY3SONS LLC
12006 Louis Nelson Dr
North Little Rock, AR 72113
(501) 295-7085 (primary)

California

Fakih, Sam & Fakih, Wassim - Bakersfield, CA
Fakih Brothers, LLC
1012 Black Gold Rd
Bakersfield, CA 93308
(800) 783-3637 (primary)
(909) 481-7100 (secondary)

Fakih, Sam & Fakih, Wassim - Concord, CA
Stanley Steemer Bay Area LLC
150 Mason Cir, Ste A-D
Concord, CA 94520
(800) 783-3637 (primary)
(909) 483-7847 (secondary)

Newton, Robert - Fresno, CA
Robert Newton, Sole Proprietor
5279 W Clinton Ave
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(559) 435-4555 (primary)

Buchanan, Scott & Lara - Lancaster, CA
BUCHANANSAGE, INC.
1122 W Ave L-12, Ste 111
Lancaster, CA 93534
(661) 723-4839 (primary)

Pucci, Jeffrey J. & Jourdain, Ryan - Los Angeles, CA
Jourducci, Inc.
841 W Foothill Blvd
Azusa, CA 91702
(626) 812-5454 (primary)
(626) 812-5462 (fax)

James, Richard & Sharon - Oakland, CA
Semaj, Inc.
14557 Griffith St
San Leandro, CA 94577
(510) 614-6833 (primary)
(510) 614-2152 (fax)

Fakih, Sam & Fakih, Wassim - Oxnard, CA
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(909) 481-7100 (secondary)

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SCHNAIGH Enterprises Fakh Brothers, LLC
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Palm Desert, CA 92211
(800) 783-3637 (primary)
(760) 469-9599 (secondary)
(760) 346-5295 (fax)

Koch, Brandon - Redding, CA
Brancole NorCal, Inc.
2355 Radio Ln
Redding, CA 96001
(530) 440-4449 (primary)
(775) 355-7777 (secondary)

Fakh, Sam & Fakh, Wassim - Riverside, CA
Fakh Brothers, LLC
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(909) 481-7100 (secondary)

Bartnick, Chris - Sacramento, CA
Stanley Steemer of Evansville, Inc.
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(812) 473-5558 (secondary)

Varner, Scott - Salinas, CA
Stanley Steemer of the Monterey Bay, Inc.
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(831) 633-0330 (primary)

Fakh, Sam & Fakh, Wassim - San Bernardino, CA
Fakh Brothers, LLC
1474 N Miller Ave, Ste B
Colton, CA 92324
(909) 483-7847 (primary)
(909) 481-7100 (secondary)

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Colt Services, Inc.
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San Diego, CA 92126
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(858) 566-9988 (fax)

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Vashno, Inc.
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San Francisco, CA 94124
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(415) 206-0747 (secondary)
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(909) 483-7847 (secondary)

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Fakh Brothers, LLC
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(909) 481-7100 (secondary)

Fakh, Sam & Fakh, Wassim - San Mateo, CA
Stanley Steemer Bay Area LLC
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(909) 481-7100 (secondary)

Belforte, Gina - Sonoma, Napa, and Marin County, CA
Majack Services, Inc.
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(707) 586-0404 (fax)

Colorado

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J.B. Bar, Inc.
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Colorado Springs, CO 80915
(719) 570-1068 (primary)
(719) 570-9997 (fax)

Martinez, Ryan - Durango, CO
Zenitram Investments LLC
PO Box 635
Pagosa Springs, CO 81147
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(970) 398-1863 (secondary)

Larkin, John & Gina - Grand Junction, CO
J & G Family Enterprises, Inc.
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(970) 523-1800 (primary)

Florida

Sylwestrak, Danny - Big Pine Key, FL
SS of Monroe County, Inc.
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Big Pine Key, Florida 33043

Scalera, Tom - Boca Raton, FL
Stanley Steemer of South Florida, Inc.
2085 S Congress Ave
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(561) 819-0339 (fax)

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Gellner Enterprises, LLC
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(407) 291-4717 (primary)

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Stanley Steemer of Lee County, Inc.
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(239) 939-5734 (fax)

White, Chester, Jr., Shirley & Jo - Inverness, FL
CC & SS, Inc.
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Inverness, FL 34451
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(352) 726-4646 (secondary)

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Double "S" Enterprises, Inc.

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(904) 724-9000 (primary)
(904) 724-9022 (fax)

Peters, John & Susan - Lakeland, FL
SIDO, Inc.

PO Box 5830
Lakeland, FL 33807
(863) 709-9400 (primary)

Martin, Guy & Martie Sylwestrak, Danny - Melbourne, FL
GMMTSS of Melbourne, Inc.

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Scalera, Tom - Miami and Fort Lauderdale, FL
Stanley Steemer of FLMA, Inc.

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Dania, FL 33004
(561) 994-0064 (primary)

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(239) 597-8104 (secondary)

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AAA Triple "S" Services, Inc.

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Gellner, Mark - Sarasota, FL
Stanley Steemer of Sarasota, LLC

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Coshow & Son, Inc.

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(904) 824-0849 (fax)

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CC & SS, Inc.

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(352) 726-4646 (secondary)

Bachman, Sarah & Bachman, Robert & Layman, Sue - West Palm Beach, FL

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(561) 586-0768 (fax)

Georgia

Campos, Mario - Albany and Valdosta, GA
Blue Field Services, Inc.

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(508) 833-8224 (secondary)

Quatela Group - Atlanta, GA
Stanley Steemer of Palm Beach County, Inc.

3730 Honeysuckle Ln
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(770) 451-3658 (fax)

Carson, Rick & Sharon - Augusta, GA
RC & SC Carpet Cleaning, LLC

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Kuehn, Joe Quatela Group - Macon, GA
Joseph, Daniel, Hamilton & Associates, Inc.

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Eonta Brothers, Inc.

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Hawaii

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Big Island Steemer, Inc.

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Kailua Kona, HI 96740
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Idaho

Kolar, Russ - Missoula, MT

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(406) 549-2083 (primary)

Illinois

Doone, Joseph - Champaign, IL
SSCI, Inc.

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(217) 359-1981 (secondary)

Butterbaugh, Heather & Eric - Marion, IL
ButterStudz Stanley Steemer, LLC
1750 Clark St
Carterville, IL 62918
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Kriewald, Gerald J. - Ottawa, IL
Kriewald Enterprises, LLC
1310 Columbus St
Ottawa, IL 61350
(815) 431-9940 (primary)

Hoagland, Mark - Peoria, IL
Hoagland Enterprises, Inc.
2601 W Altorfer Dr
Peoria, IL 61615
(309) 692-1990 (primary)

Kriewald, Gerald J. - Quincy, IL
Kriewald Enterprises, LLC
1934 W. Parkview Dr.
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(815) 431-9940 (secondary)

McCann, Paul & Paula - Rockford, IL
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Indiana

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(812) 473-5558 (secondary)

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J.D. Yeoman, Inc.
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(574) 753-6642 (secondary)

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Craig A. Bultemeier, Inc.
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Bartnick, Chris - Evansville, IN
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2311 N Green River Rd
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(812) 473-3610 (fax)

Stites, Scott & TrishiaHurt, Zach - Fort Wayne, IN
Yarnelle Enterprises, Inc.
2020 Stanley Steemer of Fort Wayne2020 Research Dr
Fort Wayne, IN 46808
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(260) 482-8663 (fax)

Yeoman, Daryl L. & Jane - Lafayette, IN
J.D. Yeoman, Inc.
8545 Logansport Rd
Peru, IN 46970
(800) 404-6642 (primary)
(574) 753-6642 (secondary)

Yeoman, Daryl L. & Jane - Logansport, IN
J.D. Yeoman, Inc.
8545 Logansport Rd
Peru, IN 46970
(800) 404-6642 (primary)
(574) 753-6642 (secondary)

Weiland, Tim & Sheila - Marion, IN
Weiland, Inc.
3496 West Delphi Pike
Marion, IN 46952
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(765) 384-4470 (secondary)
(765) 384-4471 (fax)

Dill, Steve & Sharon K. and Cochran, Jenny & Ron - Merrillville, IN
S&S Enterprises, Inc.
3480 E 83rd Pl
Merrillville, IN 46410
(800) STE-EMER (primary)
(219) 736-0301 (secondary)
(219) 736-9488 (fax)

Richardson, Scott & Sherry - Muncie, IN
Stanley Steemer of Muncie, LLC
3408 W Moore Rd
Muncie, IN 47304
(765) 282-6006 (primary)
(765) 282-6006 (fax)

Brown, Steve & Rhonda - Richmond, IN
Stanley Steemer of Richmond Indiana, Inc.
1906 Straightline Pike
Richmond, IN 47374
(765) 935-2123 (primary)
(765) 935-2738 (fax)

Dill, Steve & Sharon K. and Cochran, Jenny & Ron - South Bend, IN
S&S Enterprises, Inc.
903 St Jerome St
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(219) 736-0301 (secondary)
(219) 736-9488 (fax)

Dill, Steve & Sharon K. - South Bend, IN
S&S Enterprises, Inc.
3480 E. 83rd Place
Merrillville, IN 46410
(800) 783-3637 (primary)

DeOreo, Anthony - Terre Haute, IN
Stanley Steemer of Greater Terre Haute, Inc.
1203 N Mulberry
Terre Haute, IN 47807
(812) 232-5585 (primary)
(812) 234-4252 (fax)

Iowa

Brown, Steve & Rhonda – Cedar Rapids Gyuro, Bob - Des Moines, IA

SSDM, LLC 1155 SE 28th St
Stanley Steamer of Eastern Iowa, Inc.
3524 18th Ave SW
Cedar Rapids Grimes, IA 52404 50111
(319 515) 364-5052 223-5868 (primary)
(765) 935-2738 (fax)

Mitchell, Mike & Peggy Gyuro, Bob - Davenport, IA Quad City Stanley Steamer, Inc.

SSDM, LLC
5726 Oakbrook Rd
Davenport, IA 52806
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(563) 388-2097 (fax)

Gyuro, Bob - Des Moines, IA SSDM, LLC

1155 SE 28th St
Grimes, IA 50111
(515) 223-5868 (primary)
Johnson, Garcia - Sioux City, IA Garcia M. Johnson Best Cleaner's
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Sioux City, IA 51106
(909) 641-1492 (primary)

Gyuro, Bob - Waterloo, IA SSDM, LLC

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Kansas

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808 Lynn St
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(785) 862-8666 (secondary)

Baker, Mike - Wichita, KS CLK, Inc.

914 E Gilbert St, Ste 200
Wichita, KS 67211
(316) 686-3238 (primary)
(316) 264-3150 (fax)

Kentucky

Baker, Anita - Ashland, KY Baker & Baker, Inc.

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Perdue, Clarence - Elizabethtown, KY Duke & Cooper of Central KY, Inc.

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Burns, Kevin - London, KY Stanley Steamer of Southeastern Kentucky, Inc.

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Perdue, Clarence - Louisville, KY Duke & Cooper of Central KY, Inc.

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(502) 969-9493 (secondary)

Hurt, Zachary - Northern Kentucky

Hurt Enterprise, LLC
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(859) 800-8187 (secondary)

Butterbaugh, Heather & Eric - Paducah, KY Butter Studz Stanley Steamer, LLC

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(270) 443-0948 (secondary)

Pierce, Chris & Renee - Winchester, KY

Chris & Renee Pierce, LLC
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Winchester, KY 40391
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Louisiana

Eonta, Anthony & Eonta, Michael - Baton Rouge, LA Eonta Brothers III, Inc.

39369 Airline Plaza Pl
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(225) 752-1333 (secondary)

Byrd, Casey - Monroe, LA CRS Services Inc.

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Rinehart, Todd A. - New Orleans, LA

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Eonta, Anthony & Eonta, Michael - Shreveport, LA Eonta Brothers II, Inc.

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(318) 631-6655 (secondary)

Maine

Hanrahan, Kevin & Ketchel, Erica - Bangor, ME Stanley Steamer of Kennebec

499 Broadway #317
Bangor, ME 04401
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Brown, Christopher & Maria - Portland, ME

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Falmouth, ME 04105
(207) 878-0559 (primary)

Maryland

Self, Jim - Annapolis, MD Self Esteem, Inc.

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(410) 721-7070 (secondary)
(410) 721-5813 (fax)

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(410) 548-1170 (secondary)
(410) 548-1537 (fax)

Massachusetts

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(508) 833-9292 (secondary)

Campos, Mario - Springfield, MA Blue Field Services, Inc.

PO Box 592
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(413) 252-0070 (primary)
(508) 833-9292 (secondary)

Farrell, Brian, Jerry & Lisa - Worcester, MA Hot Springs Enterprises, Inc.

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Marlborough, MA 01752
(508) 792-3988 (primary)
(800) 884-5636 (fax)

Michigan

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(616) 878-7575 (primary)

Pucci, Greg - Grand Rapids, MI SSGL Holdings, Inc.

8225 Pfeiffer Farms Dr, # 500
Byron Center, MI 49315
(616) 878-7575 (primary)

Pucci, Greg - Kalamazoo, MI Michianna SS Holdings, Inc.

6598 Financial Pkwy
Kalamazoo, MI 49009
(616) 878-7575 (primary)

Pucci, GregGilbert, Garth - Lansing, MI 831Kim Drive

Michianna SS Holdings, Inc.
8225 Pfeiffer Farms Dr, # 500
Byron CenterMason, MI 4931548854
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Pucci, Greg - Muskegon, MI Michianna SS Holdings, Inc.

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King, Rich & Robin - Saginaw, MI King Enterprises, Inc.

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(989) 781-1630 (fax)

Niedzwiecki, Jesse - Traverse City, MI Northern Bear, Inc.

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(800) 338-9898 (primary)
(231) 276-6480 (secondary)
(231) 943-2330 (fax)

Minnesota

Kelley, Colleen - Duluth, MN CD arpet Cleaning, Inc.

383 40th St S
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(320) 253-1723 (primary)

Lewis, ChrisLashuk, Paul - Rochester, MN

Remlo Group, LLC
1928 32nd Ave NW, Bldg C
Rochester, MN 55901
(507) 513-1212 (primary)

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3835 40th St S
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2601-B Lexington Ave
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Missouri

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3240 Nash Rd
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DeanHurt, Phil & SusanZach - Columbia, MO Dean Enterprises, Inc.

3630**Lake of Ozarks LLC3630** Mojave Ct Ste 100
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(314) 770-9999 (secondary)

Davis, Gary - Joplin, MO GDavis Investments, Inc.

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**Hurt, Zachary - Lake of the Ozarks, MO
ELK Club LLC**

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(800) 783-3637 (primary)
(417) 881-4802 (secondary)

**Hurt, Zachary - Springfield, MO
ELK Club LLC**

Lake of Ozarks LLC 550 W Weaver Rd, Ste A
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(800) 783-3637 (primary)
(417) 881-4802 (secondary)

Montana

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3522 Brandon Way
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Nebraska

**Rogers, Kevin - Omaha, NE
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Nevada

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Brancole Enterprises, Inc.**
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Lopesco, Inc.**
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Mid Hudson Stanley Steamer LLC**
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Petrello Enterprise LLC**
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Ford Fam Productions, LLC**
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EST Trish, LLC**
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Sean Vann LLC**

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Laming Group, Inc.
Repeater, LLC
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T&S Davis Enterprises, LLC
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KCBL LLC
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Tonken Repeater, Inc. LLC
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Helman & Fender Enterprises LLC
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D'Andrea LLC
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BAR Group LLC
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EXHIBIT C
STANLEY STEEMER INTERNATIONAL, INC.
FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (this "Agreement") is made this ____ day of _____, 20__ (the "Effective Date"), by and between **STANLEY STEEMER INTERNATIONAL, INC.**, an Ohio corporation with its principal place of business at 5800 Innovation Drive, Dublin, Ohio 43016 (~~hereinafter referred to as "SSI"~~), and {FRANCHISE OWNER NAME} (~~hereinafter referred to as "Franchise Owner"~~).

RECITALS

WHEREAS, SSI owns the entire right, title and interest, together with all the goodwill connected therewith, in various trade secrets, and certain trademarks, names, logos and symbols and service marks, including the name and symbol of Stanley Steemer® (~~hereinafter referred to as the ("Stanley Steemer Trademarks")~~), which are used by SSI in identifying, advertising, promoting ~~and~~, marketing ~~and performing~~ certain cleaning, mitigation, restoration and related services ~~for various types of flooring and upholstery and water damage mitigation and restoration services (hereinafter referred to as the "under the Stanley Steemer Trademarks")~~name; and

WHEREAS, SSI has developed a unique business format and operating system for a business to offer ~~certain~~ such cleaning, mitigation, restoration and related services to residential and commercial customers for various types of systems and surfaces found in indoor environments, including uniform brand standards, and specifications and procedures of operation, management, and quality and uniformity of relating to products used and services offered (hereinafter referred to as to be offered and sold under the Stanley Steemer name (collectively, "Brand Standards"), together with uniform procedures of implementation, operation and management of the Stanley Steemer Business, all designed to ensure a consistent high quality and public image and reputation associated with the Stanley Steemer Trademarks (the "Stanley Steemer System"); and

WHEREAS, the Brand Standards, the Stanley Steemer Manuals (as defined herein) and the Stanley Steemer System may be updated, modified and revised, in whole or in part, in SSI's sole discretion, and Franchise Owner and its Stanley Steemer Business will be subject to those updates, modifications and revisions.

WHEREAS, neither the Brand Standards, nor the Stanley Steemer System give SSI any right or obligation to control or supervise Franchise Owner's day-to-day employment, personnel management, or staffing practice; and

WHEREAS, SSI is the owner of certain proprietary designs and technology for the manufacture and design of cleaning and restoration equipment, machines, platforms and the like, including, without limitation, the Stanley Steemer Carpet Cleaning Machine and Stanley Steemer Steemervac™ Air Duct Cleaning Machine (hereinafter referred to as the "Stanley Steemer Cleaning Platforms") as well as trademarks offered under the Stanley Steemer Trademarks and used in connection with such equipment, machines and platforms and the like, all of which constitute Confidential Information and proprietary assets of SSI; and

WHEREAS, SSI is engaged in the business of designing and manufacturing certain proprietary equipment, machines and platforms, including the without limitation, the Stanley Steemer Cleaning Platforms, and granting franchises to own and operate a Stanley Steemer cleaning and restoration businessesBusiness, and to use the ~~aforementioned trade secrets, trademarks, service marks, names, logos and symbols,~~Stanley Steemer Trademarks and the Stanley Steemer System in such ~~businesses~~business; and

WHEREAS, Franchise Owner desires to obtain the exclusiveright and franchise, which include a limited non-exclusive license to use certain SSI intellectual property and Stanley Steemer Trademarks, and the Stanley System, to operate a Stanley Steemer cleaning, mitigation and restoration business, (hereinafter referred to as the "Stanley Steemer Business") in the area described in Exhibit A to this Agreement (hereinafter referred to as "Franchise Owner's Area"); subject to the terms and conditions in this Agreement, ancillary agreements related to this Agreement and SSI's reserved rights as set forth herein; and

WHEREAS, Franchise Owner acknowledges and warrants that it has conducted an independent investigation of the franchise opportunity, has not relied on any financial performance representations or other promises or statements except those contained in the Franchise Disclosure Document provided to Franchise Owner by SSI (the "FDD") and this Agreement, and is not relying upon any other statement or inducement in entering into this Agreement, including any oral statements, estimates, projections, or information provided by SSI or its representatives, and Franchise Owner expressly disclaims reliance on any such materials and statements. To the extent any applicable state franchise law prohibits or limits disclaimers of reliance on

representations made by SSI outside of this Agreement or made in the FDD, this Recital shall be modified to the minimum extent necessary to comply with such law.

[AGREEMENT CONTINUES ON NEXT PAGE]

AGREEMENT

NOW, THEREFORE, IN CONSIDERATION OF THE FOLLOWING AND THE PREMISES HEREINAFTER SET FORTH, THE PARTIES FRANCHISE OWNER AND SSI HEREBY AGREE AS FOLLOWS:

ARTICLE I: GRANT AND TERM

Franchise and License Grant; Territorial Exclusivity.

1. ~~SSI hereby grants to Franchise Owner the exclusive license, subject and~~ **License Grant; Opening Date.** Subject to SSI's reservation of rights set forth in Article V, Section E of this Agreement, SSI hereby grants to Franchise Owner the right and franchise, which includes a limited non-exclusive license to use certain SSI intellectual property solely as provided in this Agreement, to own and operate the Stanley Steemer Business for a term of ten (10) years from the date of this Agreement commencing on the Effective Date in Franchise Owner's Area and to use the Stanley Steemer Trademarks, the Stanley Steemer System (including the Brand Standards and any modifications, updates, or improvements thereto made by SSI from time to time in its commercially reasonable discretion) and the rights enumerated herein solely in at the operation of the Stanley Steemer Business in that area Franchise Owner's Area, and in no other manner. Operation of Franchise Owner's Stanley Steemer Business shall have begun within three (3) months after the date of this Agreement Effective Date and shall thereafter be operated continuously on a continuous basis (except for temporary closures due to causes beyond Franchise Owner's reasonable control or as otherwise permitted herein) in accordance with the terms of this Agreement.
2. **Territorial Exclusivity.** Franchise Owner acknowledges that the Stanley Steemer System is designed to operate on the basis that each Stanely Steemer franchise owner, including Franchise Owner or SSI where appropriate, is assigned a specific exclusive geographical area ~~within which each must utilize its best efforts to develop and service,~~ subject to rights retained by SSI in such area and limitations set forth in the applicable franchise agreement, within which such owner operates a Stanley Steemer Business and utilizes commercially reasonable efforts to promote and develop the market for each such Stanley Steemer Business in accordance with the standards established by SSI and Brand Standards as set forth in the Stanley Steemer Manuals (as defined in Article III, Section C.2); and that such exclusive territories. Franchise Owner further acknowledges and agrees that the size, location, population and other characteristics of Franchise Owner's Area are reasonable and ~~necessary to maximize the ability of each Stanley Steemer franchise owner to effectively~~ sufficient to compete with its competitors in the floor a substantially similar cleaning and water, mitigation and restoration business. Therefore, the license granted herein is specifically limited to the right to operate the Stanley Steemer Business within Franchise Owner's Owner's Area.
3. **Office Location.** Franchise Owner shall operate the Stanley Steemer Business from an office located within Franchise ~~Owner's~~ Owner's Area and shall not service customer locations outside of Franchise Owner's Area without the express written consent of SSI ~~that, which consent may be withheld or conditioned for any reason and,~~ if given, may subsequently be revoked at any time ~~for any reason~~ in its commercially reasonable discretion. Franchise Owner shall refer requests to service customer locations outside of Franchise Owner's Area to other Stanley Steemer franchise owners or to SSI in accordance with procedures established by SSI from time to time.
4. **Service Categories and Active Service Categories.** Franchise Owner is authorized to sell only those products and services that fall within the specific Service Category (defined in Section B of this Article I) approved by SSI and identified on Exhibit A of this Agreement. Franchise Owner's performance of any service not included in a Service Category identified in Exhibit A is not permitted. Franchise Owner acknowledges that the rights granted to Franchise Owner with respect to each Service Category identified in Exhibit A are conditioned on Franchise Owner's continued operation of each such Service Category as "Active" (defined in Section B below)

The standards and conditions that must be satisfied and met for a Service Category to be deemed "Active" are set forth in Section B of this Article I; provided, however, additional standards and conditions may be established by SSI and existing standards and conditions may be modified, changed, or revoked by SSI, in whole or in part, from time to time in SSI's sole discretion. If Franchise Owner fails to maintain a Service Category as Active, SSI may, in

accordance with Article I, Section B.3, authorize another party to offer such Service Category within Franchise Owner's Area without terminating this Agreement. In such event, Franchise Owner shall have no claim for encroachment, territorial infringement, or any other claim or remedy in connection therewith.

Subject to rights that are reserved by SSI in this Agreement and SSI's rights with respect to an Authorized Provider (as defined herein) as long as Franchise Owner maintains Active status for each Service Category identified on Exhibit A of this Agreement, Franchise Owner shall have exclusive territorial rights within Franchise Owner's Area for each such Service Category until the earlier of (i) the failure of Franchise Owner to maintain Active status for the Service Category, (ii) the appointment of an Authorized Provider, (iii) the termination of this Agreement, and (iii) the expiration of this Agreement.

5. **Integrated Technology Systems.** SSI may operate or maintain an electronic, telephonic or Internet based system for scheduling Stanley Steemer services with customers (referred to herein as "Integrated Technology System". The receipt, routing, or allocation of customers inquiries or digital bookings through the Integrated Technology Systems shall not constitute a breach of Franchise Owner's territorial rights herein and such system (or any additional or replacement system) may be administered, suspended or terminated by SSI in its sole discretion; provided, however, that SSI shall use commercially reasonable efforts to route customer inquiries made using the Integrated Technology System and originating within Franchise Owner's Area to Franchise Owner as the primary service provider for such Area, and further provided that SSI may adopt, modify, or discontinue such routing or allocation processes at any time.

B. Service Category Exclusivity.

1. **Mandatory Service Categories.** For purposes of this Agreement, "Service Category" (or if more than one, "Service Categories") means any category or type of cleaning, restoration, mitigation, or related services that SSI designates as part of the Stanley Steemer System, and which are set forth in Exhibit A of this Agreement and as may be modified from time to time in accordance with this Agreement. All Service Categories designated in Exhibit A are mandatory. Franchise Owner is required to offer and provide all such Service Categories throughout the term of this Agreement.

2. **Active Service Categories.** Franchise Owner's territorial rights under Section A apply only to those Service Categories that Franchise Owner is offering and providing in accordance with this Agreement and the Stanley Steemer System. A Service Category is "Active" if Franchise Owner (a) has received the required training and has been provided with (or has acquired in accordance with SSI specifications) the necessary equipment, technology, and materials required to provide the services included within the Service Category; (b) has received the applicable Brand Standards for such Service Category; and (c) is marketing, offering and providing such Service Category to customers within Franchise Owner's Area on a consistent and ongoing basis in accordance with this Agreement and the Stanley Steemer System ((each an "Active Service Category", and if more than one, "Active Service Categories").

3. **Authorized Provider Authorization.** If Franchise Owner fails to maintain a Service Category designated in Exhibit A as an Active Service Category, SSI may, in its sole discretion and as an alternative to termination of this Agreement under Article XIII, authorize another franchisee, SSI company-owned operation, or other party designated by SSI (each, the "Authorized Provider"), to offer and provide such Service Category within Franchise Owner's Area, as follows:

- (i) **Notice and Cure.** SSI shall provide written notice to Franchise Owner identifying the Service Category at issue and the basis for SSI's determination that Franchise Owner has not met its obligation to maintain the Service Category as Active. Franchise Owner shall have sixty (60) days from receipt of such notice to cure the deficiency by commencing provision of the Service Category in accordance with the Brand Standards. If Franchise Owner does not cure within such period by obtaining Active status of the Service Category at issue, SSI may proceed with the authorization of an Authorized Provider to provide the applicable Service Category. Franchise Owner acknowledges and agrees that SSI has sole discretion in appointing and terminating an Authorized Provider.

- (ii) **Effect of Authorization.** Upon SSI's authorization of an Authorized Provider:

- a. Franchise Owner's exclusive territorial rights, to the extent exclusive under this Agreement, for the affected Service Category shall be suspended for so long as the authorization remains in effect (the "Authorization Period");

- b. Franchise Owner shall have no claim against SSI, the Authorized Provider, or any other party for encroachment, territorial infringement, lost profits, diminution in franchise value, or any other damages arising from the Authorized Provider's provision of such Service Category within the Franchise Owner's Area; and
- c. SSI's authorization of an Authorized Provider shall not constitute a constructive termination, modification, or impairment of this Agreement, and all other terms and conditions of this Agreement (including Franchise Owner's territorial rights for all other Active Service Categories) shall remain in full force and effect).
- d. **Customer Inquiry Routing.** During the Authorization Period, SSI shall route customer inquiries received through the Integrated Technology Systems for the affected Service Category to the Authorized Provider. If Franchise Owner receives a customer inquiry directly — whether by telephone, email, website submission, or otherwise — for services within the affected Service Category during the Authorization Period, Franchise Owner shall promptly refer such inquiry to the Authorized Provider or to SSI for routing to the Authorized Provider. Franchise Owner shall not perform services within the affected Service Category during the Authorization Period except with the prior written consent of SSI. Customer inquiries for Service Categories that remain Active with Franchise Owner shall continue to be routed to Franchise Owner without interruption.
- (iii) **Retained Obligations.** During the Authorization Period, Franchise Owner shall continue to accept and fulfill customer requests for such Service Category when received directly by Franchise Owner. Franchise Owner's obligations to maintain equipment, training, and operational readiness for the affected Service Category shall be suspended during such period unless and until exclusivity is reinstated.
- (iv) **Reinstatement.** Franchise Owner may request reinstatement of exclusivity for a Service Category that has been subject to authorization under Section B.3 by providing written notice to SSI demonstrating that Franchise Owner has the capability and intention to offer and provide such Service Category on a sustained and Active basis. SSI may, in its commercially reasonable discretion, approve or deny any reinstatement request, considering factors including: (a) whether an Authorized Provider is currently providing the Service Category within the Area and the scope and duration of the Authorized Provider's operations; (b) the impact on customers currently being served by the Authorized Provider; (c) Franchise Owner's demonstrated readiness and commitment to sustain the Service Category as Active; and (d) the overall interests of the Stanley Steemer System. SSI's determination shall be final, subject to the dispute resolution process set forth in Article XVI. If reinstatement is granted, the terms and conditions of reinstatement (including any transition period required by SSI as a condition of reinstatement) shall be as agreed by SSI and Franchise Owner, and if applicable or appropriate, the Authorized Provider, in writing, or if absent such an agreement, as determined by SSI in its commercially reasonable discretion. Upon reinstatement of Franchise Owner's exclusive territorial rights for the affected Service Category, the Authorized Provider's authorization to provide such Service Category within Franchise Owner's Area shall terminate, and the Authorized Provider shall have no continuing right to solicit, service, or accept customers within Franchise Owner's Area for the reinstated Service Category. SSI shall direct the Authorized Provider to cease operations for the affected Service Category within Franchise Owner's Area within thirty (30) days of the effective date of reinstatement and shall resume routing customer inquiries for such Service Category to Franchise Owner through the Integrated Technology Systems. For avoidance of doubt, reinstatement restores Franchise Owner's exclusive territorial rights for the affected Service Category in full, without reservation, carve-out, or continuing obligation to the Authorized Provider.
- (v) **Voluntary Relinquishment.** Franchise Owner may at any time, with SSI's prior written consent, voluntarily relinquish a Service Category by written notice to SSI. Franchise Owner shall continue to provide services in such Service Category until SSI provides written notice of SSI's determination concerning the requested relinquishment. Upon SSI's acceptance of such relinquishment: (a) Franchise Owner's obligation to offer and provide such Service Category shall terminate; (b) the Service Category shall be removed from Franchise Owner's Exhibit A designations; (c) SSI may authorize another party to provide such Service Category within Franchise Owner's Area without limitation; and (d) such relinquishment shall not constitute a default under this Agreement. SSI's consent to voluntary relinquishment shall not be unreasonably withheld if Franchise Owner has been

subject to Authorized Provider Authorization for such Service Category for a continuous period of twelve (12) months or more.

- (vi) **Relationship to Termination Rights.** Nothing in this Section B limits SSI's right to terminate this Agreement under Article XIII for Franchise Owner's failure to offer or provide any Service Category, including any Service Category designated as an Essential Service Category under Article III, Section D. SSI's election to pursue Authorized Provider authorization does not waive SSI's right to termination for the same or any other breach of this Agreement.
- (vii) **Compliance with Applicable Law.** To the extent any provision of this Section B conflicts with mandatory protections under applicable state franchise law, such state law shall control, and this Section B shall be modified to the minimum extent necessary to comply with such law.
- (viii) **Partial Service Category Grants.** SSI may, at the time of the franchise grant hereunder, or in connection with its approval of a transfer under Article XII or in connection with a renewal of this Agreement under Article XI, designate in the applicable Exhibit A that one or more Service Categories are excluded from Franchise Owner's grant ("Excluded Service Categories"). Excluded Service Categories shall be identified by name in Section F of Exhibit A. Where Excluded Service Categories exist: (a) Franchise Owner's mandatory offering obligation under Section B.1 does not apply to the Excluded Service Categories; (b) Franchise Owner's territorial rights under Article I, Section A do not extend to the Excluded Service Categories; (c) SSI may at any time authorize another franchisee(s), SSI company-owned operation(s), or other party(ies) to offer the Excluded Service Categories within Franchise Owner's Area without such authorization constituting an encroachment or breach of this Agreement; and (d) SSI shall have no obligation to transition Excluded Service Category rights to Franchise Owner unless SSI determines, in its sole discretion, that such transition is operationally appropriate. Franchise Owner acknowledges that the presence of Excluded Service Categories in its Exhibit A is a material term of this Agreement and that Franchise Owner has had the opportunity to review, negotiate and approve prior to execution of this Agreement, which Service Categories and which Excluded Service Categories apply to Franchise Owner's grant by SSI of the right and franchise to operate a Stanley Steemer Business. Further, Franchise Owner acknowledges and agrees that upon transfer under Article XII and upon renewal under Article XI the Excluded Service Categories shall remain unchanged and (x) transferee shall have no right to provide such Excluded Service Categories upon transfer, and (y) Franchise Owner shall have no right to provide such Excluded Service Categories upon renewal of this Agreement, if any; and (z) SSI's consent to transfer or renewal shall not be deemed approval of transferee's or Franchise Owner to provide the applicable Excluded Service Categories.

ARTICLE II:

LICENSE FEE AND ROYALTY PAYMENTS

In consideration for the license and franchise granted in Article I herein, Franchise Owner agrees to pay to Stanley Steemer the following:

- A. **License Fee.** Franchise Owner shall pay SSI upon execution of this Agreement the initial license fee set forth in Exhibit A attached hereto which shall be payable in the manner set forth in Exhibit A. The initial license fee is not refundable; and Franchise Owner acknowledges and warrants that such fee represents payment solely for the rights and license granted under this Agreement and not for any expectation of profitability, revenues, or performance and Franchise Owner expressly disclaims reliance on any oral or written financial performance representations, forecasts, estimates, pro formas, or inducements not expressly contained in the FDD or in this Agreement, to the maximum extent permitted by applicable franchise law.
- B. **Monthly Royalty Payments.** Franchise Owner agrees to pay SSI (1) a monthly royalty payment equal to seven percent (7%) of the Gross Sales from Franchise Owner's Stanley Steemer Business derived from its Core Business, and (2) a monthly royalty payment equal to three percent (3%) of the Gross Sales from Franchise Owner's Stanley Steemer Business derived from its Related Business~~;~~, regardless of the source of such Gross Sales or the channel through which such Gross Sales were generated, including but not limited to digital platforms, lead generation systems, centralized booking systems, or any portion of the Integrated Technology Systems.
- C. **Gross Sales.** For the purposes of this Agreement and the calculation of the royalty to be paid hereunder, the term "Gross Sales" shall mean ~~(1) the amount of all sums charged (regardless of collection) (a) for all~~

~~products sold or services provided~~ total of all revenue, receipts, and value received by Franchise Owner in connection with or related to Franchise Owner's Stanley Steemer Business—directly or indirectly— (whether for from cash or on a charge, check, credit or time basis, barter, or any other source), without reserve or deduction for inability or failure to collect;—, whether such revenue is generated directly by Franchise Owner or is received or routed through the Integrated Technology Systems.

1. Inclusions. The term "Gross Sales" shall include, without limitation, all revenue derived from:

- (a) for all products sold or services provided by Franchise Owner or on Franchise Owner's behalf in connection with or related to Franchise Owner's Stanley Steemer Business—directly or indirectly—whether for cash or on a charge, credit or time basis, without reserve or deduction for inability or failure to collect; and
- (b) ~~—(b)—~~ from all other activities of every type and description ~~done~~ performed by Franchise Owner or ~~any person employed by them~~ on Franchise Owner's behalf, under the name Stanley Steemer, or in connection with or related to any of the Stanley Steemer Trademarks; and
- (c) ~~—(c)—~~ from any cleaning, water or other mitigation or, and restoration services of all types and descriptions performed by Franchise Owner or ~~any person employed by them~~ on behalf of Franchise Owner whether or not the Stanley Steemer name and/or the Stanley Steemer Trademarks are used; and
~~(2) the fair market value of all goods and services received in exchange for products or services provided by Franchise Owner in connection with or related to Franchise Owner's Stanley Steemer Business. Provided, however, Gross Sales shall not include~~
~~(i) the amount of overcharges, refunds, allowances or discounts to customers (including discounts attributable to coupon sales);~~
- (d) any and all payments, rebates, or reimbursements received by Franchise Owner from third-party coupon providers, lead aggregators, insurance carriers, or any similar sources related to services performed or sales made by the Stanley Steemer Business; and
- (e) the fair market value of all goods and services received in exchange for products or services provided by Franchise Owner or on Franchise Owner's behalf in connection with or related to Franchise Owner's Stanley Steemer Business. For purposes of this Section, "fair market value" shall be the price Franchise Owner would ordinarily charge for such goods or services in a cash transaction; in the absence of an ordinary price, the value shall be as reasonably determined by SSI, whether such revenue is generated directly or indirectly by Franchise Owner or is received or routed through the Integrated Technology Systems; and
- (f) for any anticipated barter or non-cash exchange transaction in which the fair market value of the goods or services provided by Franchise Owner is reasonably expected to exceed Five Thousand Dollars (\$5,000), Franchise Owner may request SSI's pre-approval of the fair market value calculation. Such request must be submitted in writing and include a description of the transaction, the products and services to be provided, the non-cash consideration to be received, and Franchise Owner's proposed fair market value calculation. If SSI approves the proposed valuation in writing prior to the transaction, such approved valuation shall be binding on both SSI and Franchise Owner for purposes of Gross Sales reporting for that transaction. If Franchise Owner does not seek pre-approval, or if the actual transaction materially differs from the described transaction, SSI retains the right to determine fair market value pursuant to Section II.C.1(c).

2. Exclusions. The term "Gross Sales" shall not include (and may be deducted if previously included):

- (a) the amount of overcharges, refunds or bona fide discounts to customers (including discounts attributable to coupon sales);
- (b) ~~—(ii)—~~ the amount of any excise or sales tax levied upon retail sales of goods and services and collected on behalf of, and payable over to, the appropriate governmental authorities; and ~~(iii) isolated sales of non-inventory items or the bulk sale of the business itself.~~

(c) isolated sales of non-inventory items or the bulk sale of the business itself.

3. ~~1.~~ **Core Business Defined.** For the purposes of this Agreement and the calculation of the royalty to be paid hereunder, the term "Core Business" shall mean all cleaning, enhancement, installation, maintenance, mitigation, remediation, repair and restoration services of any type or description not specifically defined or designated as "Related Business" herein including, but not limited to, services related to floors, walls, ceilings, counters, furniture, soft goods, textiles, fabrics, rugs, upholstery, ductwork, HVAC and other mechanical systems. Core Business shall expressly include the application of protective coatings, deodorizers, sanitizers and disinfectants; janitorial and housekeeping services; pressure washing services; the cleaning, maintenance, repair and restoration hard surfaces, including exterior concrete and natural stone; the sale, installation, repair, maintenance and cleaning of air ducts, HVAC systems and related items—including clean air enhancement and ventilation services; any extraction, mitigation, remediation and restoration services associated with fire, smoke, mold, flood or water damage—including services paid for by insurance; the sale of any item for the care, cleaning or maintenance of any type of floors, walls, ceilings, counters, furniture, soft goods, textiles, fabrics, rugs, upholstery, ductwork, HVAC and other mechanical systems including, but not limited to, Stanley Steemer Professional Carpet Spot Remover, Stanley Steemer Odor Out, UV lighting systems, interior/exterior matting systems and carpet rakes.

4. ~~2.~~ **Related Business Defined.** For the purposes of this Agreement and the calculation of the royalty to be paid hereunder, the term "Related Business" shall mean certain services designated by SSI which include: the sale, installation and repair of all types of flooring; subcontracted services outside of the Core Business as defined herein; Reconstruction Services (as defined below); and such other services as SSI may designate in the Stanley Steemer Manuals during the term of this Agreement.

5. ~~a.~~ **Reconstruction Services Defined.** For purposes of this Agreement, "Reconstruction Services" means any construction services rendered in connection with, incidental to or as the result of fire, smoke, mold, flood or water damage and shall expressly include electrical services; plumbing services; carpentry services; roofing services; drywall and plaster; painting; wallpapering; cosmetic restoration; and structural repairs. This definition does not and is not intended to include demolition, tear-out or any post-construction cleaning services in the nature of Core Business.

D. **Payment Due.** The monthly royalty payments shall be due and payable without invoice or other notice from SSI on the 15th day of the month following the month for which payment is due, and Franchise Owner acknowledges that timely payment is an essential obligation under this Agreement and an independent covenant not contingent on any act, omission, or performance by SSI.

E. **Minimum Annual Royalty.** The Minimum Annual Royalty Schedule is set forth in Exhibit A. For purposes of this Agreement, each Minimum Annual Royalty Year shall be defined by the time period covered as indicated in the table included in Exhibit A. During each Minimum Annual Royalty Year, Franchise Owner must pay to SSI a total amount of monthly royalty payments (payable by Franchise Owner pursuant to Article II, Section B) equal to or greater than the applicable amount of Minimum Annual Royalty for such Minimum Annual Royalty Year as set forth in ~~the table below. In the event that the total amount of monthly royalty payments paid to SSI by Franchise Owner during a Minimum Annual Royalty Year is equal to or greater than the applicable Minimum Annual Royalty set forth in the table below for such Minimum Annual Royalty Year, then Franchise Owner shall not be required to make an additional payment attributable to such Minimum Annual Royalty Year. However, in the~~ Exhibit A. In the event that the total amount of monthly royalty payments paid to SSI by Franchise Owner during a Minimum Annual Royalty Year is less than the applicable Minimum Annual Royalty set forth in the table below for such Minimum Annual Royalty Year, then, within thirty (30) days following the end of such Minimum Annual Royalty Year, Franchise Owner shall be required to pay to SSI, without demand, an amount of money equal to the difference between the total amount of monthly royalty payments paid during that Minimum Annual Royalty Year and the applicable Minimum Annual Royalty.

1. **Acknowledgment.** Franchise Owner acknowledges, represents and warrants that the Minimum Annual Royalty is a material term of this Agreement and represents a reasonable and necessary payment for the value of the territory and franchise rights granted herein, independent of Franchise Owner's performance. Franchise Owner further warrants that it has conducted its own independent analysis of the business risks and has not relied on any representation, projection, "pro forma," or guarantee from SSI or its affiliates concerning the Gross Sales or profits required to achieve or exceed this Minimum Annual Royalty and Franchise Owner expressly disclaims reliance on

any oral or written information not contained in the FDD or this Agreement, to the extent such warranty and disclaimer by Franchise Owner is permitted under applicable franchise law.

2. **Force Majeure Deferral.** Notwithstanding Section E.1 above and Article XVIII, Section O, if a Force Majeure Event (as defined in Article XVIII, Section O) affects Franchise Owner's Area for sixty (60) or more consecutive days during any Minimum Annual Royalty Year and Franchise Owner's Gross Sales during the period of the Force Majeure Event decline by thirty percent (30%) or more compared to the same period in the immediately preceding Minimum Annual Royalty Year (or, if no prior year exists, compared to the annualized Gross Sales for the period of operation preceding the Force Majeure Event), then Franchise Owner may request a deferral of the Minimum Annual Royalty shortfall payment for such Minimum Annual Royalty Year. Such request must be submitted in writing within fifteen (15) days after the end of the affected Minimum Annual Royalty Year and must include documentation of the Force Majeure Event and its impact on Franchise Owner's operations. If SSI approves the deferral (which approval shall not be unreasonably withheld if Franchise Owner demonstrates the qualifying conditions), the Minimum Annual Royalty shortfall payment shall be deferred for ninety (90) days from the original due date, after which it shall be due and payable in full. Interest shall not accrue during the deferral period. For avoidance of doubt: (a) this Section does not waive, reduce, or forgive any portion of the Minimum Annual Royalty; (b) this Section applies only to the Minimum Annual Royalty shortfall payment, not to monthly royalty payments, which remain due as incurred; (c) SSI may grant only one deferral per Minimum Annual Royalty Year; and (d) if Franchise Owner fails to pay the deferred amount in full by the end of the deferral period, such failure shall constitute a default under Article XIII.
- F. **Late Payment.** Any payment that is not received by SSI on the date such payment is due shall bear interest at the lesser of eighteen percent (18%) per annum or the maximum amount allowed under applicable law (the "Default Rate") from the date that payment is due until the date that payment in finally collectable funds is received by SSI, and such interest shall accrue automatically without notice or demand.
- G. **Costs of Collection.** In addition, Franchise Owner agrees to reimburse SSI for all costs of collection, including attorney's fees, of any amounts due ~~and~~but not timely paid under this Agreement.
- H. **Application of Payments.** Notwithstanding any designation by Franchise Owner to the contrary, SSI shall have the sole discretion to apply any payments by Franchise Owner to any past due indebtedness for royalty and national advertising fees, purchases from SSI, interest or any other indebtedness of Franchise Owner, and SSI's application of payments shall be final.
- I. **Funds Transfers.** SSI hereby reserves its right to establish at any time a requirement that Franchise Owner make all payments to SSI by electronic funds transfer, including, if applicable, the right of SSI to itself initiate such transfers, and Franchise Owner hereby agrees promptly to comply with any request by SSI related to the establishment of payments by electronic funds transfers- including any reasonable documentation or account authorization required to effectuate such transfers, and Franchise Owner hereby authorizes SSI to initiate debits for all amounts due under this Agreement and any other agreement by and between Franchise Owner and SSI or its affiliates.
- ~~J. **Best Efforts.** Franchise Owner and its owners, officers and managers shall devote their full-time energy and best efforts to the management and operation of Franchise Owner's Stanley Steemer Business. Franchise Owner shall at all times utilize its best efforts to promote, maintain and increase its sales within Franchise Owner's Area. In this regard, Franchise Owner shall be deemed to be in violation of its obligations to use such best efforts if (1) Franchise Owner fails for any period of two (2) successive Minimum Annual Royalty Years to generate an amount of Gross Sales during the full calendar year that requires payment by Franchise Owner of a total amount of monthly royalty payments that are equal to or greater than the applicable Minimum Annual Royalty for the Minimum Annual Royalty Year; or (2) Franchise Owner fails to fully comply, on an ongoing basis, with Franchise Owner's obligations related to advertising as provided by Article VI, Section A and Article VI, Section B.~~
- J. **Territory Development.** Franchise Owner shall aggressively promote and develop the market for Stanley Steemer services within Franchise Owner's Area, including commercially reasonable efforts to maximize sales and achieve market penetration for all products and services offered under the Stanley Steemer System, and shall ensure that customers in Franchise Owner's Area receive service(s) consistent with the Brand Standards (including, without limitation, standards regarding timely responses to customers and potential customers, and for maintaining a professional public image) set

forth in the Stanley Steemer Manuals or as otherwise provided by SSI in writing to Franchise Owner, which may include email communication or internet platforms..

K. **Fee Treatment During Authorized Provider Authorization.** In the event SSI invokes its right to authorize an Authorized Provider pursuant to Article I, Section B.3:

1. Franchise Owner's obligation to pay royalties under Section B hereof on all Gross Sales shall continue without abatement, reduction, or offset during and after any Authorization Period, notwithstanding any reduction in Franchise Owner's Gross Sales attributable to the authorization of an Authorized Provider for the affected Service Category. To the extent Franchise Owner performs any services within the affected Service Category during the Authorization Period with SSI's prior written consent pursuant to Article I, Section B.3(ii)(d), all Gross Sales from such services shall be included in Franchise Owner's royalty calculation. Gross Sales generated by the Authorized Provider within Franchise Owner's Area are not attributable to Franchise Owner and are excluded from Franchise Owner's royalty calculation pursuant to Section K.5 below.
2. Franchise Owner's obligation to pay Technology Fees pursuant to Article III, Section T, the Technology Systems Access Agreement, as may be amended or modified from time to time, and any other technology related agreement between SSI and Franchise Owner shall continue without abatement, reduction, or offset during any period of Authorized Provider Authorization; provided, however, that to the extent any Required Component under the Technology Systems Access Agreement is used solely and exclusively in connection with the affected Service Category and has no material utility for Franchise Owner's remaining Active Service Categories, Franchise Owner may request that SSI suspend the applicable fee for such Required Component for the duration of the Authorization Period. SSI shall evaluate such request in good faith and shall not unreasonably withhold approval. For avoidance of doubt, this provision applies only to fees for discrete Required Components dedicated exclusively to the affected Service Category and does not apply to platform-wide, shared, or multi-category components of the Integrated Technology Systems.
3. Franchise Owner's obligation to contribute to the national advertising fund under Article VI, Section B.3 and to meet the advertising expenditure requirements under Article VI, Section B.1 shall continue without abatement, reduction, or offset during any Authorization Period.
4. Except as expressly provided in Section K.2 above, Franchise Owner shall not be entitled to any credit, offset, reduction, refund, or abatement of any fee, royalty, or contribution due under this Agreement by reason of Authorized Provider Authorization, the presence of an Authorized Provider offering the affected Service Category in the Area, or any reduction in Gross Sales attributable thereto.
5. For avoidance of doubt, if an Authorized Provider authorized by SSI pursuant to Article I, Section B.3 generates Gross Sales within Franchise Owner's Area for the affected Service Category, such Gross Sales are not attributable to Franchise Owner and shall not be included in the calculation of Franchise Owner's royalty or other fee obligations.

L. **Consumer Price Index.** Notwithstanding anything to the contrary contained in this Agreement, all fees, costs, charges, contributions and dollar amounts (collectively, "Fees and Costs") referred to in this Agreement may be increased periodically by SSI once during each calendar year to reflect increases in the Metropolitan Area Consumer Price Index for Urban Consumers – All Items ("CPI"), as published by the U.S. Department of Labor, or a successor or substantially similar index.

1. Fees and Costs does not include amounts that are (a) charged to franchisees by third parties, (b) collected by SSI from franchisees on behalf of third parties, or (c) amounts charged to or otherwise incurred by SSI from third parties in connection with Franchise Owner's Stanley Steemer Business or the performance of Franchise Owner's obligations to SSI, including without limitation, costs related to shipping, handling, delivery, and associated surcharges.
2. Fees and Costs set forth in any current or future agreement you have with SSI other than this Agreement (the "Additional Agreement") may be increased by the greater of (1) the amount and frequency of increase described in the applicable Additional Agreement, and (2) the CPI increase described above.
3. CPI increases to Fees and Costs will be communicated to you in the Stanley Steemer Manuals or otherwise in writing (including any email communications and Internet-based platforms that allow for communication among franchisees and/or SSI and franchisees). SSI will endeavor to provide you a minimum of thirty (30) days prior written notice before instituting the increases in Fees and Costs.

ARTICLE III: FRANCHISE OWNER'S DUTIES

- A. **Maintain the Stanley Steemer Image.** Franchise Owner understands that it is essential to the success of its Stanley Steemer Business and to the protection of the Stanley Steemer System, the Stanley Steemer Trademarks, and the goodwill associated therewith that the unique qualities of ~~SSI's~~ the Stanley Steemer image and services be maintained. Franchise Owner further recognizes the substantial value of the goodwill resulting from those unique qualities. Franchise Owner further understands that those unique qualities can only be maintained by adhering strictly to the Stanley Steemer System, ~~SSI's approved methods of cleaning,~~ including the use of the proprietary Stanley Steemer Cleaning Platforms, products designed and/or approved for use with the Stanley Steemer Cleaning Platforms, and the cleaning methodologies necessary to achieve the Brand Standards and comply with the Stanley Steemer System; and by conforming to the Stanley Steemer System and SSI's specifications as to services provided, products, ~~methods,~~ machinery, equipment, supplies, vehicles, signs, uniforms, ~~customer relations and conduct of business operations~~ and customer-facing Brand Standards for professionalism and public image. Franchise Owner further understands that the foregoing has created expectations upon which customers of SSI, Franchise Owner and other ~~franchise owners~~ franchisees rely.
- B. **Change.** Franchise Owner further understands and agrees that it is essential to the success of Franchise Owner's Stanley Steemer Business and to the Stanley Steemer System that uniform changes be made from time to time with the cleaning machines, cleaning products, cleaning methods, vehicles, signs, uniforms, services provided and all other elements of the Stanley Steemer System in order to assure that both SSI and its franchise owners can effectively compete with other businesses—, and Franchise Owner shall promptly adopt and implement all such changes that SSI mandates on a systemwide basis in accordance with this Agreement and the Stanley Steemer Manuals. Failure to implement any such mandatory changes within the applicable cure period shall constitute a material default under this Agreement.
- C. **System Standards: Equipment, Manuals, and Brand Compliance.** In order to maintain and achieve the unique qualities of the Stanley Steemer System and to otherwise preserve the integrity, character and uniform quality of the goods and services associated with the Stanley Steemer image, the Stanley Steemer System and the Stanley Steemer Trademarks, Franchise Owner agrees as follows:
1. **Stanley Steemer Cleaning Platforms.**
 - a. **Purchase.** Prior to beginning the Stanley Steemer Business, Franchise Owner shall purchase at least one (1) of the most recent models of the proprietary Stanley Steemer Cleaning Platforms and Service Vehicle ~~in which it is.~~ The Stanley Steemer Cleaning Platform (or Platforms) is (or are) mounted in the Service Vehicle for use in the Stanley Steemer Business.
 - b. **Use.** In the Stanley Steemer Business, Franchise Owner shall provide services exclusively with the proprietary Stanley Steemer Cleaning Platforms (or such other equipment as may be specified by SSI) and only in accordance with provisions prescribed from time to time in the Stanley Steemer Manuals, ~~or otherwise communicated to Franchise Owner in writing or in training sessions.~~
 - c. **Repairs and Maintenance.** Franchise Owner shall maintain all Stanley Steemer Cleaning Platforms in good operating condition. Such Stanley Steemer Cleaning Platforms shall not be (i) altered or modified in any manner whatsoever, or (ii) transferred or reinstalled into new or different Service Vehicles, without the prior written approval of SSI.
 - d. **Spare Parts.** Franchise Owner shall install or have installed in Stanley Steemer Cleaning Platforms only such spare parts which are approved by SSI as conforming to its specifications for quality, performance, safety, durability, appearance and other characteristics incident to maintaining the Stanley Steemer image and standard of cleanliness.
 - e. **Sale or Disposal.** Franchise Owner acknowledges that the Stanley Steemer Cleaning Platforms are unique equipment which if used by any other individual, trustee, firm, partnership, association, corporation, limited liability company, joint venturer or any other entity (individually, and collectively, a "Person" or "Persons") would give such other Persons a competitive advantage ~~which is presently enjoyed by SSI and its franchise owners~~ and could have an adverse impact upon the Stanley Steemer System. Therefore, Franchise Owner agrees not to sell or otherwise dispose of any Stanley Steemer Cleaning Platforms and/or vehicles in which such Stanley Steemer Cleaning Platforms are mounted without first offering such Stanley

Steemer Cleaning Platform and/or vehicle in which such Stanley Steemer Cleaning Platforms are mounted to SSI at the fair market wholesale value of the same. Franchise Owner shall deliver to SSI in writing notice of its intent to sell any such Stanley Steemer Cleaning Platform(s) and/or equipment together with a statement of its estimated fair market wholesale value. SSI shall thereafter have thirty (30) days after the receipt of such notice to purchase all or any part of such equipment by payment of the purchase price to Franchise Owner in exchange for possession of such equipment at Franchise Owner's principal place of business; provided that SSI may during such period inspect the equipment, inspect Franchise Owner's books and records to verify the book value of the equipment and/or retain at its expense an independent appraiser of its choice in the state in which Franchise Owner's principal place of business is located to appraise the fair market wholesale value of the equipment, which appraisal shall be controlling. In the event the parties cannot agree on a single appraiser, each party shall select one appraiser, and those two appraisers shall mutually select a third, whose appraisal shall be controlling. The cost of the third appraiser shall be shared equally by the parties. SSI may purchase either or both of the Stanley Steemer Cleaning Platform and the vehicle in which it is mounted. If SSI does not elect to purchase any such equipment within such thirty (30) day period, Franchise Owner may thereafter sell or dispose of the same, provided that Franchise Owner shall—prior to selling or disposing of any vehicle—de-identify the Stanley Steemer Cleaning Platform and/or the vehicle in which such machine is mounted so as to remove any indicia of an association with the Stanley Steemer System or the Stanley Steemer Trademarks. For purposes of this Article III, Section C.1.e, the term “de-identify” shall mean re-painting of the vehicles to a substantially different color and the complete removal of any and all items (i.e., names, signs, decals, insignias, logos, etc.) associated with, identifying or suggesting a former affiliation with SSI, the Stanley Steemer System or the Stanley Steemer Trademarks.

2. **Manuals.** Franchise Owner agrees to fully observe ~~any standards or specifications expressly designated as~~ all mandatory or approved standards, specifications, and system requirements set forth in any manuals, electronic bulletins, or other written communications ~~from SSI. (All of the manuals, electronic bulletins and written communications are hereinafter~~ issued by SSI, as well as any email communications and Internet based platforms that allow for communication among franchisees and/or SSI and franchisees (collectively referred to as, the “Stanley Steemer Manuals”). Franchise Owner acknowledges that ~~its compliance with any mandatory requirements prescribed in~~ the Stanley Steemer Manuals is intended to maintain contain proprietary and confidential information and that adherence to the requirements contained therein—including the mandatory Brand Standards, the approved technical cleaning methodologies, and the required use of SSI-approved equipment and chemistry—is essential to maintaining the integrity, character, and uniform quality of the goods and services associated with the Stanley Steemer image, the Stanley Steemer System, and the Stanley Steemer Trademarks. Franchise Owner further acknowledges that ~~nothing contained~~ SSI may amend, revise, supplement, or replace any portion of the Stanley Steemer Manuals at any time, and that all such modifications shall be binding upon Franchise Owner, provided they are applied systemwide or to all similarly situated franchise owners and are commercially reasonable for the protection, improvement, integrity, security, or uniformity of the Stanley Steemer System or the Stanley Steemer Trademarks. Franchise Owner shall promptly comply with all such modifications, including those relating to Integrated Technology Systems, Required Components, data integrity, operational reporting, security protocols, approved suppliers, technical methodologies, brand presentation, or other mandatory system elements. Failure to comply with any mandatory requirement set forth in the Stanley Steemer Manuals is intended to govern or otherwise control the day-to-day operation of the Stanley Steemer Business or to the extent applicable Franchise Owner’s employees shall constitute a material default under this Agreement.

Franchise Owner further acknowledges that the Stanley Steemer Manuals are not intended to, and do not govern or otherwise control Franchise Owner’s day-to-day business operations or the employment-related decisions of Franchise Owner, including, without limitation, hiring, firing, wages, scheduling, staffing, discipline, human resources policies, or customer scheduling, and nothing in the Stanley Steemer Manuals (including any amendments or modifications thereto) shall be construed as granting SSI any authority to direct, control, or manage the means, methods, supervision, personnel practices, or daily operational decisions of Franchise Owner, all of which remain solely within Franchise Owner’s discretion as an independent contractor of SSI.

The Stanley Steemer Manuals set forth the Brand Standards and the mandatory system components—including the proprietary equipment, chemistry, and technical methodologies and other features of the Stanley Steemer System—that Franchise Owner must use to protect the quality, safety, and uniformity of the Stanley Steemer System and the reputation of the Stanley Steemer brand. These requirements specify the outcomes Franchise Owner must achieve and the system elements Franchise Owner must utilize; they do not prescribe, and shall not be

interpreted as prescribing, the day-to-day means, methods, sequencing, staffing, supervision, or operational steps by which Franchise Owner conducts its business operations or manages its employees, all of which remain solely within Franchise Owner's discretion as an independent contractor of SSI. SSI's amendments to the Stanley Steemer Manuals may include updates to Required Components, Integrated Technology Systems, technical specifications, approved materials, or other system elements, and Franchise Owner shall promptly implement all such updates in accordance with this Agreement and the TSAA

3. **Brand Standards.** Franchise Owner shall comply with the Brand Standards, which include mandatory customer-facing quality, technical methodology, presentation, service, and professional image standards established by SSI. In addition Brand Standards include:
- a. the quality outcomes and customer experience required of a Stanley Steemer Business;
 - b. the required technical cleaning methodologies and the required use of SSI-approved equipment, chemistry, and processes necessary to achieve those outcomes;
 - c. vehicle, uniform, and professional appearance requirements;
 - d. responsiveness, communication, and customer-service expectations; and
 - e. advertising, online-presence, and directory-listing requirements.
 - f. Service Category-specific quality standards, performance requirements, and operational specifications applicable to each Service Category designated as part of the Stanley Steemer System, including the Active Service Category requirements set forth in Article I, Section B and the Service Qualities identified in Exhibit A of this Agreement. Franchise Owner acknowledges that compliance with Service Category-specific Brand Standards is a necessary component of maintaining Active status under Article I, Section B.2(c) and that failure to comply with Service Category Brand Standards may constitute a failure to maintain Active status independent of any other performance threshold.

The Brand Standards may be published or cross-referenced in the Stanley Steemer Manuals or otherwise provided in writing to Franchise Owner, including in email communication or on electronic web-based platform SSI makes available for use by franchise owners; provided however, the Brand Standards constitute a separate and independent contractual obligation of Franchise Owner. Compliance with the Brand Standards governs the results Franchise Owner must achieve and the system elements and technical methodologies required to achieve those results. Compliance does not give SSI any right to control, and shall not be interpreted as controlling, Franchise Owner's day-to-day operations, personnel decisions, hiring, firing, scheduling, staffing, wages, human resources practices, or any other employment-related matters, all of which remain solely within Franchise Owner's discretion as an independent contractor. Failure to comply with any Brand Standard shall constitute a material default under this Agreement. SSI may amend or supplement the Brand Standards from time to time, and all such amendments shall be binding upon Franchise Owner, provided they are commercially reasonable and applied systemwide or applied to all similarly situated franchise owners. Franchise Owner shall promptly implement any such amendments or supplements, including amendments relating to technical methodologies, approved equipment and chemistry, customer service protocols, and digital or online presentation requirements.

4. **Interpretive Principle.** The Stanley Steemer Manuals, Brand Standards, and other system documentation set forth requirements relating to brand integrity, quality outcomes, technical methodologies, and system standards. To the extent any provision is susceptible to multiple interpretations—including any interpretation that could relate to Franchise Owner's employment practices, staffing levels, wage decisions, scheduling, personnel management, or labor relations—such provision shall be construed solely as relating to Brand Standards, technical specifications, system requirements, or customer-facing outcomes. No provision of the Stanley Steemer Manuals or other system documentation shall be interpreted to grant SSI any authority to control, direct, or supervise Franchise Owner's employment decisions, personnel policies, or day-to-day operational methods. If Franchise Owner has a good-faith question regarding the proper interpretation of any provision, Franchise Owner may request clarification from SSI in writing, and SSI shall respond within a reasonable time. This Interpretive Principle shall also apply to the provisions of this Agreement and the TSAA to the extent any provision thereof is susceptible to an interpretation that could relate to Franchise Owner's employment practices, staffing, or personnel management.

D. Service Category Obligations.

1. **Duty to Offer Active Service Categories.** Franchise Owner shall offer and provide all Service Categories on a consistent and ongoing Active basis in accordance with the Brand Standards, the Stanley Steemer Manuals, and this Agreement.
2. **New Service Categories.** SSI may from time to time introduce new Service Categories and may designate such Service Categories as Essential, mandatory, or optional Service Categories. SSI may also from time to time change the then-current designation of Franchise Owner's then-applicable Service Categories such that the Service Category shall, on a going forward basis, be characterized as Essential, mandatory or optional. If SSI introduces a new mandatory or Essential Service Category, or designates an existing Service Category as mandatory or Essential SSI shall:
 - a. **Provide written notice to Franchise Owner describing the Service Category, indicating its designation, and specifying the training, equipment, Brand Standards and Stanley Steemer System requirements;**
 - b. **Make available (directly or through approved vendors) the required training, equipment specifications, and operational guidance; and**
 - c. **Provide no less than ninety (90) days' advance notice before requiring Franchise Owner to offer such Service Category; provided that SSI may reduce the notice period to no less than sixty (60) days if SSI reasonably determines that accelerated deployment is necessary to respond to a competitive threat, natural disaster, public health emergency, or regulatory change, and SSI's notice specifies the basis for the accelerated timeline.**
3. **Essential Service Categories.** SSI has designated, and may from time to time designate, certain Service Categories as "Essential Service Categories" that are fundamental to the Stanley Steemer brand identity, customer expectations, and System integrity. Essential Service Categories shall be included in Exhibit A of this Agreement. as may be updated and modified from time to time.
4. **Material Default.**
 - a. **Essential Service Categories.** Franchise Owner's refusal or failure to offer or provide any Essential Service Category shall constitute an incurable material default under Article XIII, Section C, entitling SSI to terminate this Agreement immediately without opportunity to cure. For purposes of this subsection, "refusal" means Franchise Owner's explicit written or verbal declination, or Franchise Owner's failure to cure a deficiency in offering the Essential Service Category within thirty (30) days after receiving written notice from SSI identifying such deficiency with reasonable specificity, and the term "failure" means not providing the products and services required under the applicable Essential Service Category in accordance with this Agreement, the Stanley Steemer Manuals and the Stanley Steemer System.
 - b. **Standard Mandatory Service Categories.** Franchise Owner's failure to offer or provide any mandatory Service Category that is not designated as an Essential Service Category on a consistent and ongoing, Active basis shall constitute a material default curable in accordance with Article XIII, Section D (30-day cure period). If Franchise Owner fails to cure such default, SSI may, in its sole discretion: (i) terminate this Agreement pursuant to Article XIII; and/or (ii) invoke the Authorized Provider Authorization procedure set forth in Article I, Section B.3.
 - c. **Preservation of Termination Rights.** SSI's election to exercise its rights under Article I, Section B.3 (Authorized Provider Authorization) does not waive, limit, or affect SSI's right to terminate this Agreement for Franchise Owner's material breach under this Section D.4 or any other provision of this Agreement.
- E. ~~3.-Cleaning Products.~~ Franchise Owner shall use in the Stanley Steemer Business only such cleaning products, including detergents and other cleaning solutions, as are prescribed and changed from time to time in the Stanley Steemer Manuals. All such products shall conform to SSI's specifications for cleanliness of result, efficacy, safety, equipment protection, quality, performance and other characteristics incident to maintaining the integrity, character and uniform quality of the goods and services associated with the Stanley Steemer image, the Stanley Steemer System and the Stanley Steemer Trademarks. Franchise Owner shall use only products and sources

approved by SSI and acknowledges that the use of such products is an integral component of both the Stanley Steemer System and the Brand Standards.

- F. ~~4. **Cleaning Methods.**~~ Franchise Owner shall clean ~~carpets and upholstery only in accordance with the methods and procedures~~ surfaces and systems and perform related services using the proprietary Stanley Steemer Cleaning Platforms, the approved cleaning products, and the cleaning methodologies prescribed and changed from time to time in the Stanley Steemer Manuals. All such methods and procedures shall conform to SSI's that are necessary to achieve the Brand Standards, including standards and specifications for that relate to cleanliness of result, efficacy, safety, equipment protection, quality, performance and other characteristics incident to maintaining the integrity, character and uniform quality of the goods and services associated with the Stanley Steemer image, the Stanley Steemer System and the Stanley Steemer Trademarks. Nothing in this Section shall be interpreted as granting SSI any right to direct or control Franchise Owner's employment practices, supervision, or scheduling of its personnel.
- G. ~~5. **Service Vehicle.**~~ Franchise Owner shall transport Stanley Steemer Cleaning Platforms, equipment and supplies to customers only in a van type vehicle which meets SSI's specifications as prescribed and changed from time to time in the Stanley Steemer Manuals. ~~Such vehicle(s) shall~~ Any vehicle used as a Service Vehicle (as defined below) must conform to SSI's specifications for size, color, appearance and other characteristics incident to maintaining the integrity, character and uniform quality of the goods and services associated with the Stanley Steemer image, the Stanley Steemer System and the Stanley Steemer Trademarks as prescribed in the Stanley Steemer Manuals. Franchise Owner shall—prior to acquisition—submit to SSI a written description of each ~~Service Vehicle~~ vehicle that Franchise Owner intends to ~~acquire~~ use as a Service Vehicle for approval by SSI, and SSI shall have ten (10) days in which to approve the Service Vehicle. At least one (1) Service Vehicle must be acquired prior to Franchise Owner's commencement of the Stanley Steemer Business.
- a. **Definition.** For the purposes of this Agreement, the term "Service Vehicle" shall mean and include only those vehicles used by Franchise Owner that are equipped with a Stanley Steemer Cleaning Platform or bear the Stanley Steemer Trademarks, trade dress or other identifying insignia, all in accordance with the Stanley Steemer System.
- b. **No Modification.** Franchise Owner shall not attach or otherwise use any item or device on a Service Vehicle used in the Stanley Steemer Business which was not provided for in SSI's mandatory specifications, standards or operating procedures without the prior written approval of SSI.
- c. **Appearance and Maintenance.** Franchise Owner agrees to maintain the Service Vehicles used in the Stanley Steemer Business in a clean, safe and proper mechanical operating condition at all times and to obtain customary periodic preventive maintenance for such Service Vehicles in accordance with all applicable laws and the standards set forth in the Stanley Steemer Manuals. Franchise Owner also agrees to maintain said Service Vehicles in good appearance free from dust, dents, or other marks and to periodically wash and paint Service Vehicles as required including, but not limited to, the painting and replacement of logos, signs and decals as may be reasonably required. ~~Further, Franchise Owner shall not use any Service Vehicles in the Stanley Steemer Business that are more than ten (10) years of age without the prior written approval of SSI. Franchise Owner shall use the Service Vehicles for only those purposes for which such use is designed by SSI. For the purposes of Article III, Section C of this Agreement, the term "Service Vehicle" shall mean and include any vehicle equipped with a Stanley Steemer Cleaning Platform or bearing the Stanley Steemer Trademarks, cargo vans, box trucks, pick up trucks used for equipment delivery, and any vehicle used by Franchise Owner to make sales calls to customers and prospective customers of the Stanley Steemer Business.~~
- d. **Maximum Service Life.** SSI reserves the right to establish and update Brand Standards in the Stanley Steemer Manuals for the appearance and condition of Service Vehicles. These standards may use vehicle age as a factor in determining whether Franchise Owner's Service Vehicles comply with such standards, and the Stanley Steemer Manuals may establish a rebuttable presumption that a vehicle over a certain age (e.g., ten (10) years) is non-compliant. Any Service Vehicle that fails to meet these standards shall be deemed

non-compliant. Franchise Owner may request an inspection (at Franchise Owner's expense) to demonstrate that a presumptively non-compliant vehicle nonetheless meets all then-current Brand Standards for appearance and safety, and SSI may grant a written waiver in its sole discretion. Franchise Owner shall have ninety (90) days after written notice from SSI to modify, repair, re-brand or replace its Service Vehicle or other vehicle approved by SSI for use in the operation of the Stanley Steemer Business. Failure to do so shall be a material incurable default under this Agreement.

H. ~~6-Signs.~~ Franchise Owner shall install, change and maintain in satisfactory condition on all Service Vehicles such signs and no others as shall be prescribed and changed from time to time in the Stanley Steemer Manuals. They shall conform in all essential characteristics to SSI's specifications for size, color, appearance, durability, trademark and other requirements incident to maintaining the integrity, character and uniform quality of the goods and services associated with the Stanley Steemer image, the Stanley Steemer System and the Stanley Steemer Trademarks. Franchise Owner shall replace all signs that SSI determines are no longer compatible with the Stanley Steemer System.

I. ~~7-Uniforms and Appearance.~~ Franchise Owner ~~shall require all persons who, at its sole expense, shall purchase and provide services on behalf of Franchise Owner's Stanley Steemer Business to wear only such to its personnel uniforms as may be approved from time to time by SSI in the Stanley Steemer Manuals. The uniforms shall~~ conform to SSI's specifications for design, color, fabric, durability, cleanliness and other Brand Standards or characteristics incident to maintaining the integrity, character and uniform quality of the goods and services associated with the Stanley Steemer image, the Stanley Steemer System and the Stanley Steemer Trademarks. ~~Franchise Owner shall additionally require all persons who provide services on behalf of Franchise Owner's Stanley Steemer Business to present a neat and clean appearance while on duty and to provide proficient and courteous service to the customers of as prescribed in the Stanley Steemer Business Manuals.~~ As the sole employer of its personnel, Franchise Owner is solely responsible for its personnel and for ensuring Franchise Owner's personnel and Franchise Owner's operations meet the customer-facing Brand Standards for professionalism and public image set forth in the Stanley Steemer Manuals.

J. ~~8-Additional Machinery, Equipment and Supplies.~~ Franchise Owner shall use in the Stanley Steemer Business only such additional machinery, equipment and supplies, and no others, as are prescribed and changed from time to time in the Stanley Steemer Manuals. Such additional machinery, equipment and supplies shall conform to SSI's specifications for quality, performance, safety, durability, appearance and other characteristics incident to maintaining the integrity, character and uniform quality of the goods and services associated with the Stanley Steemer image, the Stanley Steemer System and the Stanley Steemer Trademarks.

K. ~~Mandated Modifications.~~ In the event of any change in applicable law, regulation, or environmental standard that necessitates a modification to the Stanley Steemer Cleaning Platforms, Service Vehicles, Premises or the Stanley Steemer Business (a 'Mandated Modification'), Franchise Owner shall be solely responsible for the cost of such Mandated Modification and shall complete it within the timeframe required by law or specified by SSI.

L. ~~9-Full Line of Services and Products~~ **Service Category Obligations.** Franchise Owner's obligations regarding the offering and marketing of Service Categories are set forth in Article III, Section D above. Franchise Owner shall also offer customers ~~the full line of services and all~~ products that SSI shall prescribe and change from time to time in the Stanley Steemer Manuals, including but not limited to protective treatments, specialty cleaning solutions, and related ancillary products. Franchise Owner acknowledges that compliance with such requirements is necessary and essential to maintain the integrity, character and uniform quality of the goods and services associated with the Stanley Steemer image, the Stanley Steemer System and the Stanley Steemer Trademarks.

~~10. New Services and Products.~~ Franchise Owner shall offer and promote the sale of all new services and products that SSI shall develop for use in a Stanley Steemer Business. Franchise Owner acknowledges that compliance with such requirements is necessary and essential to maintain the integrity, character and uniform quality of the goods and services associated with the Stanley Steemer image, the Stanley Steemer System and the Stanley Steemer Trademarks. SSI may in its sole discretion from time to time give its consent to one or more of its franchise owners to provide certain products or services not designated for general use as a part of the Stanley Steemer System based upon such factors as SSI determines appropriate including, but not limited to, the individual qualifications of the franchise owner,

~~local or regional demographics, and test marketing. The consent of SSI with respect to any other franchise owner providing such products or services shall not create any rights in Franchise Owner to provide the same products or services. Franchise Owner shall discontinue selling or offering any product or service SSI may, in its discretion, disapprove in writing at any time.~~

~~M. 11. Discontinued Services and Products.~~ Franchise Owner shall cease, offering any Service Category or selling any product that SSI determines is no longer part of the Stanley Steemer System. For Service Categories, discontinuation shall be governed by the procedures set forth in Article I, Section B and Article III, Section D. For products, Franchise Owner shall cease sales as soon as supplies and products on hand are depleted, all services and the sale of all products that SSI determines are no longer to be a part of the Stanley Steemer System or within such other reasonable timeframe as SSI may specify. Franchise Owner acknowledges that compliance with such requirements is necessary and essential to maintain the integrity, character and uniform quality of the goods and services associated with the Stanley Steemer image, the Stanley Steemer Trademarks and the Stanley Steemer System.

~~N. 12. Suppliers.~~ Franchise Owner shall purchase all spare parts, cleaning products, Service Vehicles, signs, uniforms, machinery, equipment and supplies, and shall obtain repairs required for the operation of the Stanley Steemer Business, solely from suppliers who demonstrate, to the continuing satisfaction of Stanley Steemer, the ability to meet SSI's standards and specifications for such items; who possess adequate quality controls and the capacity to supply Franchise Owner's needs promptly and reliably; and who have been approved in writing by SSI and not thereafter disapproved. Franchise Owner acknowledges that compliance with such requirements is necessary and essential to maintain the integrity, character and uniform quality of the goods and services associated with the Stanley Steemer image, the Stanley Steemer System and the Stanley Steemer Trademarks. Franchise Owner further agrees that (i) SSI may revoke its approval of any supplier or any specific item, product, component, or material at any time if SSI determines, in its commercially reasonable discretion and applied systemwide or applied to similarly situated franchise owners, that such supplier or item no longer meets SSI's Brand Standards, including standards for quality, safety, efficacy, performance, durability, compatibility with the Integrated Technology Systems or Required Components, or any other characteristic material to the Stanley Steemer System; (ii) upon notice of such revocation, Franchise Owner shall promptly discontinue purchasing or using the disapproved supplier or item after depletion of on-hand inventory or within the timeframe specified by SSI provided that such timeframe shall not be less than thirty (30) days except where SSI reasonably determines that continued use of the disapproved supplier or item poses an imminent risk, to safety or the integrity of the Stanley Steemer Cleaning Platforms or the health or safety of Franchise Owner's customers; (iii) SSI may require Franchise Owner to replace, retrofit, or upgrade any disapproved item, component, or material with an SSI-approved alternative within the timeframe specified by SSI; and (iv) failure to cease using any disapproved supplier or disapproved item, or to complete any required replacement or retrofit within the timeframe required by SSI, shall constitute a material default under this Agreement.

~~O. 13. Payments to SSI.~~ Franchise Owner shall pay all sums due to SSI for products or services purchased or leased from SSI in the manner required for payment of royalty fees as set forth in Article II, Section D— or in the respective lease, as well as late payment fees and costs of collection in the amounts required by Article II, Sections F— and G— or the respective lease.

~~P. 14. Payment to Others.~~ Franchise Owner shall pay all sums when due to any Person including, but not limited to, amounts due in connection with the purchase or leasing of a Stanley Steemer Cleaning Platform or other equipment used in Franchise Owner's Stanley Steemer Business; any amounts due in connection with the purchase or leasing of any Service Vehicle; any amounts due in connection with the advertising or marketing of Franchise Owner's Stanley Steemer Business and any Service Vehicle; and any amounts due for the maintenance of the telephone listings and classified advertisements required pursuant to Article VI, Section B.4 hereof; provided, however, that if Franchise Owner is contesting its obligation to pay any such sum in good faith, payment may be postponed during the period of such contest.

~~15. National Accounts Programs.~~ ~~Certain potential and existing commercial customers of SSI and Franchise Owner may have locations requiring the services offered by Stanley Steemer Businesses within Franchise Owner's Area as well as areas outside Franchise Owner's Area within the exclusive licensed areas of other Stanley Steemer franchise owners and/or in areas serviced by SSI's company owned operations. Such potential and existing customers, regardless of the number of geographic locations they occupy, are referred to herein as "Multi-Territory Customers." Franchise Owner acknowledges and agrees that in order to efficiently service such Multi-Territory Customers and to effectively~~

~~compete for the business of such Multi Territory Customers against competitive businesses, some of which are not franchised, it is necessary to have a program coordinated by SSI for providing services to Multi Territory Customers both within and outside Franchise Owner's Area.~~

Q. Strategic Accounts Programs.

~~Therefore, Franchise Owner agrees that SSI may implement a program for providing any services offered by Stanley Steemer Businesses to Multi Territory Customers upon such terms and conditions as it negotiates and otherwise agrees with such Multi Territory Customers in its discretion (referred to herein as the "National Accounts Programs"), and Franchise Owner agrees to participate in such National Accounts Programs in every respect in accordance with the terms and conditions negotiated by SSI. Such National Accounts Programs may include, but shall not be limited to, the following:~~

1. a. SSI can designate certain Multi Territory Customers as National Account Customers
Voluntary Participation.

SSI has established a strategic account program for providing services to customers of Stanley Steemer Businesses with locations in multiple states or territories or for providing services to other classes of customers that SSI may identify from time to time (the "Strategic Account Program") and qualifying franchise owners, including Franchise Owner, may participate in the Strategic Account Program.

- ~~b. SSI may enter into contracts with National Account Customers, which contracts may encompass any or all of the National Account Customer's facilities, including without limitation those facilities located in Franchise Owner's Area. In the event that such contracts establish prices to be charged to the National Account Customers for the services provided, such prices are referred to herein as the "National Account Price(s)."~~

Franchise Owner's participation in any the Strategic Account Program and any specific Strategic Account under the Strategic Account Program is entirely voluntary and at Franchise Owner's sole discretion. SSI shall offer participation in the Strategic Account Program to all similarly situated franchisees in good standing with SSI on commercially equivalent terms. Franchise Owner acknowledges that (a) Strategic Account Program terms (including pricing, service requirements, and payment structures and other terms determined by SSI in its commercially reasonable discretion) shall be negotiated by SSI, not franchise owners, and (b) SSI may consider maximizing system-wide market penetration and brand positioning of both franchised and SSI owned and operated locations when negotiating such terms, and (c) Strategic Account Program terms and the terms of any specific Strategic Account may not optimize individual franchisee profitability. SSI makes no representation or warranties that participation in the Strategic Account Program or a specific Strategic Account will be profitable for Franchise Owner.

- ~~c. Franchise Owner shall service all National Account Customer locations in Franchise Owner's Area in accordance with the terms and conditions negotiated by SSI; the service level requirements established or prescribed by each National Account Customer; and the Stanley Steemer System, including, without limitation, the requirements of Article III, Section C.16 below.~~

2. Terms and Conditions. The terms, conditions, and operational requirements of any the Strategic Account Program and each specific Strategic Account, —including any impact on Franchise Owner's decision not to participate in the Strategic Account Program or a specific Strategic Account, such as the waiver of exclusive rights for a specific Strategic Account —shall be set forth in a separate Strategic Account Participation Agreement ("SAPA") or similar agreement. SSI shall have no right to require Franchise Owner to participate in any such program, and a decision not to participate shall not be a default under this Agreement. SSI may require Franchise Owner to enter into separate agreements or addenda for each Strategic Account offered under the Strategic Account Program offered by SSI.

- ~~d. Franchise Owner shall not charge a National Account Customer for any product or service an amount in excess of the National Account Price for that customer established by SSI, subject to such regional or territorial variations as may be~~

~~agreed to by SSI in writing. This shall not preclude Franchise Owner from charging a National Account Customer a price less than the National Account Price, and Franchise Owner shall be free in all respects to charge less than the National Account Price to any National Account Customer.~~

3. **No Obligation to Offer; No Compensation.** Franchise Owner acknowledges and agrees that:

~~e. In the event Franchise Owner is unable to provide services to a National Account Customer in accordance with the terms of the applicable National Accounts Program, SSI reserves the right, in its sole discretion, to assign any such work within Franchise Owner's Area to another Stanley Steemer franchise owner or to complete the work directly through one of its company-owned locations.~~

a. Except as set forth in Section Q.1 above, SSI shall have no obligation to offer Franchise Owner participation in the Strategic Account Program;

b. SSI may designate, service, and administer any Strategic Account Program directly or through any affiliate of SSI, any franchise owner or third party if Franchise Owner elects not to participate;

~~f. Franchise Owner shall cooperate and coordinate with SSI and other Stanley Steemer franchise owners in identifying and servicing National Account Customers.~~
not be entitled to any compensation, reimbursement, or claim of lost profits, lost opportunities, or diminution in exclusivity arising from its decision not to participate in the Strategic Account Program or a specific Strategic Account; and

~~g. Franchise Owner shall provide SSI with such reports regarding Franchise Owner's provision of services to and revenues received from National Account Customers as are requested from time to time by Stanley Steemer.~~

d. any revenues generated from services performed or products sold within Franchise Owner's Area under the Strategic Account Program or a specific Strategic Account in which Franchise Owner does not participate shall not reduce Franchise Owner's Minimum Annual Royalty obligations or give rise to any claim by Franchise Owner for setoff or credit of amounts owed by Franchise Owner to SSI or its affiliates.

~~16. **Customer Service and Operating Standards.** Franchise Owner agrees to comply with all of the mandatory specifications, standards and operating procedures set forth and described in the Stanley Steemer Manuals. Franchise Owner acknowledges that its compliance with such mandatory requirements prescribed in the Stanley Steemer Manuals is necessary to maintain the integrity, character and uniform quality of the goods and services associated with the Stanley Steemer image, the Stanley Steemer System and the Stanley Steemer Trademarks. Franchise Owner shall actively promote good customer relations and shall attempt to resolve any disputes with its customers to the satisfaction of Stanley Steemer. When conducting the Stanley Steemer Business, Franchise Owner shall not engage in behavior damaging to the name and business reputation of Stanley Steemer. Franchise Owner, if Franchise Owner is an individual, and each of Franchise Owner's officers and managers, if Franchise Owner is a business entity, must conduct their personal life in a manner that does not adversely affect SSI or reflect negatively upon the Stanley Steemer image, the Stanley Steemer System or the Stanley Steemer Trademarks.~~

4. **System Standards.** SSI may establish systemwide service standards, reporting requirements, billing protocols, branding requirements, or other specifications applicable to the Strategic Account Program, a specific Strategic Account or all Strategic Accounts, which shall govern only the services performed under the applicable SAPA(s) and shall not be interpreted as controlling Franchise Owner's general business operations outside of such program.

5. **State Franchise Laws.** To the extent any applicable state franchise law limits SSI's right to provide services or grant others the right to provide services under the Strategic Account Program within Franchise Owner's Area without Franchise Owner's consent, this Article III.Q shall be interpreted to preserve Franchise Owner's statutory rights. Nothing in this Article III.Q shall constitute a waiver of any non-waivable provision of

applicable state franchise laws. . In such event, SSI and Franchise Owner agree to negotiate in good faith to implement Strategic Account Programs in a manner consistent with such applicable law.

R. ~~17. No Subcontracting Core Business Services.~~ Franchise Owner shall not ~~engage or utilize subcontractors in connection with the subcontract~~ any Core Business services ~~provided by~~ unless (i) Franchise Owner's Stanley Steemer Business without the Owner obtains SSI's prior written consent of SSI which may be withheld or conditioned for any reason and if given may subsequently be revoked at any time for any reason, which shall not be unreasonably withheld, and (ii) any such subcontractor and their personnel comply with all applicable Brand Standards of the Stanley Steemer System (including, but not limited to, insurance, training, vehicle, and uniform standards). Franchise Owner remains solely responsible and liable for all acts and omissions of its subcontractors.

S. ~~D. Integrated Technology Systems; Centralized Required Components; Branded E-Mail.~~

~~1. Integrated Technology Systems.~~ SSI has developed certain Integrated Technology Systems for use in the operation of a Stanley Steemer Business. Franchise Owner acknowledges and agrees that Franchise Owner is obligated to acquire, implement and fully utilize the Integrated Technology Systems in Franchise Owner's Stanley Steemer Business, and further acknowledges and agrees that in order to do so, Franchise Owner must execute a separate agreement between SSI and Franchise Owner setting forth the terms and conditions governing Franchise Owner's acquisition, implementation, access and utilization of the Integrated Technology Systems (the "Access Agreement"). References to "Integrated Technology Systems" herein shall have the meaning ascribed to such term in the Access Agreement.

a. Integrated Technology Systems. Franchise Owner acknowledges that the Integrated Technology Systems are essential and mandatory components of the Stanley Steemer System. As a condition of this Agreement, Franchise Owner must execute the then-current Technology Systems Access Agreement ("TSAA") and comply with all of its terms, as it may be amended by SSI from time to time. Franchise Owner acknowledges that the use of all Required Components of the Integrated Technology Systems (as defined in the TSAA) is a material obligation essential to the operation of the Stanley Steemer System. Failure to adopt or use any Required Component shall constitute a material default of this Franchise Agreement, subject to the notice and cure provisions contained herein, and Franchise Owner shall ensure that all data generated, transmitted, or maintained through any Required Component is complete, accurate, and timely, and promptly reconciled in the manner specified by SSI. Franchise Owner further acknowledges that the Stanley Steemer Manuals may be amended by SSI from time to time to specify, modify, or replace Required Components, technological specifications and requirements, as well as data-reporting requirements, or security protocols, all of which Franchise Owner agrees are commercially reasonable and essential to protect the integrity, uniformity, and security of the Stanley Steemer System. To the extent any provision of this Agreement addresses data privacy, data protection, data security, consumer privacy rights, Data Subject Access Requests, privacy notices, or data breach obligations, the provisions of the TSAA (including without limitation the Data Protection and Privacy Compliance sections thereof) shall govern and control.

~~2. Centralized Email.~~ If specified by SSI, Franchise Owner shall utilize such email systems and addresses as required by SSI from time to time and shall bear all costs associated therewith. Franchise Owner shall not utilize separate email addresses in connection with Franchise Owner's Stanley Steemer Business without the prior written consent of SSI, which SSI may revoke at any time in its sole discretion.

b. Use of Required Components. Franchise Owner acknowledges and agrees that all 'Required Components' of the Integrated Technology Systems, as designated by SSI from time to time in accordance with the Stanley Steemer Manuals, constitute a material, essential, and non-delegable condition of Franchise Owner's right to operate the Stanley Steemer Business. Franchise Owner shall acquire, install, maintain, and continuously use all Required Components as specified by SSI. Franchise Owner shall keep all Required Components operational, connected, accessible to SSI, and updated as specified by SSI, and shall promptly implement all patches, updates, versions, replacements, or new System Components designated in the Stanley Steemer Manuals or otherwise communicated by SSI. Franchise Owner shall also ensure the accuracy, completeness, and timeliness of all data generated or transmitted through any Required Component and shall promptly reconcile any discrepancies identified by SSI.

Failure to implement or maintain any Required Component after expiration of any applicable cure period shall constitute a material default under this Agreement. If such failure continues despite written notice and opportunity to cure in accordance with Article XIII, SSI may seek injunctive relief to compel compliance, and Franchise Owner agrees that SSI would face irreparable harm for which monetary damages would be inadequate and that SSI would be entitled to seek temporary, preliminary, and permanent injunctive relief without the necessity of posting a bond. For avoidance of doubt, this provision does not eliminate Franchise Owner's right to present a defense, including whether a breach occurred, whether Franchise Owner cured the breach, or whether the breach resulted from causes beyond Franchise Owner's reasonable control.

- c. **Branded Email.** If specified by SSI, Franchise Owner shall utilize such email systems, providers and addresses as required by SSI from time to time and shall bear all costs associated therewith. Franchise Owner shall not utilize separate email addresses in connection with Franchise Owner's Stanley Steemer Business without the prior written consent of SSI, which SSI may revoke at any time in its sole discretion, it being understood that SSI's centralized email requirements are intended to help (i) maintain brand integrity and avoid the use of non-branded or unprofessional email domains, (ii) safeguard the security and confidentiality of information transmitted through such systems, including customer "Personal Information" (as defined in the TSAA) and other sensitive data, and (iii) ensure reliable receipt and delivery of notices and business communications through a verified email account of record. Franchise Owner shall ensure that all centralized email accounts remain active, monitored, configured in accordance with SSI specifications, and used exclusively for business communications relating to the Stanley Steemer Business. Franchise Owner shall promptly implement any changes to centralized email systems, security settings, or configuration protocols required by SSI. Franchise Owner acknowledges and agrees that SSI's centralized email requirements are intended for the purposes described in (i) through (iii) above and to help maintain system security, data protection, brand uniformity, and operational reliability. SSI's access to centralized email systems is limited to system administration, security monitoring, technical support purposes and such other purposes deemed necessary by SSI, in its sole discretion. SSI does not routinely monitor, read, or review the content of Franchise Owner's business communications, including email communications. SSI may access Franchise Owner's email content only: (i) with Franchise Owner's express written consent for a specific compliance investigation or operational matter; (ii) as required by law, legal process, or regulatory inquiry; or (iii) in response to a specific security incident, data breach, or credible threat to system or brand integrity. SSI shall not access email content relating to Franchise Owner's personnel matters, employment decisions, hiring, firing, discipline, or labor relations, except as required by subpoena or court order, or applicable law. Notwithstanding the foregoing, SSI does not warrant or guarantee to the Franchise Owner or any third party that there will not be an event of unauthorized disclosure of information transmitted through the centralized email system described above, including Personal Information or other sensitive data. SSI shall not be responsible for any data breach, hack, or similar event affecting the email account that the Franchise Owner is obligated by Franchise Owner to use.
- d. **Systems and Data Access; Technology Audits.** Franchise Owner shall provide SSI and its designees with reasonable remote and on-site access to the Integrated Technology Systems, Required Components, and any related hardware, software, accounts, logs, and data used in connection with the Stanley Steemer Business for the limited purposes of (i) verifying Franchise Owner's compliance with this Agreement, the TSAA, and the Stanley Steemer Manuals; (ii) confirming the accuracy and completeness of Gross Sales and other financial or operational reporting; and (iii) monitoring system security, data integrity, and performance. SSI may, in its discretion, conduct technology audits and data reconciliations, including the export and review of transaction logs and related records. If any such audit or reconciliation discloses an understatement of Gross Sales or other material reporting discrepancy in excess of two percent (2%) for any period examined, Franchise Owner shall, in addition to paying any resulting underpaid amounts and applicable interest, reimburse SSI for all reasonable costs and expenses of such audit or reconciliation, including reasonable attorneys' fees and the fees and expenses of third-party auditors or forensic specialists. Failure to provide the access, cooperation, or information required under this Section R.4, or to correct any identified discrepancy within the applicable cure period, shall constitute a material default under this Agreement. Nothing in this Section shall be interpreted as granting SSI any right to access or supervise Franchise Owner's personnel files or employment records provided, however, that SSI may review payroll-derived compensation information (such as commission reports or job-ticket compensation data) solely to the extent necessary to verify Gross Sales and the accuracy of data provided to SSI by Franchise Owner, and Franchise Owner shall also furnish any non-personnel operational records reasonably required to confirm compliance with Brand Standards and this Agreement. To the extent the Integrated Technology Systems generate, store, or process information incidentally related to Franchise Owner's employee compensation, commission calculations, hours worked, or pay rates, SSI's access to and use of such information shall be limited to the purposes expressly set forth in this Section and Section S.5 above. SSI shall not use such information to direct, evaluate, or influence Franchise Owner's employee compensation decisions, wage rates, or employment practices.

Any such review shall not be construed as granting SSI any authority to hire, fire, discipline, supervise, or control Franchise Owner's employees.

- e. **Incidental Employee Information in Operational Records.** To the extent any operational record, job ticket, service report, vehicle maintenance log, equipment usage record, customer complaint record, or other business record (other than personnel files or employment records) incidentally contains employee-specific information (such as technician names, initials, employee identification codes, individual job assignments, or the like), SSI's access to such record does not constitute, and shall not be construed as, supervision, control, or evaluation of Franchise Owner's employment practices, personnel decisions or employees. SSI may use such incidental information solely for the purposes of verifying Gross Sales, confirming service delivery and quality outcomes, investigating customer complaints, reconciling data integrity, auditing compliance with Brand Standards and this Agreement, or conducting technology audits as provided in this Section or under the TSAA. SSI shall not use such information to direct, manage, or evaluate the performance of individual employees, and shall not communicate directly with Franchise Owner's employees regarding their work performance, scheduling, compensation, or employment status except as expressly authorized in writing by Franchise Owner for a specific purpose.
- T. ~~E.~~ **Technology Fees.** SSI may require Franchise Owner to pay a monthly fee for various technology-related products and services including, but not limited to, the Integrated Technology Services, and the Local Market Directory and Social Media Listings described in Article VI, Section B.4 of this Agreement (the "Technology Fees"). SSI will specify the Technology Fees and the related products and services in the Stanley Steemer Manuals. ~~SSI may increase~~ SSI reserves the right to modify the Technology Fees and change technology-related products and services from time to time in its sole discretion; provided, however, that any such modification shall be subject to the fee-structure principles, cost-recovery frameworks, and escalation caps (including the "Aggregate Ceiling" and "Annual Escalation Cap") expressly set forth in the then-current Technology Systems Access Agreement (TSAA), if any.
- U. ~~F.~~ **SSI Approval.** Approval required under this Article III for spare parts, technology services, system components, cleaning products, Stanley Steemer Cleaning Platforms, Service Vehicles, signs, uniforms, machinery, equipment and supplies, and other items designated by SSI from time to time (hereinafter collectively referred to in this paragraph as "Items"), shall be obtained in the following manner:
1. Franchise Owner shall submit to SSI a written request for such approval or shall request the manufacturer or supplier itself to do so. SSI shall have the right to require, as a condition of its approval that its representatives be permitted to inspect the manufacturer's or supplier's facilities, and that samples from the supplier be delivered at SSI's option, to SSI for testing and inspection prior to granting approval. A charge not to exceed the reasonable cost of the inspection and the actual cost of the test shall be paid by such manufacturer or supplier. SSI reserves the right, at its option, to re-inspect the facilities and products of any such approved manufacturer or supplier and to revoke its approval upon the manufacturer's or supplier's failure to continue to meet any of the foregoing criteria ~~or upon determining~~, in its commercially reasonable discretion and applied systemwide, that such Item(s) no longer meets SSI's Brand Standards or standards for quality, safety, efficacy, compatibility with Required Components or Integrated Technology Systems, or any other characteristic, standard or specification material to the Stanley Steemer System, as determined by SSI in its sole discretion. Upon revocation of approval, Franchise Owner shall promptly discontinue use of the Item and shall replace, retrofit, or upgrade such Item with an SSI-approved alternative within the timeframe specified by SSI subject to the minimum transition period set forth in Section N above.
 2. SSI shall notify Franchise Owner in writing whether such Items meet SSI's specifications and are, therefore, approved. If SSI does not provide Franchise Owner notice of approval within thirty (30) days of application for approval by Franchise Owner, SSI's approval shall be deemed withheld. SSI may withhold or condition approval of an Item in its sole, but commercially reasonable, discretion.
 3. If any Item submitted is not approved, SSI shall, upon request, inform the person submitting such Item of the reason the Item does not meet SSI's specifications. In addition, SSI may notify Franchise Owner from time to time in the Stanley Steemer Manuals or otherwise in writing of Items that meet SSI's specifications and are, therefore, approved. SSI may also from time to time notify Franchise Owner of Items that have been disapproved or for which approval has been revoked, and Franchise Owner shall promptly discontinue using such Items and shall complete any required replacement or retrofit within the timeframe specified by SSI, subject to the minimum transition period set forth in Section N above.

V. ~~G.~~ Inspection and Conformance.

1. **Products.** Franchise Owner shall permit SSI or its agents at any reasonable time to remove from Franchise Owner's place of business samples of products, supplies, and other items used in Franchise Owner's Stanley Steemer Business, without payment therefor, in amounts reasonably necessary for testing by SSI to determine whether the samples meet the ~~then current~~then-current standards and specifications of Stanley Steemer. Franchise Owner shall bear the cost of the testing if the Franchise Owner's supplier of ~~the such~~ products, supplies or other items ~~has~~was not ~~been~~ approved by SSI or if the ~~item fails~~products, supplies or other items fail to conform to SSI's specifications. If any product, supply or item fails to meet SSI's standards or has been disapproved, Franchise Owner shall promptly discontinue its use and shall replace, retrofit, or upgrade such product, supply or item with an SSI-approved alternative within the timeframe specified by SSI, at Franchise Owner's sole cost and expense.
2. **Premises.** Franchise Owner shall permit SSI to inspect Franchise Owner's place of business (the "Premises") and the Stanley Steemer Cleaning Platforms, equipment and products used and sold therein, and the ~~methods of cleaning employed in the business~~results of services performed in order to insure ~~insure~~ the maintenance of uniform quality, and standards, and compliance with this agreement~~Agreement~~. In addition, at SSI's option, SSI may ~~remove, replace, repair or remodel, at Franchise Owner's expense, any items that do not conform with the then current standards and specifications of Stanley Steemer; provided that SSI may take such action only after Franchise Owner's delay or refusal upon request to take conforming action promptly. SSI shall bill Franchise Owner for all costs and expenses reasonably incurred in so doing, and Franchise Owner shall pay the sums due no later than the date the next royalty payments are due in accordance with Article II hereof. Franchise~~ require Franchise Owner to cure any such non-conformance. Franchise Owner's failure to cure such non-conformance within thirty (30) days following written notice (or ten (10) days for non-conformances that SSI reasonably determines pose an imminent risk to health, safety, or the Stanley Steemer brand image). If any non-conformance relates to a disapproved Item or other item, product, supply, component, or supplier, SSI may require replacement, retrofit, or upgrade within the cure period or other timeframe designated by SSI. Franchise Owner shall not, without the prior written consent of Stanley Steemer, operate another business from the same premises from which it operates its Stanley Steemer Business.

ARTICLE IV: SALE OF CLEANING PLATFORMS AND OTHER ITEMS BY STANLEY STEEMER

- A. Franchise Owner understands that certain equipment, products and supplies are proprietary to Stanley Steemer, including but not limited to, the Stanley Steemer ~~Carpet Cleaning Machine~~Cleaning Platforms (including any updates, enhancements, modifications, successor models, and related components), and as such are available only from Stanley Steemer. SSI, and may incorporate proprietary technology, chemistry, methods, and system components essential to achieving the Brand Standards. Franchise Owner acknowledges that such proprietary items and the designs, specifications, documentation, know-how, and trade secrets related thereto are and shall remain the sole and exclusive property of SSI or its affiliates, and may not be copied, reverse-engineered, duplicated, disassembled, decompiled, analyzed for purposes of replication, substituted, or sourced from any non-approved supplier or manufacturer, and may be used only in connection with the Stanley Steemer Business and only in the manner authorized by this Agreement and the Stanley Steemer Manuals. Any breach of the restrictions set forth in this Section IV.A shall constitute a material default under this Agreement and shall be deemed to cause irreparable harm to SSI, entitling SSI (in addition to all other remedies available at law or in equity) to immediate injunctive relief without the necessity of posting bond or proving actual damages.
- B. Franchise Owner further understands that ~~Stanley Steemer does~~SSI may sell the Stanley Steemer ~~Carpet Cleaning Machine~~Platforms, spare parts, cleaning products, uniforms, signs and other machinery, equipment and supplies for use in Stanley Steemer Businesses, and that it is SSI's policy to mark up the price for all such items so as to return to ~~Stanley Steemer~~SSI such profit as ~~Stanley Steemer~~SSI deems reasonable. SSI's pricing for proprietary equipment, parts, and supplies shall be determined in good faith and shall not exceed the price charged by SSI to its company-owned locations for comparable items, plus commercially reasonable handling and distribution costs. Franchise Owner further acknowledges and agrees that SSI and its affiliates may receive rebates, allowances, promotional funds, volume or growth incentives, or other consideration from approved suppliers or manufacturers of items used in the Stanley Steemer System, that SSI has structured or may structure its supply arrangements in anticipation of such consideration, and that neither SSI nor its affiliates shall have any obligation to credit, pass through, or account for any such consideration to Franchise Owner except to the extent expressly required by applicable law.

~~C. **Additional Stanley Steemer Cleaning Platforms.** Franchise Owner understands that it is necessary to the full development potential of the Stanley Steemer Business in Franchise Owner's area, that Franchise Owner has sufficient Stanley Steemer Cleaning Platforms available to service promptly and adequately all persons seeking cleaning services in Franchise Owner's Area.~~

ARTICLE V: STANLEY STEEMER SYSTEM AND STANLEY STEEMER TRADEMARKS

- A. **Limitation on Use.** The license granted to Franchise Owner to use the Stanley Steemer System and Stanley Steemer Trademarks applies only to their use in connection with the operation of the Stanley Steemer Business operated pursuant to this Agreement at or from the location specified in Exhibit A. This license includes only the right to use the Stanley Steemer System and Stanley Steemer Trademarks described and represented in Exhibit B attached hereto and made a part of (and which may hereafter be designated by SSI in writing as part of) the Stanley Steemer System, and no other trademarks, service marks or trade names of Stanley Steemer now existing or to be developed or acquired by SSI, including any digital marks, domain names, social media handles, or other designations of source whether now known or hereafter devised, unless expressly authorized in writing by SSI. For avoidance of doubt, Franchise Owner shall have no right to register, acquire, or assert any ownership interest in any digital identifier containing or derived from any Stanley Steemer Trademark, and all rights in such identifiers—whether now known or hereafter developed—shall vest exclusively in SSI.
- B. **SSI's Rights Exclusive.** Franchise Owner expressly acknowledges SSI's exclusive right to use the federally registered mark "Stanley Steemer" for carpet cleaning and other related services and other Stanley Steemer Trademarks and the Stanley Steemer System and agrees not to represent in any manner that Franchise Owner has any ownership in the Stanley Steemer System or the Stanley Steemer Trademarks. Franchise Owner further agrees that use of the Stanley Steemer System and Stanley Steemer Trademarks shall not create in their favor any right, title or interest in, or to, the Stanley Steemer System and the Stanley Steemer Trademarks but that all of the use shall inure to the exclusive benefit of SSI. Franchise Owner shall have no right to franchise or subfranchise any interest granted by this Agreement and, upon any attempt by Franchise Owner to do so, whether direct or indirect and whether intentional or unintentional, SSI may thereupon terminate this Agreement as provided in Article XIII hereof. Any unauthorized attempt to assign, sublicense, or permit any third party to use the Stanley Steemer Trademarks or the Stanley Steemer System shall constitute an immediate and incurable material default, entitling SSI to terminate this Agreement in accordance with Article XIII.C (Incurable Defaults).
- C. **Infringement.** Franchise Owner acknowledges that the use of the Stanley Steemer System or any of the Stanley Steemer Trademarks outside the scope of this Agreement without SSI's prior written consent is an infringement of SSI's exclusive right to use the Stanley Steemer System and the Stanley Steemer Trademarks. Franchise Owner expressly covenants that, during the term of this Agreement and after the expiration hereof, Franchise Owner shall not, directly or indirectly, commit an act of infringement ~~or~~ including any unauthorized online use, digital advertising, social media usage, or domain registration utilizing the Stanley Steemer Trademarks or any colorable variation thereof, or contest or aid in contesting the validity or ownership of the Stanley Steemer System or Stanley Steemer Trademarks, or take any other action in derogation thereof. Any such action shall be deemed to cause irreparable harm to SSI and entitle SSI, in addition to all other remedies, to immediate injunctive relief without bond.
- D. **Notice of Infringement.** Franchise Owner shall promptly notify SSI of any claim, demand, or cause of action based upon or arising from any attempt by any other Person to use the Stanley Steemer System or the Stanley Steemer Trademarks licensed hereunder, or any colorable variation thereof, in which SSI has or claims a proprietary interest. Franchise Owner also agrees to notify SSI promptly of any litigation instituted by any Person or governmental agency against SSI or Franchise Owner involving the Stanley Steemer System or the Stanley Steemer Trademarks. Franchise Owner acknowledges that SSI has the right to control any administrative proceeding or litigation involving the Stanley Steemer System or Stanley Steemer Trademarks, and SSI may settle, compromise, or otherwise resolve any such matter in its sole discretion. Franchise Owner agrees to execute any and all documents and to do such acts and things as may, in the opinion of counsel for SSI, be necessary to carry out such defense or prosecution.
- E. **Nonexclusive License.** Franchise Owner understands and agrees that the license in this Agreement to use the Stanley Steemer System and the Stanley Steemer Trademarks is nonexclusive to the extent that SSI has and retains the rights under this Agreement, among others, to:
1. grant other licenses for the use of the Stanley Steemer System and the Stanley Steemer Trademarks, in addition to those licenses already granted to existing franchise owners and to Franchise Owner;

2. develop and establish other franchise systems for different products or services utilizing trademarks, service marks and trade names not now or hereafter designated as part of the Stanley Steemer System and the Stanley Steemer Trademarks, and to grant licenses thereto, without providing Franchise Owner any rights therein; and
3. develop and establish other systems and programs for the sale at wholesale or retail, of similar or different products utilizing the same or similar marks or any other proprietary ~~marks~~ or licensed marks, tradenames, digital identifiers, or future forms of brand designation, whether now existing or hereafter devised, without providing Franchise Owner any rights therein.
4. **Alternate Channel Product Distribution.** Without limiting the generality of Section D.3 above, Franchise Owner acknowledges and agrees that SSI has and retains the right, in its sole discretion, to manufacture, produce, have produced, market, distribute, sell, and offer for sale—at wholesale, retail, or otherwise—any and all products, including:
 - a. products bearing the Stanley Steemer Trademarks or any other marks owned by or licensed to SSI, including products that Franchise Owner is authorized to sell in the operation of the Stanley Steemer Business;
 - b. products bearing private-label, co-branded, licensed, or white-label marks; and
 - c. products that do not bear any trademark, service mark, or trade name owned by or licensed to SSI,
through any and all channels of distribution other than or in addition to Stanley Steemer franchise owners, including without limitation:
 - i. Internet sales, whether through SSI-operated websites, e-commerce marketplaces (including but not limited to Amazon, Walmart.com, and similar platforms), mobile applications, or other online retail or wholesale channels;
 - ii. catalog sales, direct mail, and other print-based direct marketing;
 - iii. telemarketing, television home shopping, and other media-based direct response channels;
 - iv. sales to and through third-party retail stores, grocery chains, mass merchants, home improvement centers, warehouse clubs, and other brick-and-mortar retailers;
 - v. wholesale distribution to commercial, industrial, and institutional accounts; and
 - vi. any other channel of distribution, whether now existing or hereafter developed, that does not involve the provision of cleaning, mitigation, restoration, or related on-site services that are the subject of the franchise granted herein.

SSI may exercise the rights under this Section D.4 without restriction as to territory, including within Franchise Owner's Area, and Franchise Owner shall have no right to any compensation, royalty, commission, reimbursement, or share of revenue, and shall have no claim for lost profits, lost sales, diminished exclusivity, or territorial encroachment, arising from or related to SSI's exercise of such rights. The rights reserved under this Section D.4 shall not be subject to the territorial restrictions set forth in Article I of this Agreement, which territorial provisions apply solely to the provision of the on-site cleaning, mitigation, restoration, and related services that constitute the Stanley Steemer Business as defined herein.

For the avoidance of doubt, this Section D.4 applies solely to the distribution of products through alternate channels and does not authorize SSI to provide or authorize any third party to provide the on-site cleaning, mitigation, restoration, or related services that are the subject of the franchise granted herein, except as otherwise expressly provided in this Agreement.

- F. **Goodwill.** Franchise Owner acknowledges and expressly agrees that any and all goodwill associated with the Stanley Steemer System and identified by the Stanley Steemer Trademarks shall inure directly and exclusively to the benefit of SSI and is the property of SSI, and that upon the expiration or termination for whatever reason of this Agreement, no monetary amount shall be assigned as attributable to any goodwill associated with any of Franchise Owner's activities in the operation of the license granted herein, or Franchise Owner's use of the Stanley Steemer System or the Stanley

Steemer Trademarks--, including, without limitation, any online goodwill, digital presence, SEO value, domain authority, customer reviews, or social media engagement associated with such use. Franchise Owner expressly waives any claim to compensation for loss of goodwill, going-concern value, digital traffic, or similar intangible value upon expiration or termination of this Agreement or the rights granted to Franchise Owner under this Agreement.

G. **Limit on Use of Stanley Steemer Trademarks.** For the protection of the Stanley Steemer Trademarks, Franchise Owner further agrees:

1. to operate and advertise solely under the name Stanley Steemer; provided, however, that if Franchise Owner is or becomes a partnership, corporation or other business entity, Franchise Owner shall not utilize the Stanley Steemer Trademarks, or any colorable variation thereof, as part of Franchise Owner's partnership, corporate or other business entity name. To this end, Franchise Owner shall amend its current entity name to remove the name SSI within thirty (30) days of the effective date hereof; and Franchise Owner further agrees not to use the Stanley Steemer Trademarks, or any colorable variation thereof, as any trade name, fictitious name, d/b/a name, internet handle, social media username, domain name, metatag, geotag, or other digital identifier (each a "Digital Identifier"). Franchise Owner shall immediately execute any documents reasonably required by SSI to relinquish or assign to SSI any such Digital Identifier inconsistent with this Section, including, without limitation, execution of or consent to domain transfers, handle transfers, and administrative access rights;
2. to adopt and use the Stanley Steemer Trademarks licensed hereunder solely in the manner prescribed by SSI;
3. to observe such reasonable requirements with respect to trademark registration notices as SSI may from time to time direct in writing;
4. to use, promote and offer for sale only those products and services designated by SSI as being part of the Stanley Steemer System and which meet all standards and specifications set forth by SSI from time to time in the Stanley Steemer Manuals;
5. not to register any internet domain names that include any of the Stanley Steemer Trademarks or any abbreviation, acronym or variations thereof, including ~~any name similar to or suggesting any~~ homonyms, typosquats, visually similar marks, internationalized domain names (IDNs), or any digital identifier likely to cause confusion or imply association with SSI or the Stanley Steemer Trademarks, and Franchise Owner shall, upon SSI's request, execute all documentation necessary to transfer or disable any such unauthorized domain or digital identifier;
6. not to create, develop, maintain, modify or otherwise operate any websites, social media website, application or platform or any other existing or future form of electronic communication using the Stanley Steemer Trademarks (or any derivation thereof) ~~without the prior written approval of SSI~~ except in strict compliance with this Agreement, the Brand Standards and policies set forth in the Stanley Steemer Manuals. Franchise Owner acknowledges that this provision is intended to protect the Stanley Steemer Trademarks and brand image. SSI does not and will not approve or control Franchise Owner's specific individual social media posts or day-to-day communications. Franchise Owner, as the sole employer and independent operator, is solely responsible and liable for all social media content it posts. Nothing in this Section shall be interpreted as requiring SSI to monitor, approve, direct, or control Franchise Owner's online content, communications, personnel, or the day-to-day management of Franchise Owner's Stanley Steemer Business. SSI reserves the right to require Franchise Owner to immediately remove any content or post that, in SSI's reasonable judgment, fails to meet the Brand Standards or is otherwise detrimental to the Stanley Steemer System or Stanley Steemer Trademarks, as determined by SSI in its sole discretion. Franchise Owner shall comply with any content-removal or digital-brand remediation direction issued by SSI within the timeframe specified by SSI, and failure to do so shall constitute a material default of this Agreement.
7. **Authorized Provider Authorization--Trademark Use Modifications.** During any Authorized Period under Article I, Section B.3:
 - a. Franchise Owner shall not affirmatively advertise, promote, or hold itself out as providing the affected Service Category, unless Franchise Owner is actively fulfilling customer requests received directly by Franchise Owner pursuant to Article I, Section B.3(c).
 - b. If SSI directs Franchise Owner to modify its marketing, advertising, online listings, or other customer-facing materials to reflect the authorization, Franchise Owner shall comply within fifteen (15) days of SSI's written direction.

- c. Upon reinstatement of Franchise Owner's exclusivity pursuant to Article I, Section B.4, Franchise Owner may resume full use of the Stanley Steemer Trademarks in connection with the reinstated Service Category.

H. **Inspection.** In order to ~~preserve the validity, integrity, character and uniform quality~~evaluate Franchise Owner's compliance with the Brand Standards and specifications of the Stanley Steemer System, and the Stanley Steemer Trademarks licensed herein and to assure that Franchise Owner is properly employing the system and marks in the operation of Franchise Owner's Stanley Steemer Business~~this Agreement~~, SSI or its agents shall ~~at all times~~have the right, during regular business hours and upon reasonable notice, to inspect Franchise Owner's operations and Premises and make periodic evaluations of the services provided and the equipment and products used thereinPremises, equipment, products, and the services being provided or performed at any job site (subject to customer consent, if applicable). Franchise Owner shall cooperate with SSI's representatives in such inspections and render such assistance as may be reasonably requested. Any inspection or observation conducted under this Section H shall be limited to assessing compliance with the Stanley Steemer System, this Agreement and the Brand Standards. Any failure to allow inspection or provide requested access shall constitute a material default of this Agreement. SSI's inspection rights include the right to review digital content, online listings, and other digital brand uses to ensure compliance with Brand Standards and the Stanley Steemer Manuals

ARTICLE VI: FRANCHISE OWNER'S DUTIES - ADVERTISING

- A. **Understanding.** Franchise Owner understands that it is essential to the success of Franchise Owner's Stanley Steemer Business and to the protection of the Stanley Steemer System, the Stanley Steemer Trademarks and the goodwill associated therewith that the advertising efforts of all franchise owners and SSI be coordinated and standardized. Franchise Owner further recognizes that such coordination and standardization will result in an increase in the effectiveness of the advertising and a further increase in the already substantial goodwill associated with the Stanley Steemer image, the Stanley Steemer System and the Stanley Steemer Trademarks. Franchise Owner acknowledges that a failure to participate in any cooperative or other advertising program organized by SSI or other Stanley Steemer franchise owners and pay any costs or fees associated therewith when due will damage SSI and ~~other franchise owners~~the Stanley Steemer franchised system as a whole and will make Franchise Owner liable to SSI ~~and those franchise owners~~for any loss of income resulting from that failure, together with any reasonable administrative costs, fees, or expenses incurred by SSI to remediate or compensate for such failure. Franchise Owner further recognizes that the ~~exclusive nature of the license~~franchise granted to Franchise Owner in Article I of this Agreement is expressly contingent upon, among other things, Franchise Owner's~~Owner's~~commitment to utilize its best efforts and to spend sufficient funds on advertising to increase the revenue received by Franchise Owner's Stanley Steemer Businessas required by Section B.2 of this Article VI and otherwise comply with the terms of this Article VI; provided, however, that nothing in this Article VI shall be interpreted as granting SSI any right to supervise or control Franchise Owner's employment practices, staffing, or day-to-day management of the Stanley Steemer Business. SSI's rights and authority with respect matters described in this Article VI are limited to ensuring compliance with the Brand Standards and the Stanley Steemer Manuals with respect to advertising and public-facing communications.
- B. **Requirements.** In order to achieve such coordination, standardization and maximization of income, and to avoid damaging the trade name and goodwill associated with SSI, the Stanley Steemer Trademarks and other franchise owners, Franchise Owner agrees as follows:

1. Advertising Expenditures.

- a. ~~1. Advertising Expenditures~~**Spending Requirement and Definition.** Franchise Owner agrees annually to make "Advertising Expenditures" including cooperative and national advertising, but excluding ~~classified employee recruitment~~ advertising, a sum equal to not less than ten percent (10%) of ~~their~~Franchise Owner's annual Gross Sales. ~~For purposes of this Article VI, "Advertising Expenditures" shall mean money spent on the placement of advertisements promoting and publicizing the goods and services available from SSI in various forms of mass media and as otherwise set forth and described in the Stanley Steemer Manuals. For the avoidance of any doubt, "Advertising Expenditures" shall not include the placement of advertisements received in trade; any costs associated with the development or production of advertisements; costs related to sales staff/personnel including both~~

~~employees and outside contractors; sales commissions; referral and/or lead generation fees; charitable donations; team and/or event sponsorships; public relations expenses including gifts, promotional items or credits for earned media; and any costs related to telemarketing including the use of either internal and external resources.~~ To qualify as an "Advertising Expenditure," a payment must be a proactive investment in the opportunity to acquire a customer, not a reactive cost of sale paid only after a job is secured (such as referral fees or commissions), which do not qualify. Furthermore, the requirement is intended to maximize investment in Media Placement Costs ("Working Media"), as distinguished from Creative Production Costs or operational costs, which generally do not qualify. A detailed list of qualifying and non-qualifying expenditures is set forth in SSI's then-current policy governing advertising expenditures (the "Policy"), which is published in the Stanley Steemer Manuals and may be amended by SSI from time to time. Franchise Owner acknowledges that it has received, read, and understood the Policy in effect as of the Effective Date. SSI's determination as to whether an expenditure qualifies as an Advertising Expenditure under the Policy shall be made in good faith and shall be final and binding on Franchise Owner.

- b. **Verification and Remedies for Shortfall.** SSI may, from time to time, require Franchise Owner to submit a verified report of its Advertising Expenditures and SSI shall have the right to verify Franchise Owner's total Advertising Expenditures for any period through inspection of such records, invoices, bank statements, or digital platform data reasonably required by SSI. If SSI determines that Franchise Owner's total Advertising Expenditures for any calendar year were less than the required ten percent (10%) of annual Gross Sales, SSI shall provide written notice to Franchise Owner specifying the shortfall amount. Franchise Owner shall have sixty (60) days from receipt of such notice (the "Catch-Up Period") to make qualifying Advertising Expenditures sufficient to eliminate the shortfall. Qualifying expenditures during the Catch-Up Period shall be credited toward the prior year's shortfall (and not toward the current year's spending requirement). If Franchise Owner fails to eliminate the shortfall through qualifying Advertising Expenditures within the Catch-Up Period, Franchise Owner shall, within fifteen (15) days following expiration of the Catch-Up Period, (i) pay the remaining shortfall amount, immediately without demand, to SSI for deposit into SSI's national advertising fund, or (ii) provide written notice of Franchise Owner's challenge the determination of such shortfall, together with documentation demonstrating that SSI's determination was based on a factual error or clear misapplication of the Policy. SSI shall review any such challenge and respond in writing within fifteen (15) days. If the parties cannot resolve the dispute within thirty (30) days of the end of the Catch-Up Period, the determination of the shortfall shall be resolved in accordance with Article XVI (Dispute Resolution).
2. **Cooperative Advertising.** Franchise Owner, upon receipt of notice from SSI, shall participate in any media area cooperative advertising program in Franchise Owner's media area, whenever requested to do so either by SSI or by the owners of a majority of Stanley Steemer businesses in Franchise Owner's media area. Such businesses may include Stanley Steemer businesses operated by SSI or by other franchise owners. Once such a program is established, Franchise Owner agrees to pay their pro rata share of the cost thereof, which for television advertising is determined by taking the Nielsen statistics (or statistics from another comparable source) as to the number of total television households and the station's share of county viewing in Franchise Owner's Area as a percentage of the total number of total television households and the station's share of county viewing in the total media area for which the program has been established. For printed media, Franchise Owner agrees to pay their pro rata share of the cost thereof, which is determined by computing Franchise Owner's household circulation or distribution in Franchise Owner's Area as a percentage of the total household circulation or distribution in the total printed media area, as determined by SSI in its sole discretion. For digital advertising, including paid search, display, social media, streaming/OTT, and programmatic advertising, or such other advertising deemed digital advertising by SSI, in its sole discretion, Franchise Owner agrees to pay a pro rata share of the cost thereof, which shall be determined by SSI based on the proportional population or household count of Franchise Owner's Area relative to the total geographic area covered by the digital campaign, or by such other commercially reasonable methodology as SSI may establish in the Stanley Steemer Manuals. Franchise Owner agrees to abide by all rules, regulations and by-laws, if any, adopted by the members of the cooperative advertising program and failure to abide by those rules or by-laws shall constitute a material default of this Agreement and be grounds for termination of this agreement in the manner provided in Article XIII hereof. For avoidance of doubt, cooperative advertising payments made pursuant to this Section B.2 shall be credited toward Franchise Owner's total Advertising Expenditure obligation under Section B.1 above. The location and size of Franchise Owner's "media area" shall be determined by SSI in its sole discretion.
3. **National Advertising.**

- a. **Fee.** Franchise Owner shall pay as a monthly national advertising fee to SSI or to an entity designated by SSI that has been formed for the purpose of operating a national advertising program such amount of its monthly Gross Sales as may be prescribed by SSI up to four percent (4%) of Franchise Owner's total monthly Gross Sales including Gross Sales derived from both Franchise Owner's Core Business and Related Business. Any increase in the national advertising fee percentage shall be implemented only upon ninety (90) days prior written notice to Franchise Owner. For avoidance of doubt, national advertising fees paid pursuant to this Section B.3 shall be credited toward Franchise Owner's total Advertising Expenditure obligation under Section B.1 above.
 - b. **When Due.** The national advertising fee shall be due and payable without invoice or other notice from SSI on the 15th day of the month following the month for which the payment is due.
 - c. **Late Charge.** If the national advertising fee is not fully paid on or before the date when due, Franchise Owner agrees to pay to SSI, or to the entity referenced in Article VI, Section B.3 above, a late charge equal to ~~one-~~ one-half ~~one-half~~ percent (1 1/2%) per month on all amounts due and unpaid.
 - d. **Costs of Collection.** In addition, Franchise Owner agrees to reimburse SSI for all costs, including attorney's fees, of collection of any amounts due under this Agreement.
4. **Fund Administration.** The national advertising fund ("the Fund") shall be administered by SSI or an entity designated by SSI, which may be, but is not required to be, a separate non-profit corporation (the "Administrator"). The Administrator shall have sole discretion over the creative concepts, materials, and media used in advertising and marketing programs funded by the Fund. All contributions to the Fund shall be used exclusively for the costs of creating, producing, placing, administering the Fund, and administering advertising and marketing programs for the benefit of the Stanley Steemer brand. Franchise Owner acknowledges that the Fund is intended to benefit the Stanley Steemer brand as a whole, and that Franchise Owner has no right to receive, or expectation of receiving, expenditures in any particular amount or proportion in Franchise Owner's Area or media market. The Fund shall not be used as a profit center for the Administrator, though the Administrator may be reimbursed for the reasonable costs and overhead incurred in connection with its administration of the Fund. An annual financial statement for the Fund shall be prepared by an independent certified public accountant and shall be made available to contributing Franchise Owners upon written request. Franchise Owner acknowledges that contributions to the Fund do not grant Franchise Owner any right to direct or control the Fund's strategy, allocations, media mix, or creative material.
5. ~~4.~~ **Local Market Directory and Social Media Listings.** ~~SSI reserves the right to control all advertising and listings related to Franchise Owner's~~ Franchise Owner shall not create or manage any local market directory or social media listings for the Stanley Steemer Business in such online directories and Social Media websites, applications, platforms and other independent websites. The content of all such listings and advertisements in such directories and on such Social Media websites, applications, platforms and independent websites shall be considered to be the sole property of SSI. SSI may grant Franchise Owner limited editable rights in the content of ~~except in strict compliance with the Brand Standards and as otherwise set forth in the Stanley Steemer Manuals, as provided in Article V.G.6. SSI may establish programs (some of which may be mandatory and require payment of fees) of up to \$150 per month. to manage certain directory listings on a system-wide basis to ensure brand consistency. In such cases, Franchise Owner shall be solely responsible for the accuracy of its business information (e.g., address, hours) and for all content it provides for such listings~~ upon written request by ~~Franchise Owner that may be withheld or conditioned for any reason and if given may subsequently be revoked at any time for any reason. SSI may (but need not) establish guidelines pursuant to which Franchise Owner may establish profiles or otherwise establish a presence, and pay its pro rata share of the cost to participate, on such Social Media websites and platforms~~ shall also be solely responsible for all content posted to its local listings or social media pages, as set forth in Article V.G.6. Upon termination of this Agreement for whatever reason, Franchise Owner agrees that it ~~it~~ shall immediately cease all use of such listings, advertisements, presence on social media and on independent websites and that same shall become the sole property of SSI, at its option, subject to SSI's obligation to pay any applicable fees due therefor or becoming due and payable after the date of cessation of use. Franchise Owner

shall also immediately transfer, assign, or relinquish all administrative access rights, passwords, credentials, and control of such listings or accounts to SSI upon request.

6. ~~5.~~—**Advance Approval Required.**

- a. **Prior Approval.** No advertising materials of any kind whatsoever may be used by Franchise Owner unless ~~all such materials have been developed or approved in advance in writing by SSI.~~ strictly comply with the Stanley Steemer Trademarks, the Brand Standards, and any other specifications set forth in the Stanley Steemer Manuals. SSI shall have the right, but not the obligation, to require Franchise Owner to submit any and all advertising and marketing materials proposed for use by Franchise Owner for review and approval by SSI or its designee prior to use by Franchise Owner. SSI's, or its designee's, review (or failure to review) does not constitute an endorsement or approval of the material's compliance with applicable law, for which Franchise Owner remains solely responsible and neither SSI, nor its designee, if any, shall have any liability arising from Franchise Owner's use of any advertising or marketing materials, whether or not reviewed by SSI or its designee.
- b. **Reimbursement.** Franchise Owner shall reimburse SSI for all costs, including attorney's fees and damages, resulting from a violation of these requirements and restrictions.
- c. ~~6. **Obsolete/Disapproved or Non-Compliant Materials.**~~ Franchise Owner shall cease using any advertising or marketing materials previously developed or approved by SSI, upon receipt of notice in writing from SSI that such materials are obsolete and non-compliant or no longer approved for use and shall remove such materials, including digital content, within the timeframe specified by SSI. Failure to do so shall constitute a material default of this Agreement.

~~7. **Monthly Report.** Franchise Owner shall submit to SSI monthly through a method and in a form prescribed by SSI a report of advertising expenditures for the previous month.~~

ARTICLE VII: ADDITIONAL FRANCHISE OWNER DUTIES

Franchise Owner agrees as follows:

- A. **Telephone and Customer Acquisition Channels.** Franchise Owner shall use the national toll-free vanity number 1-800-STEEMER® in the operation of Franchise ~~Owner's~~ Owner's Stanley Steemer Business and such other telephone numbers as may be prescribed from time to time in the Stanley Steemer Manuals, ~~or otherwise communicated to Franchise Owner in writing. Franchise Owner shall pay SSI for the costs associated with Franchise Owner's~~ usage upon invoice from SSI. Franchise Owner shall answer, or cause to be answered, the telephone at Franchise Owner's Stanley Steemer Business at all times twenty four (24) hours a day; seven (7) days a week; and three hundred sixty five (365) days per year. ~~at its sole expense, maintain a telephone system and call-handling capabilities sufficient to meet the 24-hour customer inquiry and responsiveness standards set forth in the Stanley Steemer Manuals. The specific methods and means by which Franchise Owner meets these Brand Standards, including its choice of technology, call center, answering service, or staffing, shall be in Franchise Owner's sole discretion. SSI shall have no obligation to provide any call-handling assistance, overflow support, or customer-response services on Franchise Owner's behalf, and any such assistance that SSI elects to provide from time to time shall not create any right of reliance or any right to continued provision of such assistance. Franchise Owner acknowledges that all national or system-designated telephone numbers (including 1-800-STEEMER®) and any associated call-routing configurations are and shall remain the sole property of SSI, and Franchise Owner shall have no ownership interest therein and shall not port, transfer, or otherwise claim such numbers upon expiration or termination of this Agreement.~~

The national toll-free vanity number 1-800-STEEMER®, the Stanley Steemer website, digital booking platforms, and any other system-designated customer acquisition channels are shared system resources used by SSI's company-owned locations and independently owned and operated franchise locations. Franchise Owner's participation in the shared system infrastructure constitutes use of a system resource under a trademark license, not a delegation of Franchise Owner's operational authority to SSI or an appointment of SSI as Franchise Owner's agent. Calls and service requests received through the shared system infrastructure and routed by SSI or its designee to Franchise Owner's Stanley Steemer Business are routed on the basis of Franchise Owner's independently established operational parameters, including Franchise Owner's service area, capacity, availability, and Active Service Categories. SSI's role in maintaining the shared system

infrastructure — including call routing, online booking, customer inquiry routing, system configuration, and any call-handling assistance SSI elects to provide — is the role of a system administrator and independent service provider, not that of an agent, representative, or employee of Franchise Owner. Nothing in this Section A or in the shared system infrastructure shall be construed to create an actual or apparent agency relationship between SSI and Franchise Owner, to confer upon SSI any authority to bind Franchise Owner beyond Franchise Owner's independently established operational parameters, or to create a basis for vicarious liability for the acts or omissions of either party in connection with customer interactions originating through the shared system infrastructure. If Franchise Owner elects to participate in SSI's Contact Center Services (as defined in the Contact Center Services Agreement), pursuant to a separate Contact Center Services Agreement, the relationship characterization and agency limitations governing that arrangement shall be as set forth in the Contact Center Services Agreement, which supplements and does not supersede this Section A or Article X.

- B. **Training.** Franchise Owner, or if permitted or required by SSI, the Designated Principal (defined below) shall attend and complete, to SSI's satisfaction, the initial training program prescribed by SSI. In addition, any other person who holds the position of manager of Franchise Owner's Stanley Steemer Business from time to time may also attend SSI's initial training program. Franchise Owner, ~~its and any designated manager and other employees, as SSI may designate,~~ or Designated Principal of the Stanley Steemer Business shall attend and complete such other mandatory training programs on new or modified standards, services, or technologies that are part of the Stanley Steemer System, as SSI may reasonably require from time to time. Franchise Owner understands and agrees that all training provided by SSI pertains only to the operation of the Stanley Steemer System and Brand Standards. SSI's provision of technical manuals, safety reference materials, or cleaning methodologies constitutes the specification of mandatory Brand Standard outcomes only and does not constitute a workplace safety program or a comprehensive personnel training regime. SSI provides no training on, and has no control over, employment matters, human resources, workplace safety, or legal compliance related to Franchise Owner's employees or the Stanley Steemer Business. Franchise Owner shall be solely responsible for developing, implementing, and paying for training its own employees or personnel on safety, hazard communication, job-site protocols, and all other legally mandated subjects. Franchise Owner shall be solely responsible for developing, implementing, and paying for all training of its own employees and personnel on all matters, including job duties, safety, and applicable employment laws. SSI shall not provide, and shall not be deemed to provide, any training, direction, supervision, or control regarding Franchise Owner's employment practices, wage-and-hour policies, hiring, firing, discipline, customer scheduling, capacity management, or any other personnel-related decisions. SSI may provide certain reference materials which Franchise Owner may, in its sole discretion, use or adapt for the development of training programs tailored to Franchise Owner's own operation of its Stanley Steemer Business. Franchise Owner is solely responsible for ensuring that its training program and operational methods result in all employees and other personnel complying with the mandatory standards and specifications set forth in the Stanley Steemer Manuals. In connection with SSI's initial training program, SSI shall provide and pay for the instructors, training facilities (except where such training is presented by SSI on-location at Franchise Owner's principal place of business), and training materials utilized in connection with the initial training program. Franchise Owner shall pay such tuition fees as SSI may establish from time to time for any other person to attend the initial training program or any subsequent training programs. Franchise Owner shall be responsible for all other expenses incurred by Franchise Owner, its manager, or other employees, including, without limitation, any applicable costs of travel, room, board, and wages. If Franchise Owner fails to complete the initial training program to the satisfaction of SSI, then SSI shall have the right to terminate this Agreement without further notice. For any product or service identified by SSI for addition to the approved items which may be offered by Stanley Steemer franchise owners, if SSI determines that training and certification is required on the proper procedures of selling and providing the new products and services, Franchise Owner shall, before beginning to sell and provide the products and services, designate at least one representative from Franchise ~~Owner's~~ Stanley Steemer Business staff who has been properly trained and certified by SSI. Nothing in this Article VII; Section B shall be interpreted as creating any employment relationship between SSI and Franchise Owner's employees or the Designated Principal, or as imposing any obligation on SSI to supervise or manage Franchise Owner's personnel.

1. **Certification Maintenance and Service Category Active Status.** Franchise Owner acknowledges that maintenance of current training certification for at least one (1) technician per Service Category is a component of Active Service Category status under Article I, Section B.2. In the event of technician turnover, Franchise Owner shall have a grace period of sixty (60) days from the date of loss of its last certified technician for a particular Service Category to obtain certification for a replacement technician for the applicable Service Category, provided that: (1) Franchise Owner notifies SSI in writing within ten (10) business days of losing its last certified technician for such Service Category; (2) Franchise Owner has enrolled a replacement technician in SSI's next available training program within 10 days of the date the last remaining technician was employed by Franchise Owner; and (3) Franchise Owner does not perform services in the affected Service Category using uncertified technicians during such 60-day grace period. Failure to obtain replacement certification within the grace period shall be deemed a failure to maintain Active status for that Service Category. This grace period

does not limit SSI's rights under Article I, Section B.4 or Article XIII if other Active status deficiencies exist for the same Service Category simultaneously with the lack of a qualified technician in such Service Category.

C. **Designated Principal.**

1. **Designation Requirement.** Franchise Owner shall designate one individual (the "Designated Principal") to serve as Franchise Owner's primary representative and point of contact for all communications, training, and compliance matters with SSI. If Franchise Owner is an entity, the Designated Principal must be a principal owner holding at least a twenty percent (20%) equity interest in Franchise Owner, unless SSI approves an alternative Designated Principal in writing. The identity of the initial Designated Principal shall be set forth in Exhibit A.
2. **Qualifications.** The Designated Principal must:
 - a. **Successfully complete SSI's Initial Training Program and all mandatory continuing education programs, notwithstanding anything to the contrary in Article VII, Section B of this Agreement;**
 - b. **Have authority to bind Franchise Owner and make decisions on behalf of Franchise Owner regarding compliance with this Agreement;**
 - c. **Devote full time and best efforts to the management and operation of the Stanley Steemer Business (or, if the Designated Principal is a passive investor, Franchise Owner must designate a fully trained general manager of the Stanley Steemer Business to satisfy this operational requirement); and**
 - d. **Be reasonably available to SSI for system communications, training updates, compliance audits, and operational consultations, and other communications from SSI from time to time.**
3. **Role and Authority.** The Designated Principal serves as Franchise Owner's accountable representative to ensure that Franchise Owner understands and complies with Brand Standards, system requirements, the Stanley Steemer System, the Stanley Steemer Manuals, and the terms of this Agreement and all ancillary agreements hereto. Franchise Owner has sole and exclusive authority over the Designated Principal's specific job duties, work schedule, compensation, supervision of others (if any), and all other employment or management decisions. The designation of a Designated Principal does not grant SSI, nor constitute, any right to control, direct, or supervise Franchise Owner's management structure, staffing decisions, personnel policies, or day-to-day operational methods.
4. **Removal or Replacement.** Franchise Owner may replace the Designated Principal at any time by providing written notice to SSI and ensuring that the replacement individual satisfies the requirements of Sections 1 and 2 above. SSI may disapprove a proposed Designated Principal if such individual: (i) has not completed required training; (ii) lacks authority to bind Franchise Owner; (iii) has been convicted of a crime involving fraud, dishonesty, or moral turpitude; (iv) has previously been terminated by SSI or any other Stanley Steemer franchisee, or any other franchisor for cause; (v) holds an interest in a Competing Business; or (vi) fails to meet SSI's then-current character or general business standards. If SSI disapproves a proposed Designated Principal, SSI shall provide written notice stating the specific basis for disapproval, and Franchise Owner shall have thirty (30) days to propose an alternative individual.
5. **Vacancy and Interim Measures.** Franchise Owner's failure to maintain an approved Designated Principal for more than ninety (90) consecutive days shall constitute a material default under Article XII., Section D. During any period in which there is no approved Designated Principal (or during any period where the Designated Principal is incapacitated or absent), SSI may require Franchise Owner to implement interim supervisory or reporting measures, at Franchise Owner's sole expense, until a replacement Designated Principal is approved and trained. Such measures may include, without limitation, the hiring of a temporary manager approved by SSI or increased reporting frequency by Franchise Owner to SSI.

- D. ~~C.~~ **Confidentiality.** Franchise Owner shall not, during the term of this Agreement or thereafter, use, except in the Stanley Steemer Business licensed hereunder, or communicate, divulge, or use for the benefit of any other Person, any Confidential Information (as defined below), knowledge, or know-how concerning the Stanley Steemer System or the methods of operation hereunder which may be communicated to Franchise Owner, or of which Franchise Owner may be apprised, by virtue of Franchise Owner's business operations under the terms of this Agreement. Franchise Owner shall divulge such confidential information only to such of its employees as must have access to it in order to operate the Stanley Steemer Business as described herein. In connection therewith, Franchise Owner shall be fully responsible for ensuring that its employees comply with this Article VII. Section ~~C~~D.

“Confidential Information” means any information related to the Stanley Steemer System that SSI discloses to Franchise Owner and that SSI designates as confidential when disclosed, or that, which by its nature would be deemed Confidential Information, or which Franchise Owner knew, or should have known, would be deemed Confidential Information. Without limiting the definition of “Confidential Information,” all of the following will be conclusively presumed to be Confidential Information whether or not SSI designates them as such: (i) the Stanley Steemer Manuals; (ii) pricing information; (iii) materials describing the Stanley Steemer franchise network, the Stanley Steemer Cleaning Platforms and the Stanley Steemer System; (iv) the sources (or prospective sources) of supply and all information related to or concerning the same, including the identity and pricing structures with suppliers; (v) all training and marketing materials; (vi) SSI’s marketing plans and development strategies; (vii) all customer information and data; (viii) standards and specifications issued by SSI; (ix) all information and data, generated by, maintained in, or processed through the Integrated Technology Systems; and (x) all other information SSI provides to Franchise Owner in confidence. Franchise Owner acknowledges and agrees that all data generated, transmitted, or maintained through any Required Component of the Integrated Technology Systems—including, without limitation, customer information, job histories, pricing data, operational data, and analytics—constitute Confidential Information of SSI subject to the data ownership and usage provisions of Article VII, Section N. SSI retains all intellectual property rights in the Integrated Technology Systems and in any aggregated, de-identified, or system-level data derived from them. Franchise Owner’s access to and use of such data is limited to the purposes permitted under this Agreement, the Stanley Steemer Manuals, and the TSAA. Nothing in this Section alters the allocation of data-controller responsibilities set forth in the TSAA. Franchise Owner shall use Confidential Information solely for the operation of the Stanley Steemer Business in accordance with this Agreement, the Stanley Steemer Manuals, and the TSAA, and shall implement commercially reasonable safeguards to protect the confidentiality and security of such information consistent with applicable data privacy and security laws.

Notwithstanding anything contained herein, Confidential Information shall not include any information:

1. ~~1.~~ which, at the date of disclosure to either party or its authorized person, is in the public domain or
= which, after such disclosure, comes within the public domain through no fault of the party to which it is disclosed or its authorized person;
2. ~~2.~~ which was known to the party to which it was disclosed hereunder or its authorized person prior to
= such disclosure;
3. ~~3.~~ the disclosure of which is required by law or by any competent regulatory authority; or
4. ~~4.~~ which at any time comes independently and lawfully into the possession of the recipient, either from
= its own resources or from any third party.

This Article VII, Section ~~C~~D shall survive the termination or expiration of this Agreement. All references to Franchise Owner in this Article VII, Section ~~C~~D shall mean Franchise Owner and the undersigned individual. Nothing in this Article VII; Section D shall limit SSI’s rights to use de-identified, aggregated, or anonymized data derived from, created by or otherwise available to SSI in connection with the Integrated Technology Systems, or any other similar systems SSI requires franchise owners to use in the operation of their Stanley Steemer business, provided such use complies with the TSAA and applicable law.

E. ~~D. Trademarks.~~ Franchise Owner will not use, sell or give away anything bearing any Stanley Steemer Trademarks unless ~~Franchise Owner obtains the prior written permission of SSI and~~ such items have been purchased from SSI or an SSI-approved supplier and are used in a manner that observes all trademark and service mark requirements and restrictions pertaining thereto and otherwise complies with the Brand Standards and policies set forth in the Stanley Steemer Manuals.

F. **In-Term Covenant Not to Compete.**

1. **Exclusive Relationship.** During the Term of this Agreement, Franchise Owner shall devote full time, attention, and best efforts to the development and operation of the Stanley Steemer Business in accordance with this Agreement and shall not engage in any other business activity that conflicts with or detracts from Franchise Owner’s obligations under this Agreement.

2. **E. ~~No Competition~~ Prohibited Activities.** During the ~~term~~Term of this Agreement, Franchise Owner ~~will~~shall not ~~become a franchisee of, nor engage, directly or indirectly, in the ownership or operation of another cleaning or water damage mitigation or restoration business or franchise or any business involved in flooring sales or installation, fire and smoke restoration, mold remediation, construction, janitorial services and/or air duct cleaning, or any other services generally provided by SSI, and/or its franchise owners or licensee(s).~~whether as an owner, operator, employee, partner, shareholder, member, manager, director, officer, investor, lender, consultant, advisor, licensor or franchisor, licensee or franchisee, or in any other capacity:
- a. Own, operate, engage in, be employed by, provide services to, consult with, advise, lend money to, or have any financial interest in any business or entity (other than the Stanley Steemer Business operated under this Agreement) that is a Competing Business (as defined herein) whether such business or entity operates within Franchise Owner's Area or elsewhere;
 - b. Become a licensee or franchisee of, or grant a franchise or license for a Competing Business;
 - c. Divert or attempt to divert any business or customer to any competitor of SSI, the Stanley Steemer System, or another Stanley Steemer franchise, take any action that would harm the goodwill or reputation of SSI, the Stanley Steemer Marks, the Stanley Steemer System or another Stanley Steemer franchise; or
 - d. Use the knowledge, methods, processes, or Confidential Information obtained through this Agreement for the benefit of any business or Person other than the Stanley Steemer Business operated under this Agreement.
3. **Permitted Activities.** Notwithstanding Article VII. Section F.2 above, Franchise Owner may:
- a. Own less than five percent (5%) of the outstanding securities of any publicly traded company whose shares are listed on a national securities exchange, provided that Franchise Owner has no active involvement in the management or operations of such company and such ownership is solely for passive investment purposes;
 - b. Engage in business activities that do not involve the provision of services covered by Article VII. Section F 2(a) and do not compete with or detract from Franchise Owner's operation of the Stanley Steemer Business, provided that Franchise Owner obtains SSI's prior written consent, which consent shall not be unreasonably withheld if SSI determines that such activities will not materially interfere with Franchise Owner's obligations under this Agreement; and
 - c. Engage in charitable, civic, or community activities that do not involve the operation of a Competing Business.
4. **Persons and Entities Bound.** For purposes of this Article VII. Section F, "Franchise Owner" shall include and mean:
- a. Franchise Owner (whether an individual or entity);
 - b. If Franchise Owner is an entity: each owner, shareholder, member, partner, manager, managing member, officer, and director of Franchise Owner, and any Person holding a ten percent (10%) or greater direct or indirect ownership interest in Franchise Owner;
 - c. Any entity that is directly or indirectly controlled by any Person identified in subsections (a) or (b) above.
 - d. For purposes of this Article VII. Section F.4, "control" 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 interests, voting interests, or by contract, or otherwise.
5. **Acknowledgments.** Franchise Owner acknowledges that:
- a. The restrictions in this Article VII. Section F are reasonable and necessary to protect SSI's investment in the Stanley Steemer System and to ensure that Franchise Owner focuses its efforts on developing and operating the Stanley Steemer Business in accordance with this Agreement;

- b. Any violation of this Article VII. Section F would constitute a material default under this Agreement, entitling SSI to terminate this Agreement immediately pursuant to Article XIII and to seek all available remedies, including injunctive relief, without the necessity of posting a bond or other security; and
- c. Franchise Owner has entered into this Agreement voluntarily and with full understanding of the competitive restrictions contained herein.
6. **Applicable Law.** To the extent any provision of this Section F is prohibited, restricted, or limited by applicable state law governing non-competition agreements, such provision shall be modified to the minimum extent necessary to comply with such law, and the remainder of this Section F shall remain in full force and effect.
- G. ~~F.~~ **Books and Records.** Franchise Owner shall maintain complete and accurate books and records of its operations in accordance with generally accepted accounting principles and shall permit SSI, or its agents, at SSI's expense to examine or audit such books and records and Franchise Owner's tax returns at any reasonable time, whether located on-site or off-site, and shall produce copies or electronic access to such records upon SSI's request. If an inspection should reveal that Gross Sales have been understated in any report to SSI, then Franchise Owner shall immediately pay to SSI the applicable royalty payments on the amount understated upon demand, in addition to interest at the Default Rate from the date such amount was due until paid. If such examinations or audit disclose(s) an understatement in any report of two percent (2%) or more in the computation of the Gross Sales for the period examined, Franchise Owner shall pay SSI the royalty payment for the amounts understated, and any and all costs of such examination or audit (including, without limitation, reasonable accounting and attorneys' fees and disbursements) and interest at the Default Rate from the date(s) such amount(s) were due until paid. Franchise Owner shall ensure that all books, records, and operational data maintained or transmitted through any Required Component of the Integrated Technology Systems are complete, accurate, and consistent with the reports required by and submitted to SSI, and Franchise Owner acknowledges that failure to maintain such accuracy constitutes a material default under this Agreement.
- H. ~~G.~~ **Monthly Report.** Franchise Owner shall submit to SSI, together with the monthly royalty payment, a complete and accurate statement of the monthly Gross Sales and profit and loss of Franchise Owner's Stanley Steemer Business. Such report shall be submitted through a method and in a form prescribed by SSI and shall be prepared in accordance with generally accepted accounting principles. Franchise Owner understands that submission of such reports is necessary to SSI if it is to obtain new franchise owners/franchisees in other areas. Franchise Owner agrees that SSI may rely on electronic data transmitted through the Integrated Technology Systems, as defined in the TSAA, as part of or in lieu of such reports, and Franchise Owner shall promptly reconcile and correct any discrepancies in such data and reports identified by SSI. Franchise Owner further agrees that all data and records transmitted through any Required Component of the Integrated Technology Systems must be accurate, complete, and timely, and Franchise Owner shall promptly correct any inaccuracies and omissions in such data and reports, or delayed transmissions. Any recurring failure to maintain accurate data, recurring discrepancies between Required Component data and submitted reports, or failure to reconcile discrepancies within the time specified by SSI shall constitute a material default under this Agreement and shall be deemed to create an imminent threat to the integrity and uniformity of the Stanley Steemer System.
- I. ~~H.~~ **Annual Reports.** Franchise Owner shall submit to SSI within sixty (60) days after the close of Franchise Owner's fiscal year, complete and accurate financial statements of Franchise Owner's SSI Business, including a statement of profit and loss and a balance sheet. Such reports shall be submitted through a method and in a form prescribed by SSI and shall be prepared in accordance with generally accepted accounting principles. Franchise Owner shall ensure that all annual financial statements reconcile to and are consistent with all data transmitted through the Required Components of the Integrated Technology Systems, and Franchise Owner shall promptly correct any discrepancies identified by SSI. Repeated inaccuracies or material inconsistencies shall constitute a material default under this Agreement.
- J. ~~I.~~ **Additional Reports.** Upon notice from SSI, Franchise Owner will supply to SSI reports on any information which SSI may be required to provide about all or any of its franchise owners to any government entity. SSI shall have the right to request Franchise Owner's financial statements and tax returns, for the individual and business entity, and Franchise Owner shall promptly provide the required documents. Franchise Owner shall also provide, upon SSI's request, any operational, sales, customer and data reports generated by or maintained within any Required Component of the Integrated Technology Systems, and Franchise Owner shall ensure that such reports are accurate, complete, and in the format specified by SSI. Failure to provide such reports, or the provision of inaccurate or incomplete data in such reports, shall constitute a material default under this Agreement.
- K. **Data Accuracy; Reconciliation; Required Components.** Franchise Owner shall ensure that all data submitted to SSI, whether through the Integrated Technology Systems, Required Components, manual reports, or any other reporting

mechanism, is complete, accurate, and timely. All Monthly Reports, Annual Reports, Additional Reports, and other submissions required under this Agreement must reconcile to and be consistent with the data generated or transmitted through the Required Components of the Integrated Technology Systems. Franchise Owner shall promptly correct any inaccuracies, omissions, discrepancies, or transmission failures identified by SSI, and shall implement any remedial measures reasonably required by SSI to ensure the integrity and reliability of such data. Repeated inaccuracies, recurring discrepancies between Required Component data and submitted reports, or failure to reconcile discrepancies within the time specified by SSI shall constitute a material default under this Agreement. Nothing in this Section shall be interpreted as granting SSI any right or responsibility to control Franchise Owner's employment practices, staffing decisions, or day-to-day management of the Stanley Steemer Business. Data generated or transmitted through any Required Component of the Integrated Technology Systems shall be entitled to a rebuttable presumption of accuracy for purposes of assessing compliance, calculating royalties or fees, determining default, issuing notices, or exercising any rights under this Agreement. Franchise Owner may rebut such presumption only by presenting competent documentary evidence demonstrating the correct data for the period in question. Franchise Owner's unsupported assertion that a system error or malfunction caused a discrepancy, without independent documentation of the correct figures, shall not be sufficient to rebut the presumption. Franchise Owner bears the burden of rebutting the presumption, and failure to do so shall render the data binding.

L. **J.-Compliance with Applicable Laws.** Franchise Owner will, at its sole cost and expense, comply with all applicable federal, state, city, local and municipal laws, ordinances, rules and regulations pertaining to the operation of a Stanley Steemer Business, including all laws relating to employees and all applicable state and federal environmental laws. Franchise Owner will also comply with all applicable payment card industry standards. Franchise Owner will, at its sole cost and expense, be solely responsible for determining the licenses, permits and certifications applicable to Franchise Owner's Stanley Steemer Business and for obtaining and qualifying for all such licenses, permits and certifications. Franchise Owner acknowledges and agrees that it is solely responsible for its compliance with all such laws, and warrants that SSI has not provided, and will not provide, any legal, employment, workplace safety or business advice regarding such compliance or any other aspect of Franchise Owner's operations, and that Franchise Owner has not and will not rely on SSI for such advice. Any sample policies, procedures, or materials that SSI may make available to Franchise Owner from time to time are provided solely as optional reference tools and do not constitute legal, employment, or compliance advice. Franchise Owner is solely responsible for consulting with its own legal, tax, and other professional advisors regarding all aspects of the operation of its Stanley Steemer Business.

M. **Data Security and Privacy.** Franchise Owner shall comply with all applicable local, state, and federal laws and regulations regarding data privacy and security, including any laws related to the collection, use, storage, and protection of Personal Information. Franchise Owner shall comply with all data security protocols specified in the Stanley Steemer Manuals or the TSAA and must notify SSI immediately of any suspected or actual data breach or security incident in accordance with the procedures set forth therein. Franchise Owner shall indemnify, defend, and hold harmless SSI from any claims, losses, regulatory actions, penalties, or damages arising out of any breach of this Section or any security incident caused by Franchise Owner, its employees, contractors, or systems. To the extent any provision of this Agreement addresses data privacy, data protection, data security, consumer privacy rights, or data breach obligations, the provisions of the TSAA regarding the same shall govern and control, and this Section shall be interpreted consistently with and supplementary to the TSAA.

N. **Data Ownership and Usage Rights.**

1. **Ownership of Customer and System Data.** Franchise Owner acknowledges and agrees that SSI owns all right, title, and interest in and to: (i) Customer Data, including all customer contact information, service histories, preferences, communications, and transaction records generated during the operation of the Stanley Steemer Business; (ii) System Data, including brand performance metrics, marketing analytics, competitive intelligence, and aggregated operational benchmarks; and (iii) all intellectual property rights in databases, algorithms, and analytical tools used to collect, process, or analyze such data. Franchise Owner's right to access and use Customer Data during the term of this Agreement is a limited license only, revocable immediately upon termination or expiration of this Agreement.

2. **Operational Data Generated Through System Use.** All data generated by Franchise Owner through its use of the Stanley Steemer Trademarks, the Stanley Steemer System, the Stanley Steemer Manuals, Required Components, or data under the Technology Systems Access Agreement — including but not limited to local pricing decisions, inventory management practices, customer service interactions, and operational performance metrics ("Operational Data") — is created using SSI's proprietary tools, methodologies, trade secrets, and intellectual property. Operational Data constitutes Confidential Information subject to Article VII, Section D. During the term of this Agreement, Franchise Owner shall have a license to access and use Operational Data solely for the operation of the Stanley Steemer Business in accordance with this Agreement and the Stanley Steemer Manuals. Franchise Owner shall not

use Operational Data for the benefit of any Competing Business or any business other than the Stanley Steemer Business operated under this Agreement, whether during or after the term of this Agreement. Upon termination or expiration of this Agreement for any reason, Franchise Owner shall return or destroy all Operational Data in Franchise Owner's possession in the formats and within the timeframes specified under Article XV, and shall certify such return or destruction in writing. SSI shall retain an irrevocable, royalty-free license to use, analyze, and derive insights from Operational Data, including in aggregated, de-identified, or anonymized form, for any lawful business purpose. This license shall survive termination or expiration of this Agreement, or the maximum period of time as set forth in the data retention and data protection provisions of the TSAA.

3. **No Digital Equity Upon Exit.** Franchise Owner expressly acknowledges that it acquires no ownership interest, digital equity, database value, or other property rights in Customer Data or Operational Data by virtue of operating the Stanley Steemer Business or contributing information to SSI's systems. Franchise Owner waives any claim to compensation for such data upon termination or expiration of this Agreement. Franchise Owner further acknowledges that any value in Customer Data and Operational Data derives exclusively from the Stanley Steemer Trademarks, the Stanley Steemer System, and SSI's additional intellectual property.
4. **Algorithmic and AI-Enabled Systems.** Franchise Owner acknowledges and agrees that SSI may develop, deploy, and modify algorithmic, machine learning, artificial intelligence, or other automated or data-driven tools and systems ("AI Systems") that process, analyze, or derive insights from data generated through the Integrated Technology Systems, including Customer Data and Operational Data, , for any lawful business purpose, including without limitation: (a) optimizing customer routing, scheduling, pricing recommendations, and service dispatch across the Stanley Steemer Franchise System; (b) generating operational benchmarks, performance analytics, and business intelligence for use by SSI, Franchise Owner, and other franchisees; (c) training, improving, or refining AI Systems using aggregated, de-identified, or anonymized data derived from the operations of multiple franchise locations and company-owned locations; (d) developing predictive models for customer acquisition, retention, demand forecasting, and market analysis; and (e) automating or enhancing customer engagement, marketing, and communication functions. Franchise Owner acknowledges that AI Systems may generate recommendations, insights, or outputs that benefit the both franchised and SSI-owned Stanley Steemer Businesses as a whole, including other franchisees and company-owned locations, and that Franchise Owner has no right to the outputs, models, or insights derived from AI Systems, even if such AI Systems were trained in part on data generated by Franchise Owner's operations. SSI shall retain all intellectual property rights and ownership rights in AI Systems and all outputs thereof. Franchise Owner's use of any AI Systems output or recommendation is voluntary and at Franchise Owner's sole discretion, and nothing in this Section shall be interpreted as SSI directing or controlling Franchise Owner's employment practices, pricing decisions, scheduling, or day-to-day operational methods.
5. **Biometric Data.** SSI's Integrated Technology Systems, Required Components, or any system designated in the Stanley Steemer Manuals may incorporate any technology that collects, captures, processes, stores, or transmits biometric data (including but not limited to fingerprints, voiceprints, facial geometry, retinal or iris scans, or any other biometric identifier as defined under applicable federal or state law). To the extent required by applicable law or as otherwise deemed necessary or appropriate, the allocation of biometric compliance responsibilities shall be specified in the Technology Systems Access Agreement, the Stanley Steemer Manuals, or a separate Biometric Data Addendum if and when SSI implements or requires franchisees to use biometric technology.
- O. **Technology Tools as Operational Support; Employment Independence.** Franchise Owner acknowledges that any technology systems required under the Technology Systems Access Agreement (if executed), or otherwise mandated by the Stanley Steemer Manuals, may provide data analytics, performance benchmarks, or operational recommendations. Franchise Owner understands that such tools are provided to enhance Franchise Owner's independent business operations and do not constitute SSI's direction or control over Franchise Owner's employment practices. Franchise Owner maintains complete discretion over all hiring, firing, scheduling, compensation, discipline, and other employment decisions, and may disregard any system-generated recommendations that conflict with Franchise Owner's business judgment or legal obligations. SSI's provision of technology tools, data analytics, performance benchmarks, scheduling algorithms, pricing guidance, or other system-generated recommendations — whether generated by algorithmic processes, artificial intelligence, machine learning models, or other automated tools — does not create an agency, apparent agency, or vicarious liability relationship between SSI and Franchise Owner. SSI shall not be liable for Franchise Owner's use of, or reliance upon, any such tools or recommendations in the operation of the Stanley Steemer Business. The agency and vicarious liability limitations set forth in Article X, Section C apply to all aspects of the Integrated Technology Systems and system-generated outputs described in this Section O.

ARTICLE VIII: SSI'S DUTIES

SSI agrees as follows:-

In support of Franchise Owner's operation of its Stanley Steemer Business, SSI agrees to provide the support services described below; (provided however that, upon written notice specifying the default and the affected support obligations, SSI may suspend any support obligation that directly corresponds to a documented, uncured default by Franchise Owner, with such suspension lifted upon cure):

- A. **Advertising Materials.** SSI will provide to Franchise Owner all such advertising materials, including ~~newspaper copy or matrices, television film or video tapes, radio tapes and other~~ digital and traditional advertising materials as are developed content in such formats as SSI may designate from time to time by SSI for use in Stanley Steemer Businesses. Such materials will be provided to Franchise Owner upon payment to SSI of a sum equal to Franchise Owner's pro rata share of SSI's actual cost of such materials as determined from time to time by SSI.
- B. **National Advertising.** SSI (and/or any entity designated by SSI that has been formed for the purpose of operating a national advertising program) shall use all funds collected for national advertising to advertise SSI by such means as it shall determine will be most effective in increasing the goodwill associated with the Stanley Steemer Trademarks ~~and, the Stanley Steemer System. If SSI shall determine at any time that~~ and franchise and SSI owned Stanley Steemer Businesses. All funds not spent in the period collected shall be retained for use in future national advertising cannot be effectively implemented with the funds available, then SSI shall return to Franchise Owner its pro rata share of funds not yet expended. or brand-building activities, and Franchise Owner shall have no right to any refund or reallocation of such funds. Franchise Owner acknowledges that decisions regarding media, placement, vendors, agencies, and creative design are within the Administrator's sole discretion and are not subject to approval or control by Franchise Owner.
- C. **Cooperative Advertising.** SSI shall participate in any media area cooperative advertising program now or hereafter established by the owners of Stanley Steemer Businesses in any media area in which SSI owns and operates a Stanley Steemer Business. SSI shall pay into such cooperative advertising program a sum equal to its pro rata share of the cost thereof, ~~which for television advertising is determined by taking the Nielsen statistics (or statistics from another comparable source) as to the total television households and the station's share of county viewing in SSI's area as a percentage of the total number of total television households and the station's share of county viewing in the total media area. For printed media, SSI agrees to pay its pro rata share of the cost thereof, which is determined by computing SSI's household circulation in its area as a percentage of the total household circulation in the total printed media area. SSI's pro rata share for each medium shall be calculated using the applicable industry-standard audience measurement methodology then in effect for that medium, including, for television, household viewership data from Nielsen or a comparable ratings service, and, for digital advertising, impression share, geographic targeting data, or such other allocation methodology as the cooperative members may adopt. For any medium for which no industry-standard allocation methodology exists, SSI's share shall be determined by the cooperative members using a commercially reasonable methodology.~~
- D. **Use of Trademarks.** SSI will permit Franchise Owner to use the Stanley Steemer Trademarks described in Article V provided that the trademarks are used solely in accordance with the terms of this Agreement.
- ~~E.-E.~~ **Use of Stanley Steemer System.** SSI will permit Franchise Owner to use the Stanley Steemer System provided that the System is used solely in accordance with the terms of this Agreement.
- ~~F.-F~~ **Protection of Stanley Steemer Trademarks and Stanley Steemer System.** SSI will use ~~such efforts as it deems~~ commercially reasonable efforts, as determined by SSI in its sole discretion, considering the cost and other risks involved, to protect the Stanley Steemer Trademarks and Stanley Steemer System from infringement by any Person. Franchise Owner acknowledges that SSI's decisions regarding enforcement, settlement, or non-enforcement of trademark rights shall be made in SSI's sole discretion and shall not give rise to any claim by Franchise Owner.
- ~~G.-G.~~ **Spare Parts.** SSI will make available to Franchise Owner, ~~at the same price as it SSI generally charges from time to time to~~ other similarly situated franchise owners for comparable quantities and delivery conditions, the Stanley Steemer Cleaning Platforms, all spare parts necessary to operate and maintain the Stanley Steemer Cleaning Platforms,

and all proprietary cleaning products designated by SSI from time to time for use in the Stanley Steemer ~~Carpet Spot Remover and Stanley Steemer Odor Out~~System.

H.-H. Item Approval. SSI will approve all spare parts, cleaning products, Service Vehicles, signs, uniforms, machinery, equipment and supplies which are submitted in accordance with the procedures set forth in Article III, Section D hereof and which meet SSI's specifications.

I.-I. Product/Service Recommendations. SSI will, in its sole discretion and upon request by Franchise Owner, recommend to Franchise Owner brands and manufacturers of products meeting SSI's specifications and persons to repair the Stanley Steemer Cleaning Platforms. ~~or provide lists of previously-approved third-party service providers.~~ Franchise Owner acknowledges that any such list is provided for convenience only and does not constitute a requirement, endorsement, or warranty by SSI and previously approved Franchise Owner is solely responsible for vetting and selecting its own vendors and service providers and assumes all risk associated therewith. Franchise Owner is not required to use any such or previously recommended or approved provider.

J.-J. Training. SSI will provide the initial Franchise Owner (or, if Franchise Owner is an entity, its principal owner or Designated Principal), initial training in accordance with Article ~~H~~VII, Section B of this Agreement prior to the opening of Franchise Owner's Stanley Steemer Business on the operation and maintenance of the Stanley Steemer Cleaning Platforms and the operation of a Stanley Steemer Business and will provide Franchise Owner (or its Designated Principal) subsequent training in accordance with Article ~~H~~VII, Section B of this Agreement to the extent SSI deems necessary for the proper operation of a Stanley Steemer Business. As determined by SSI in its sole discretion, initial training and subsequent training may be provided on-line or via electronic communications or platforms or provided in-person at a location or locations determined by SSI. Such training may include technical instruction, industry-standard methodologies, and safety guidance necessary for the proper use of the Stanley Steemer Cleaning Platforms and the delivery of services consistent with the Brand Standards and the Stanley Steemer System; however, SSI shall not provide, and shall not be deemed to provide, any training, direction, supervision, or control regarding Franchise Owner's employment practices, wage-and-hour policies, hiring, firing, discipline, customer scheduling, capacity management, or any other personnel-related decisions, all of which remain solely within Franchise Owner's discretion and control. SSI's training programs, operational guidance, technology systems, and performance recommendations are designed to support Franchise Owner's adherence to Brand Standards and the Stanley Steemer System procedures only. Nothing in SSI's training, support materials, technology platforms, or operational recommendations shall be construed as SSI directing, controlling, or supervising Franchise Owner's employment practices, personnel decisions, staffing levels, work schedules, or day-to-day business operations. Franchise Owner retains complete and exclusive discretion over all such matters and may disregard any system-generated recommendation or guidance that conflicts with Franchise Owner's independent business judgment or legal obligations.

K.-K. Manuals. SSI will provide Franchise Owner with access to the Stanley Steemer Manuals and/or bulletins containing information, specifications and procedures for use in operating a Stanley Steemer Business and will inform Franchise Owner from time to time in writing about changes in such specifications and procedures. Such Stanley Steemer Manuals, as modified and revised from time to time, may consist of several topic-specific manuals and/or a collection of materials in hard and electronic form, including materials available through the Integrated Technology Systems, shall remain the sole property of SSI; shall be maintained by Franchise Owner as confidential; shall be (to the extent applicable) retained at all times at Franchise Owner's principal office; shall be kept current and up-to-date; may not be duplicated in whole or in part in any manner; and shall be (to the extent applicable) immediately returned to SSI upon the termination or expiration of this Agreement for any reason. In the event of any dispute as to the contents of any Stanley Steemer Manual, the master copies maintained by SSI at its principal place of business shall be controlling. Nothing in the Stanley Steemer Manuals shall be construed as regulating or controlling Franchise Owner's employment practices or the day-to-day management of its Stanley Steemer Business, and the Stanley Steemer Manuals shall be interpreted solely as Brand Standards required to maintain and achieve the unique qualities of the Stanley Steemer System and to otherwise preserve the integrity, character and uniform quality of the goods and services associated with the Stanley Steemer brand, the Stanley Steemer System and the Stanley Steemer Trademarks.

L. Advice and Counseling. ~~SSI will furnish such additional advice and counseling as Franchise Owner shall reasonably request.~~

L. System Support, Guidance and Additional Products and Services. SSI will furnish such additional guidance and support as SSI, in its sole discretion, deems necessary or appropriate regarding the use of the Stanley Steemer System and compliance with the Brand Standards. Franchise Owner acknowledges and agrees, as set forth in Article VII.J, that SSI

does not provide legal, financial, or business advice, and that Franchise Owner is solely responsible for its own operational and employment decisions.

- M-M. Limitation.** In the event SSI provides any additional products or services to Franchise Owner which SSI is not expressly required by this Agreement to provide, SSI may discontinue providing such products or services at any time without any obligation to Franchise Owner. The furnishing of any such products, services, guidance or support shall not be deemed to create a course of dealing or new obligation for SSI, nor shall it create any right of reliance for Franchise Owner. Such voluntarily provided items shall be deemed optional support only and shall not modify or expand SSI's obligations under this Agreement.
- N. Ongoing System Development.** SSI is committed to the ongoing development and improvement of the Stanley Steemer System, which may include, without limitation, investments in technology, brand awareness, proprietary cleaning products and equipment, training resources, and operational best practices, for the benefit of all Stanley Steemer Business operators. SSI shall endeavor to continue developing and enhancing the Stanley Steemer System; provided, however, that the specific nature, scope, timing, priority, and level of such investment shall be determined by SSI in its sole discretion based on its assessment of system-wide needs, market conditions, competitive dynamics, and available resources.
- O. Franchisee Input.** SSI values and encourages franchisee input on system-wide matters. SSI may, in its sole discretion, establish and maintain one or more franchisee advisory councils, committees, or other forums for franchisee input (collectively, "Advisory Forums"). The composition, structure, charter, meeting frequency, and agenda of any Advisory Forum shall be determined by SSI in its sole discretion. Any Advisory Forum shall be advisory only and shall have no decision-making authority, voting power, approval or voting rights, or right to bind SSI. SSI shall have no obligation to establish, maintain, or continue any Advisory Forum, and the existence or dissolution of any Advisory Forum shall not create any contractual right, cause of action, or claim by Franchise Owner. Nothing in this Section shall be construed as granting any franchisee or group of franchisees any governance right, approval right, or veto over SSI's management, operation, development, or governance of the Stanley Steemer System.

ARTICLE IX: INSURANCE AND INDEMNIFICATION

- A. Types and Amounts Required.** Franchise Owner will, prior to beginning his, her or its Stanley Steemer Business, and thereafter at all times during the entire term of this Agreement, maintain at Franchise Owner's expense, in a form, and with an insurer, satisfactory to SSI, an insurance policy or policies insuring Franchise Owner and SSI, and each of its respective parents, partners, affiliates, subsidiaries, successors and assigns against any loss, liability, personal injury, death, or property damage or expense whatsoever arising out of or in connection with Franchise Owner's Stanley Steemer Business. Such insurance policy or policies shall be written in a form satisfactory to SSI and in accordance with standards and specifications set forth in the Stanley Steemer Manuals or otherwise in writing, and shall include—at a minimum—the following coverages in the amounts specified below, or in such other amounts or with such other deductibles as SSI may specify from time to time in the Stanley Steemer Manuals or otherwise approve in writing:
- 1. Commercial General Liability Insurance:** including Products Liability, Completed Operations, Personal Injury, and Advertising Injury Coverages, with combined single limits of not less than One Million Dollars (\$1,000,000) per occurrence with and Two Million Dollars (\$2,000,000) in the general aggregate, and a deductible or self-insured retention on any such policy of not greater than Twenty Five acceptable to SSI, which shall not exceed Twenty-Five Thousand Dollars (\$25,000), ~~or such other amounts of coverage and self-insurance as SSI may specify from time to time~~ without SSI's prior written consent, insuring Franchise Owner against any liability that may accrue by reason of the operation by Franchise Owner of the Stanley Steemer Business. SSI may also specify different amounts of coverage or deductible limits from time to time in the Stanley Steemer Manuals or other written notice to Franchisees. Franchise Owner's Commercial General Liability Insurance shall include severability of interest and shall not contain exclusions for independent contractor liability, franchisor liability, or liability arising from Franchise Owner's use of proprietary Cleaning Platforms or Cleaning Products supplied by SSI and shall be written on an occurrence form unless otherwise approved in writing by SSI.
 - 2. Commercial Automobile Liability Insurance:** covering all vehicles used or operated by Franchise Owner in connection with the Stanley Steemer Business, including coverage for owned, hired and non-owned vehicles, with a combined single limit of not less than One Million Dollars (\$1,000,000) per occurrence.

3. **Excess Liability or Umbrella Insurance:** providing additional coverage for the liabilities insured under Franchise Owner's Commercial General Liability and Commercial Automobile Liability policies in an amount not less than \$2,000,000 per occurrence. Such coverage shall apply on a following-form basis and shall expressly extend to all additional insureds required under this Agreement.
4. **Contractors Pollution Liability Insurance:** including mold, asbestos, silica and biohazards coverage, with a combined single limit of not less than \$1,000,000 per occurrence and shall be written on an occurrence form unless otherwise approved in writing by SSI.
5. **Construction Services Liability Insurance:** with limits of not less than \$3,000,000 per occurrence and \$4,000,000 in the aggregate ~~is~~, required only if ~~you provide~~ Franchise Owner provides Reconstruction Services.
6. **Employment Practices Liability Insurance:** ~~Including wage and hour defense expense coverage, (EPLI):~~ Franchise Owner shall maintain Employment Practices Liability Insurance with a limit of not less than ~~\$500,000 per occurrence.~~ Five Hundred Thousand Dollars (\$500,000) per occurrence; provided, however, that a Franchise Owner whose Gross Sales for the preceding calendar year were Seven Hundred Fifty Thousand Dollars (\$750,000) or less shall maintain EPLI coverage with a limit of not less than Two Hundred Fifty Thousand Dollars (\$250,000) per occurrence. In the first year of operation, the reduced limit shall apply unless SSI specifies otherwise in Exhibit A. If a Franchise Owner's Gross Sales exceed \$750,000 in any calendar year, the standard \$500,000 minimum limit shall apply beginning on the next policy renewal date, and Franchise Owner shall increase coverage accordingly. Such policy must include the following:
 - a. **Wage and Hour Defense Coverage:** Coverage for defense expenses (including attorneys' fees and court costs) resulting from claims alleging wage and hour violations, including but not limited to claims alleging unpaid overtime, off-the-clock work, and meal and rest break violations.
 - b. **Third-Party Liability:** Coverage for third-party claims, including claims of harassment or discrimination brought by Stanley Steemer franchise owners, customers, vendors, or the public.
 - c. **Proof of Coverage:** Franchise Owner shall provide SSI with a certificate of insurance or policy declaration page evidencing satisfaction of these requirements annually upon renewal of the policy.
7. **Workers' Compensation Insurance:** Minimum of \$500,000 employer's limit of liability and such other insurance as may be required by statute or rule of the state in which Franchise Owner operates the Stanley Steemer Business.
8. **Cyber Liability Insurance:** Covering liabilities for security breaches, privacy violations, and data-related claims (including regulatory fines and penalties, forensic investigation costs, and customer notification and credit monitoring expenses), with a limit of not less than \$1,000,000 per occurrence and in the aggregate, or such lesser amount as SSI may approve in writing based on the scope of Franchise Owner's access to Personal Information through the Integrated Technology Systems. Such policy shall include coverage for breaches or failures arising from Franchise Owner's systems, devices, personnel, vendors, or failure to comply with the TSAA, and shall name SSI as an additional insured for third-party claims to the fullest extent permitted by the insurer.
9. **Insurance During Authorized Provider Authorization.** If SSI authorizes another party to provide a Service Category within Franchise Owner's Area pursuant to Article I, Section B.3:
 - a. Franchise Owner's obligation to maintain all insurance required by this Article IX shall continue without abatement during any Authorization Period, including coverage for the affected Service Category to the extent Franchise Owner continues to accept and fulfill customer requests as provided in Article I, Section B.3(c)
 - b. If Franchise Owner's equipment maintenance and operational readiness obligations for the affected Service Category are suspended pursuant to Article I, Section B.3(c), SSI may, in its sole discretion and upon Franchise Owner's written request, permit Franchise Owner to reduce or modify coverage specific to that Service Category. Any such approval may be conditioned on reinstatement of full coverage upon reinstatement of exclusivity under Article I, Section B.4.

- c. Insurance coverage for any Authorized Provider operating in Franchise Owner's Area is the sole responsibility of such Authorized Provider or SSI, and not of Franchise Owner.

- B. **SSI Insured.** All policies of insurance to be maintained by Franchise Owner shall contain a separate endorsement naming SSI as an additional insured — (Stanley Steemer, International, Inc.), as its interest may appear. ~~All, on a primary and non-contributory basis, and shall include a waiver of subrogation in favor of SSI.~~ All insurance shall be placed with an insurance carrier or carriers with an A.M. Best's rating of "A" and an A.M. Best's Class rating of ~~xiv IX~~ or be otherwise approved in writing by SSI. All policies of insurance, ~~or certifications for insurance with a copy of the original policy attached~~ certificates of insurance, along with copies of the additional insured, primary and non-contributory, and waiver of subrogation endorsements, showing full compliance with the requirements of this covenant, shall at all times be kept on deposit with SSI. If Franchise Owner fails to comply with these requirements, SSI may obtain required insurance and keep it in force and effect and Franchise Owner shall pay SSI, upon demand, the premium costs thereof, together with interest at the Default Rate on all sums expended by SSI. Insurance obtained by SSI under this Article IX, Section B shall not be construed as a waiver of any default by Franchise Owner. Franchise Owner shall, upon SSI's request at any time, provide evidence satisfactory to SSI that all required insurance is in force, including full copies of all policies, declarations pages, required endorsements, binders, and renewal confirmations.
- C. **Cancellation Notice.** Such insurance shall not be subject to cancellation or any material change, except after thirty (30) days written notice to SSI, and the insurance contract shall provide that no failure of Franchise Owner to comply with any term, condition, provision or covenant of the insurance contract or other contract of the Franchise Owner shall void or otherwise affect the protection under such insurance contract afforded to SSI. Each policy shall include an endorsement prohibiting the insurer from asserting Franchise Owner's noncompliance or Franchise Owner's breach of operational, technical, or Brand Standards requirements as a basis to deny coverage to SSI.
- D. **Increased Coverage Required.**
1. **Additional Liabilities.** If at any time SSI shall determine that the insurance coverage provided by Franchise Owner is not adequate to protect SSI from any liabilities which may be imposed on SSI as a result of Franchise Owner's operation of the Stanley Steemer Business, SSI shall inform Franchise Owner of the deficiency resulting from the current coverage and the possible liabilities which could result from the current scope of Franchise Owner's operations. Franchise Owner shall then procure additional insurance sufficient to protect SSI against those liabilities and obtain SSI's approval of the insurance within thirty (30) days after receipt of written notice of the deficiency.
 2. **Additional Amounts.** SSI may increase the amount of insurance required by this Article IX ~~so that it is adequate to protect SSI against any liabilities that might be imposed on SSI and Franchise Owner resulting from any change in circumstances~~ as SSI deems necessary in its sole discretion to reflect changes in liability risk, inflation, or general industry standards for businesses of a similar type and scale. Franchise Owner shall procure the additional insurance within thirty (30) days after receipt of written notice of the increase requirement. Failure to maintain such increased coverage shall constitute a material default under this Agreement; provided that, solely with respect to failure to obtain increased coverage amounts (as distinguished from failure to maintain any coverage whatsoever), the cure period shall be the earlier of: (i) sixty (60) days after receipt of SSI's written notice of the increase requirement; or (ii) Franchise Owner's next policy renewal date. During such cure period, Franchise Owner's failure to maintain the increased amount shall not trigger Article XIII, Section C.16.
- E. **Liability Not Relieved.** Maintenance of insurance and the performance by Franchise Owner of the obligations under this Article IX shall not relieve Franchise Owner from liability under the indemnity ~~provision~~ provisions set forth in ~~Article IX, Section F of this Agreement.~~ Article IX. Nor shall compliance with the insurance requirements limit Franchise Owner's liability to SSI for any uninsured, uncovered, or excluded losses. Nothing in this Section E shall limit SSI's indemnification obligations under Section G of this Article IX.
- F. **Franchise Owner Indemnification.**
1. **F. Indemnification Scope of Indemnity.** Franchise Owner shall indemnify, defend, and hold harmless, to the fullest extent permitted by law, SSI and its parent, affiliates, owners, members, directors, officers, employees, and agents from all losses and expenses, including without limitation, compensatory, exemplary,

or punitive damages, fines, charges, costs, expenses, lost profits, reasonable attorneys' fees, court costs, settlement amounts, judgments, and compensation for damages to ~~SSI's~~ SSI's reputation and goodwill, incurred in connection with any action, suit, proceeding, claim, demand, investigation, or inquiry (formal or informal), or any settlement thereof, arising out of or otherwise connected with Franchise Owner's ownership, operation, construction, or improvement of its Stanley Steemer Business and the Premises, ~~including any breach of this Agreement or any applicable laws. SSI shall promptly notify Franchise Owner of any claims;~~

- i. any breach of this Agreement, the TSAA, or any applicable laws;
 - ii. any and all claims or allegations arising from Franchise Owner's employees, including but not limited to, claims for wages, discrimination, harassment, wrongful termination, or workers' compensation;
 - iii. any and all claims or allegations that SSI is a joint or co-employer of Franchise Owner's employees or otherwise liable under any joint-employer, apparent agency, agency-by-estoppel, or vicarious liability theory;
 - iv. any and all claims, costs (including reasonable attorneys' fees, expert fees, and investigation costs), penalties, fines, sanctions, orders, compliance costs, or remedial measures arising from or related to any investigation, charge, complaint, audit, or proceeding initiated by or before any federal, state, or local administrative agency (including the Equal Employment Opportunity Commission, National Labor Relations Board, U.S. Department of Labor, Occupational Safety and Health Administration, state labor departments, or analogous agencies) that names, involves, or implicates SSI as a respondent, party, joint employer, or co-employer, regardless of the theory of liability asserted and regardless of whether such agency ultimately determines that SSI is liable. This indemnification includes, without limitation, costs incurred in responding to agency subpoenas, document requests, interviews, and investigative demands, as well as costs of any resulting consent decree, settlement, compliance agreement, or voluntary resolution and, SSI's reasonable attorney's fee related thereto;
 - v. any and all claims, losses, damages, or liability (including for personal injury, property damage, or death) arising from or related to the unauthorized, unapproved, or improper installation, modification, use or operation of any Stanley Steemer Cleaning Platform, or the use of any non-approved equipment, cleaning products, or methods.
2. **Joint and Concurrent Liability.** SSI's right to indemnification by Franchise Owner as provided in this Agreement shall arise notwithstanding that joint or concurrent liability may be imposed upon SSI and Franchise Owner by statute, ordinance, regulation, or other law, or that the claim seeks to impose such joint or concurrent liability upon SSI, including, without limitation, through any joint employer or vicarious liability theory. Franchise Owner's duty to defend and indemnify SSI shall apply regardless of any allegation that SSI was negligent in its capacity as franchisor with respect to oversight of the Stanley Steemer System, Brand Standards, or SSI's and Franchise Owner's franchise relationship, including any claim that SSI's exercise of quality control, brand enforcement, or system administration constituted negligent supervision or control of Franchise Owner's operations; provided, however, that Franchise Owner's indemnification obligation shall not extend to claims to the extent they are finally adjudicated to have resulted from (i) SSI's sole and independent negligence unrelated to such franchise relationship, or (ii) from SSI's willful misconduct in its franchise relationship with Franchise Owner.
3. **Defense and Settlement.** SSI shall promptly notify Franchise Owner of any claim for which indemnification may be sought under this Section F. At SSI's sole option, Franchise Owner shall be given the opportunity to assume the defense of the matter. If Franchise Owner fails to confirm in writing to SSI that it will assume the defense at least ten (10) business days prior to the date an answer is due, or if SSI decides to maintain its own defense, SSI may defend the action in the manner that it deems appropriate, and Franchise Owner shall pay to SSI on demand all costs, including reasonable attorneys' fees and disbursements, incurred by SSI in effecting such defense, in addition to any sum which SSI may pay by reason of any settlement made by SSI, in its sole discretion, or any judgment against SSI. ~~SSI's right to indemnification by Franchise Owner under this Agreement shall arise notwithstanding that joint or concurrent liability may be imposed upon SSI and Franchise Owner by statute, ordinance, representation or other law.~~

4. **Applicable Law.** To the extent any applicable state anti-indemnity statute, franchise relationship law, or other mandatory law prohibits or restricts indemnification by Franchise Owner of SSI's own negligence, gross negligence, or willful misconduct, the indemnification obligations in this Section F shall be enforceable only to the maximum extent permitted by such law, and any unenforceable portion shall be deemed modified to the minimum extent necessary to comply. This Section F shall not be construed to require indemnification to any extent that would render the requirement void or unenforceable under applicable law.
5. **Survival and Interpretation.** Franchise Owner's obligations, indemnify, defend, and hold harmless shall be interpreted broadly in favor of SSI and survive expiration or termination of this Agreement.

G. **SSI Indemnification.**

1. **Scope of Indemnity.** SSI shall indemnify, defend, and hold harmless Franchise Owner and its owners, officers, directors, and managers from all losses and expenses, including reasonable attorneys' fees, court costs, and settlement amounts approved by SSI, incurred in connection with any third-party action, suit, proceeding, or claim, to the extent such claim results from:
 - i. SSI's willful misconduct, as finally adjudicated by a court of competent jurisdiction or determined by final arbitration award;
 - ii. a defect in the design or manufacture of a Stanley Steemer Cleaning Platform that SSI knew of, or reasonably should have known of, and failed to disclose or remediate within a commercially reasonable time after acquiring such knowledge; or
 - iii. a breach of or unauthorized access to SSI's centralized Integrated Technology Systems (excluding Franchise Owner's Systems as defined in the Technology Systems Access Agreement) that results in the compromise of Personal Information of Franchise Owner's customers, to the extent such breach is attributable to SSI's failure to maintain commercially reasonable security measures for the Integrated Technology Systems or SSI's failure to comply with its own obligations under the TSAA.
2. **Limitations and Exclusions.** SSI's obligation under this Section G shall not apply to the extent such claim arises from or is contributed to by:
 - i. Franchise Owner's own negligence, willful misconduct, or breach of this Agreement or the TSAA;
 - ii. Franchise Owner's misuse, unauthorized modification, improper maintenance, or improper installation of any Stanley Steemer Cleaning Platform or other equipment, or Franchise Owner's failure to follow maintenance, operational, or safety requirements set forth in the Stanley Steemer Manuals;
 - iii. with respect to claims under Section G.1(iii), Franchise Owner's failure to comply with the endpoint security, credential management, device security, or incident reporting obligations set forth in the Technology Systems Access Agreement or as otherwise set forth by SSI in writing, including the Stanley Steemer Manuals; or
 - iv. Franchise Owner's failure to mitigate damages after receiving notice of the event giving rise to the claim.
3. **Recoverable Costs for Data Breach Claims.** SSI's obligation under Section G.1(iii) shall be limited to:
 - i. the reasonable and documented costs incurred by Franchise Owner for legally required customer notification and credit monitoring directly attributable to the SSI-originating breach;
 - ii. regulatory fines or penalties assessed directly against Franchise Owner to the extent solely attributable to the SSI-originating breach and not to Franchise Owner's own security failures or noncompliance with applicable law or standards, specifications and requirements of SSI provided to Franchise Owner in writing, including without limitation, the Stanley Steemer Manuals; and
 - iii. reasonable attorneys' fees incurred by Franchise Owner in defending third-party claims arising directly from the SSI-originating breach.

4. **Aggregate Cap.** SSI's aggregate liability under this Section G for all claims arising in any twelve (12) month period shall not exceed the greater of (a) two Hundred Fifty Thousand Dollars (\$250,000), or (b) the total fees paid by Franchise Owner to SSI under this Agreement and the TSAA during the twelve (12) months immediately preceding the event giving rise to the claim. For the avoidance of doubt, SSI's aggregate liability under this Section G is calculated on a per-franchise owner basis and is not cumulative across all franchised and SSI owned Stanley Steemer Businesses.
5. **Defense and Settlement.** SSI shall have the right, but not the obligation, to control the defense and settlement of any claim for which it may be obligated to indemnify, defend and hold harmless Franchise Owner under this Section G. If SSI elects to assume the defense, Franchise Owner shall cooperate fully and shall not settle, compromise, or consent to any judgment without SSI's prior written approval. If SSI declines to assume the defense, Franchise Owner may defend the claim at its own expense, subject to SSI's right to approve any settlement that would impose obligations on SSI or admit liability on SSI's behalf; provided, however, that any amounts incurred by Franchise Owner in such defense shall be recoverable under this Section G only if the underlying claim falls within Section G.1 and is not excluded under Section G.2.
6. **Notice and Cooperation.** Franchise Owner shall give SSI prompt written notice of any claim for which indemnification may be sought under this Section G, and in no event later than thirty (30) days after Franchise Owner becomes aware of such claim. Franchise Owner's failure to provide timely notice shall not relieve SSI of its indemnification obligation except to the extent SSI is materially prejudiced by such failure. Franchise Owner shall provide SSI with all information and assistance reasonably requested by SSI in connection with the defense or investigation of any such claim.
7. **Relationship to Insurance and Other Remedies.** This Section G shall not be construed to limit any rights Franchise Owner may have under applicable product liability law, data breach notification statutes, or other mandatory law. SSI's indemnification obligation under this Section G shall be reduced by any amounts actually recovered by Franchise Owner under Franchise Owner's own insurance policies for the same claim. Franchise Owner shall use commercially reasonable efforts to pursue recovery under its own applicable insurance policies before seeking indemnification from SSI under this Section G, and shall assign to SSI any subrogation rights against third parties to the extent SSI indemnifies Franchise Owner hereunder.
8. **Exclusive Remedy.** This Section G sets forth SSI's sole and exclusive indemnification obligation to Franchise Owner under this Agreement and supersedes any other indemnification obligation that might otherwise be implied by law or equity with respect to the subject matter hereof. Nothing in this Section G shall be construed as an admission of liability or as creating any obligation beyond the express terms set forth herein.

H. ~~G. Notice to SSI.~~ **General Notice Obligation.** In addition to the specific notice and defense provisions of Sections F.3 and G.6, Franchise Owner agrees to give SSI prompt notice of any ~~such~~ action, suit, proceeding, claim, demand, inquiry, or investigation arising out of or related to Franchise Owner's Stanley Steemer Business. At the expense and risk of Franchise Owner, SSI may elect to assume (but under no circumstance is obligated to undertake), the defense and/or settlement of any such ~~action, suit, proceeding, claims, demand, inquiry or investigation~~ matter. Such an undertaking by SSI shall, ~~in no manner or form, not~~ diminish Franchise Owner's obligation to indemnify ~~SSI, defend and to hold it harmless~~ SSI as set forth in Section F.

ARTICLE X: INDEPENDENT CONTRACTOR

- A. **Independent Contractor.** Franchise Owner is an independent contractor and ~~is not~~ an agent, partner, joint venturer, or employee of SSI, ~~and no~~ No fiduciary relationship exists between the parties ~~exists~~. Franchise Owner shall have no right to bind or obligate SSI ~~in any way nor shall any representation be made that~~. Franchise Owner has ~~any right to do so. Except as set forth in Article XII, Section C.3 of this Agreement, Franchise Owner will have~~ sole authority and control over the day-to-day operation of ~~Franchise Owner's~~ the Stanley Steemer Business and its employees. Franchise Owner ~~will be~~ is solely responsible for ~~the~~ recruitment, hiring, training, ~~payment of~~ wages, benefits, safety, ~~assignment, scheduling, discipline and~~ termination of all employees employed by ~~Franchise Owner's Stanley Steemer Business and its compliance with all laws and regulations applicable thereto.~~ SSI shall have no control or right to control the terms and conditions of employment of ~~Franchise Owner's employees,~~ and compliance with all employment laws. Franchise Owner

is the sole and exclusive employer of its personnel and retains complete control over all employment decisions, HR practices, labor relations, workplace policies, and supervisory structures and systems. SSI has no control over Franchise Owner's employment decisions, HR practices, or day-to-day personnel management. Franchise Owner is solely responsible for all federal, state, and local tax obligations arising from the operation of its Stanley Steemer Business, including all employment taxes, withholding taxes, income taxes, sales taxes, and any other taxes or governmental charges including without limitation, workers' compensation premiums. Neither Franchise Owner nor its employees shall be entitled to any benefits from SSI, including but not limited to health insurance, retirement plans, workers' compensation, or unemployment insurance. Brand Standards, the Stanley Steemer Manuals, and system requirements are designed to specify outcomes and results (service quality, customer experience, brand presentation, safety, and data accuracy) rather than to control Franchise Owner's employment practices, operational methods, or day-to-day business decisions. No action taken by SSI to enforce Brand Standards, protect the Trademarks, or administer the Integrated Technology Systems shall be construed as control over Franchise Owner's employment practices or daily operations. Nothing in this Agreement creates any joint employment, co-employment, or joint-employer relationship between SSI and Franchise Owner's employees. To the extent any applicable federal, state, or local law applies a test for employment status or independent contractor classification (including any ABC test, economic realities test, or similar multi-factor test) that could affect the characterization of the relationship between SSI and Franchise Owner or between SSI and Franchise Owner's employees, the parties intend that this Agreement shall be interpreted and performed in a manner that preserves the independent contractor relationship to the maximum extent permitted by applicable law. If any provision of this Agreement is found by a court or administrative agency of competent jurisdiction to be inconsistent with Franchise Owner's status as an independent contractor under applicable law, such provision shall be modified to the minimum extent necessary to preserve such status, and all remaining provisions shall continue in full force and effect. Franchise Owner's indemnification obligations with respect to any claim that SSI is an employer or joint employer of Franchise Owner's personnel are set forth in Article IX, Section F.

- B. **Independent Ownership.** In all public records—and in any relationship with other Persons, on, business relationships, stationery, business forms, and checks, Franchise Owner shall indicate that Franchise Owner's business is the Stanley Steemer Business is independently owned and operated and that Franchise Owner is a franchisee of SSI. Franchise Owner shall, at all times, exhibit display on the Premises or in such places as may be designated by SSI, a notification that Franchise Owner's a notice that the Stanley Steemer Business is operated by an independent contractor and not by SSI. Similar language must be included in all employment contracts independently owned and operated. Franchise Owner shall clearly identify itself as the sole employer in all employment-related materials, including job postings, offer letters, and employee handbooks used by Franchise Owner. Franchisee must not use SSI's, HR policies, and workplace notices. When using SSI's name or the Stanley Steemer Trademarks on any employee-related materials without a clear indication that, Franchise Owner's Owner shall clearly indicate that employees are employed by Franchise Owner—and, not by SSI. Franchise Owner shall not represent that SSI is involved in employment decisions or create any impression through job postings, uniforms, digital profiles, communications, or otherwise that SSI hires, supervises, manages, or directs Franchise Owner's employees. Franchise Owner shall take commercially reasonable steps to prevent customers, applicants, or employees from mistakenly believing they are interacting with an SSI-operated business. Nothing in this Agreement grants Franchise Owner or its personnel any authority to act on behalf of SSI.

- C. **No Agency; Vicarious Liability Limitations.** Neither this Agreement nor the franchise relationship it creates shall be construed to establish an actual or apparent agency relationship between SSI and Franchise Owner for any purpose. Franchise Owner has no authority to act on behalf of SSI, bind SSI to any contract or obligation, or represent to any third party that Franchise Owner is SSI's agent. SSI has no authority to act on behalf of Franchise Owner or to bind Franchise Owner to any contract or obligation beyond the terms of this Agreement. Neither party has been granted, nor possesses, authority to make representations, warranties, or commitments on behalf of the other party, or to create any obligation or liability, express or implied, on behalf of the other party.

Franchise Owner's use of the Stanley Steemer Trademarks, the 1-800-STEEMER® telephone number, system identifiers, and trade dress elements under this Agreement constitutes a trademark license granted pursuant to Article V, not a grant of agency authority, and shall not be construed as creating actual or apparent authority to act on SSI's behalf or as evidence of a principal-agent relationship. The existence of a uniform brand identity across all franchised and SSI owned Stanley Steemer Businesses — including common trademarks, trade dress, service marks, advertising, and customer-facing presentation — is a function of the trademark license and the Brand Standards that protect the goodwill associated with the Stanley Steemer Trademarks. It is not evidence of an agency relationship, operational control, or the right to control the manner and means of Franchise Owner's business operations.

SSI shall not be vicariously liable for the acts, omissions, negligence, or misconduct of Franchise Owner or Franchise Owner's employees, agents, or subcontractors in the operation of Franchise Owner's Stanley Steemer Business or in the performance of services for Franchise Owner's customers. Franchise Owner independently controls all aspects of service delivery, including the hiring, training, supervision, compensation, and direction of its own personnel and the quality, safety, methods, and timeliness of work performed by such personnel. SSI does not control, and has no right to control, the manner and means by which Franchise Owner performs services for its customers, manages its workforce, or conducts its day-to-day business operations. Conversely, Franchise Owner shall not be vicariously liable for the acts or omissions of SSI or SSI's employees, agents, contractors, or affiliated entities, except as may arise from Franchise Owner's own independent acts or omissions.

Franchise Owner's compliance with Brand Standards, the Stanley Steemer Manuals, system requirements, and the Integrated Technology Systems does not confer actual or apparent authority upon SSI over Franchise Owner's business operations, does not establish a principal-agent relationship, and does not create a basis for vicarious liability for the acts or omissions of either party hereto. Brand Standards govern the outcomes and quality expectations of the Stanley Steemer System — including service quality, customer experience, brand presentation, safety standards, and data accuracy — rather than the manner, methods, means, or details by which Franchise Owner achieves those outcomes. SSI's right to establish and enforce Brand Standards, protect the Stanley Steemer Trademarks, and administer the Integrated Technology Systems is the exercise of rights reserved to a licensor and franchisor under applicable law; it is not the exercise of control over Franchise Owner's employment practices, operational methods, or daily business decisions that would give rise to vicarious liability or an agency relationship.

SSI's access to, receipt of, or visibility into data generated through the Integrated Technology Systems — including Customer Data, Operational Data, System Data, and performance metrics — does not constitute supervision, direction, or control of Franchise Owner's business operations. Data visibility is a function of the technology platform architecture and SSI's rights as data owner and system administrator under the Technology Services Access Agreement; it does not create a right to control the manner and means of Franchise Owner's operations and shall not be construed as evidence of an agency relationship, joint venture, partnership, employment relationship, or basis for vicarious liability.

The parties hereto intend that this Section C shall be interpreted broadly in favor of preserving the independent, non-agency, non-vicariously-liable character of the franchise relationship to the maximum extent permitted by applicable law. To the extent any applicable federal, state, or local law applies any test for agency, apparent agency, vicarious liability, or respondeat superior (including any so-called right-to-control test, instrumentality test, or similar multi-factor test), the parties intend that this Agreement shall be interpreted and performed in a manner that negates any agency characterization and maintains each party's independent liability for its own acts and omissions. If any court, administrative body, or arbitrator determines that any aspect of this Agreement or the franchise relationship creates an agency relationship or a basis for vicarious liability notwithstanding this Section C, such determination shall be limited to the narrowest basis required and shall not affect the interpretation or enforceability of the remaining provisions of this Section or this Agreement.

D. **Employment Practices.**

1. **General Acknowledgement** . Nothing in this Agreement, the Stanley Steemer Manuals, the Brand Standards, the Technology Services Access Agreement, or any other agreement between SSI and Franchise Owner shall be interpreted as granting SSI any right or obligation to control, direct, or supervise Franchise Owner's employment practices, personnel management, or day-to-day labor relations. Franchise Owner retains sole and exclusive authority over all decisions relating to the hiring, firing, training, supervision, discipline, evaluation, scheduling, compensation, benefits, promotion, demotion, and termination of Franchise Owner's employees and other personnel, as well as all decisions relating to staffing levels, wage-and-hour practices, workplace safety programs, human resources policies, and compliance with applicable employment laws. SSI has no right to, and does not, control the manner and means by which Franchise Owner makes any such decisions, and no action taken by SSI under this Agreement shall be construed as the exercise of such control.
2. **Scope of Application**. Section D.1 applies to every provision of this Agreement and each other agreement between SSI and Franchise Owner, including but not limited to all provisions relating to Brand Standards, the Stanley Steemer Manuals, training, technology systems, inspections, audits, operational recommendations, advertising and marketing, Strategic Account participation, and default and termination. No provision of this Agreement or any ancillary agreement is excluded from the scope of this Section D.

3. **Interpretive Principle.** The Stanley Steemer Manuals, Brand Standards, and all other system documentation set forth requirements relating to brand integrity, quality outcomes, technical methodologies, and system standards. To the extent any provision of this Agreement, the Stanley Steemer Manuals, the Technology Services Access Agreement, or any other system documentation is susceptible to multiple interpretations — including any interpretation that could relate to Franchise Owner's employment practices, staffing levels, wage decisions, scheduling, personnel management, or labor relations — such provision shall be construed solely as relating to Brand Standards, technical specifications, system requirements, or customer-facing outcomes. By way of illustration and not limitation: (a) SSI's training programs, technical manuals, safety reference materials, and cleaning methodologies constitute specifications of Brand Standard outcomes and do not constitute a workplace safety program, a comprehensive personnel training regime, or direction or supervision of Franchise Owner's employment practices; (b) SSI's inspection, audit, and evaluation rights relate to Franchise Owner's compliance with Brand Standards and system requirements and do not constitute supervision or control of Franchise Owner's employees or day-to-day management; (c) the Integrated Technology Systems, Required Components, data analytics, performance benchmarks, scheduling algorithms, pricing guidance, and other system-generated recommendations or tools relate to data integrity, brand protection, system security, and technological uniformity, and not to Franchise Owner's labor relations or personnel management; and (d) the default and termination provisions of Article XIII shall not be interpreted as granting SSI any right to hire, fire, discipline, supervise, or control Franchise Owner's employees or day-to-day labor relations. No provision of this Agreement, the Stanley Steemer Manuals, the Technology Services Access Agreement, or other system documentation shall be interpreted to grant SSI any authority to control, direct, or supervise Franchise Owner's employment decisions, personnel policies, or day-to-day operational methods.
4. **Relationship to Article X, Sections A, B, and C.** This Section D supplements and does not limit or replace the provisions of Sections A (Independent Contractor), B (Independent Ownership), and C (No Agency; Vicarious Liability Limitations) of this Article X. The employment practices provisions set forth in this Section D, together with the independent contractor provisions of Section A, the independent ownership provisions of Section B, and the agency and vicarious liability provisions of Section C, collectively establish the parties' intent that the franchise relationship created by this Agreement does not grant SSI any right to control Franchise Owner's employment or personnel decisions, does not create a joint employment, co-employment, or agency relationship, and does not give rise to vicarious liability for the acts or omissions of either party.

ARTICLE XI: RENEWAL

- A. **Renewal Right.** ~~This Agreement may be renewed by the~~ **to Renew; Conditions.** Subject to the terms of this Article XI, Franchise Owner ~~for an~~ shall have the right to renew this Agreement for one (1) additional term of ten (10) years provided that Franchise Owner ~~has met~~ satisfies all of the following conditions ~~prior to the beginning of each such additional term:~~
1. **Substantial Compliance.** Franchise Owner has ~~not been in default under any provision of this Agreement, or any other agreement between SSI and Franchise Owner, and has been in full compliance~~ substantially complied with all material terms and conditions of ~~such agreements during their terms;~~ this Agreement throughout the then-current term of this Agreement (the "Term"). For purposes of this Section, "substantial compliance" means that Franchise Owner has operated the Stanley Steemer Business in accordance with this Agreement in all material respects, and any breaches or defaults have been minor in nature, promptly cured, and do not reflect a pattern of non-compliance. Breaches that would have justified immediate termination under Article XIII, Section C shall not be considered "minor in nature" even if subsequently cured. In addition, Franchise Owner shall have no uncured defaults under this Agreement, the TSAA, or any other agreement with SSI as of the expiration date of the Term.
 2. **Minimum Annual Royalty.** Franchise Owner has satisfied the Minimum Annual Royalty requirements set forth in Article II, Section E in each year of the Term, or if Franchise Owner failed to satisfy such requirements in any year, such failure was excused by SSI in writing or Franchise Owner paid the shortfall within any applicable cure period.
 3. **Active Service Categories.** Franchise Owner has maintained all Service Categories designated in Exhibit A as Active Service Categories (as defined in Article I, Section B) during the Term.

4. ~~2. Timely Notice.~~ Franchise Owner ~~must notify SSI in writing of its intention~~ provides written notice to SSI of Franchise Owner's election to renew ~~this Agreement at least one hundred eighty (180) days~~ not less than twelve (12) months prior to the expiration of ~~this Agreement~~; the Term.
5. ~~3. Renewal Fee.~~ Franchise Owner ~~must agree to~~ shall pay to SSI the sum a nonrefundable renewal fee of Ten Thousand Dollars (~~\$10,000.00~~); 10,000) at the time of executing the Renewal Documents.
4. ~~New Agreement.~~ Franchise Owner must agree to execute a new Franchise Agreement covering the renewal term which shall be in the same form as the Franchise Agreement then being offered to prospective new franchise owners by SSI as of the date of such renewal. Such agreement shall supersede all aspects of this Agreement and may differ substantially in every respect from this Agreement, including without limitation, different royalty fees, national advertising fees, advertising expenditure requirements, and different renewal fees; and
6. ~~5. General Release.~~ Franchise Owner shall execute a general release, in a form prescribed by SSI, of any and all claims through the date of renewal against SSI, any person acting by, through, under or on behalf of SSI, its past and present shareholders, officers, members, partners, directors, employees, agents, parent, subsidiaries and corporate affiliates, their successors and assigns, in their corporate and individual capacities-; provided, however, that to the extent any applicable state franchise law prohibits or restricts the requirement of a general release as a condition of renewal, this requirement shall be modified to the minimum extent necessary to comply with such law.
7. ~~Execution of Then-Current Agreements.~~ Franchise Owner shall execute SSI's then-current form of Franchise Agreement and Technology Systems Access Agreement and such other agreements required by SSI in its commercially reasonable discretion (the "Renewal Documents"), together with any required disclosure acknowledgments, guaranty and assumption agreements (if applicable), and state-specific renewal addenda required by applicable law.
8. ~~Modernization.~~ Franchise Owner shall, at its sole expense, modernize the Stanley Steemer Business, including vehicles, equipment, facilities, signage, and technology systems, as necessary to comply with the then-current Brand Standards applicable to renewing franchises; provided that (a) such modernizations are applied on a system-wide basis to all renewing franchisees or to substantially similar renewing franchisees; (b) such modernizations are commercially reasonable in scope and cost, as determined by SSI in its sole discretion; and (c) SSI provides a reasonable implementation period, which shall be not less than twenty-four (24) months.

B. ~~Terms of Renewed Agreements.~~

1. ~~System-Wide / Commercially Reasonable Standard.~~ The Renewal Documents may include new or modifications provisions in this Agreement or ancillary agreements regarding fees, royalty rates, technology requirements, operational standards, and other terms, provided that such new requirements or modifications are applied on a system-wide basis to all renewing franchisees and are commercially reasonable for the protection, improvement, or uniformity of the Stanley Steemer System, as determined by SSI in its commercially reasonable discretion.
2. ~~Royalty Phase-In.~~ Any increase in the royalty rate from the rate in effect during the Term shall be phased in over the first three (3) years of the Renewal Term in equal annual increments determined by SSI.
3. ~~Territory Non-Diminishment.~~ Franchise Owner's Area shall not be diminished, reduced, or reconfigured as a condition of renewal, except as required to accommodate populations shifts that adversely impact Franchise Owner's obligations to provide Stanley Steemer products and services in accordance with the requirements of this Agreement and the Stanley Steemer System, in SSI's commercially reasonable discretion.

C. ~~SSI's Determination; Non-Renewal Notice.~~

1. **SSI Review.** Following receipt of Franchise Owner's renewal notice, SSI shall review Franchise Owner's satisfaction of the conditions set forth in Section A.
2. **Notice of Intent Not to Renew.** After receiving timely renewal notice from Franchise Owner, if SSI determines that Franchise Owner has not satisfied one or more conditions in Section A, SSI shall provide written notice prior to expiration of the Term (or such longer period as required by applicable state law), identifying the specific condition(s) not satisfied and, if curable, providing a reasonable cure period, not to extend beyond the expiration of the Term.
3. **Franchise Owner Response.** Within thirty (30) days of receiving SSI's notice, Franchise Owner may submit a written response demonstrating satisfaction or presenting a plan for cure. SSI shall consider any such response in good faith. If the parties cannot resolve the dispute, it shall be submitted to the dispute resolution process set forth in Article XVI.
4. **Holdover During Pending Dispute.** If a dispute regarding SSI's determination under this Section C is pending before the dispute resolution process set forth in Article XVI at the time the Term would otherwise expire, the Term shall be extended on a month-to-month basis until such dispute is resolved; provided that Franchise Owner shall continue to comply with all terms of this Agreement and pay all fees, royalties, and other amounts due during any such extension period. If the dispute is resolved in Franchise Owner's favor, the Renewal Term shall commence on the first day of the month following resolution.

D. **Compliance with Applicable Law.**

1. To the extent any provision of this Article XI conflicts with applicable state franchise law, the applicable state law shall control to the minimum extent necessary to comply with such law, and the remainder of this Article XI shall remain in full force and effect.
2. ~~B. **Expiration.**—If Franchise Owner fails to fulfill the foregoing conditions, then this Agreement shall expire in accordance with the terms of Article I hereof.~~ operates in a state with specific franchise laws, the additional terms set forth in the applicable State Addendum are incorporated herein by reference.
3. In states requiring "good cause" for non-renewal, SSI and Franchise Owner acknowledge that Franchise Owner's failure to satisfy any material condition in Section A constitutes "good cause" for non-renewal.

E. **Additional Renewal Terms.** This Agreement provides for one Renewal Term. Upon expiration of the Renewal Term, Franchise Owner may have the opportunity to enter into a successor franchise agreement, subject to SSI's then-current policies and applicable law. Nothing herein guarantees renewal beyond the one Renewal Term expressly provided.

F. **No Automatic Renewal; Expiration of Rights.** This Agreement does not provide for automatic renewal. If Franchise Owner fails to provide timely notice, fails to satisfy renewal conditions, fails to execute the Renewal Documents, elects not to renew, or has renewal denied pursuant to this Article XI, then Franchise Owner's right to renew shall expire and this Agreement shall terminate upon expiration of the Term (or any holdover extension under Section C.4) without further notice from SSI. Upon such expiration, Franchise Owner shall comply with all post-termination and post expiration obligations set forth in Article XV.

1. **Late Notice.** Notwithstanding the foregoing, if Franchise Owner provides renewal notice after the deadline set forth in Section A.4 but prior to expiration of the Term, SSI may, in its sole discretion, elect to accept such late notice and proceed with the renewal process under this Article XI. SSI's decision whether to accept or reject late notice shall be final, shall not be subject to the dispute resolution process set forth in Article XVI, and shall not obligate SSI to accept late notice in any other circumstance or create any precedent for future renewal periods of Franchise Owner or any other franchise owner.

G. **Effect of Renewal.** Upon renewal and execution of the Renewal Documents:

1. The franchise agreement and the ancillary agreements thereto shall supersede and replace this Agreement and ancillary agreements executed in connection with this Agreement, in their entirety, except that indemnification, confidentiality, accrued payment obligations, and other obligations that expressly or by their nature were intended to survive expiration or termination of this Agreement and such ancillary agreements shall continue.

2. Franchise Owner's Area shall continue without diminishment, reduction, or reconfiguration, except as set forth above.
3. All fees and royalty rates shall be as set forth in the Renewal Documents, subject to Sections B.1 and B.2.
4. The Renewal Term shall be for a period of ten (10) years commencing on the day following expiration of the then-current term (or, if renewal was subject to dispute resolution, on the first day of the month following resolution of the dispute).

ARTICLE XII: ASSIGNMENT

A. **Assignment Conditions.** Franchise ~~Owner's~~ Owner's interest in, and obligations under, this Agreement may be assigned, transferred, pledged, mortgaged, hypothecated, or in any manner encumbered only if:

1. Franchise Owner has owned and operated his, her or its Stanley Steemer Business for at least one (1) year;
2. Franchise Owner has paid all obligations due to SSI and any other creditor arising from the activities permitted or required under this Agreement;
3. Franchise Owner has paid all obligations due to any governmental entity arising from the activities permitted or required under this Agreement, including ~~in particular,~~ obligations for social security payments and ~~withheld~~ withholding taxes;
4. Franchise Owner is not in default ~~on~~ under this Agreement or any other agreement between Franchise owner and SSI or affiliate of SSI as of the date of the proposed transfer;
5. Franchise Owner has fulfilled the conditions of either Sections B, C or D of this Article XII; and
6. Franchise Owner ~~shall execute~~ executes a general release, in a form prescribed by SSI, of any and all claims through the date of transfer against SSI, any person acting by, through, under or on behalf of SSI, its past and present shareholders, officers, members, managing members, managers, partners, directors, employees, agents, parent, subsidiaries and corporate affiliates, their successors and assigns, in their corporate and individual capacities; provided, however, that to the extent any applicable state franchise law prohibits or restricts the requirement of a general release as a condition of transfer, this requirement shall be modified to the minimum extent necessary to comply with such law.

B. **Transfer to a Corporation, Partnership, Limited Liability Company or Other Business Entity.** Franchise Owner may transfer its interest in, and obligations under, this Agreement, provided the provisions of ~~paragraph~~ Article XII, Section A hereof are fulfilled, to a corporation, partnership, limited liability company or other business entity 100% owned by Franchise Owner and formed for the sole purpose of operating the Stanley Steemer Business, if:

1. **Notice.** Franchise Owner gives SSI ten (10) days prior written notice;
2. **Remain Liable.** Franchise Owner remains jointly and severally liable on this Agreement;
3. **Approval for Future Transfer.** No stock or other ownership interest of the corporation ~~(or other documentary evidence of ownership of another form of business entity)~~ may be transferred without SSI's prior approval in accordance with this Article XII;
4. **Legend.** ~~All~~ If the corporation or other business entity issues certificates of stock (or other certificates of ownership interest) in the corporation (or other form of business entity) shall have a, all such certificates shall have conspicuously endorsed upon ~~its~~ their face the following legend: If the entity does not issue certificates, Franchise Owner shall include the following legend in the entity's governing documents (including articles of incorporation, bylaws, operating agreement, or partnership agreement, as applicable) and shall provide SSI with a copy of such governing documents evidencing the inclusion of the legend:

The transfer of this stock [or other certificate of ownership interest] is subject to the terms and conditions of a Franchise Agreement with Stanley Steemer International, Inc.

5. **Guaranty.** Franchise Owner, or any other business entity or individual required to provide a guaranty in connection with this Agreement, shall enter into an agreement, in a form satisfactory to SSI, unconditionally guaranteeing the full payment and performance of the transferee corporation's (or other business entity's) obligations to SSI; and
 6. **Confidentiality and Noncompetition Agreement.** Franchise Owner's officers, directors, managers, managing members and owners of the Stanley Steemer Business shall be required to sign confidentiality and non-competition agreements in form(s) satisfactory to SSI; and
 7. **General Release.** ~~Franchise Owner shall execute a general release, in a form prescribed by SSI, of any and all claims through the date of transfer against SSI, any person acting by, through, under or on behalf of SSI, its past and present shareholders, officers, members, partners, directors, employees, agents, parent, subsidiaries and corporate affiliates, their successors and assigns, in their corporate and individual capacities.~~
- C. **Transfer Upon Death.** In the event of the death of Franchise Owner or, if this Agreement has been assigned to a corporation or other business entity, the death of ~~a stockholder~~ any owner of Franchise Owner, SSI shall consent to a transfer of decedent's interest to decedent's heirs subject to the following conditions:
1. **Qualifications.** The heirs must meet SSI's qualifications for new franchise owners with regard to financial strength and managerial capabilities and such other criteria and considerations as SSI shall then be applying in considering applications for new franchise owners;
 2. **Assumption.** The heirs shall agree, in writing, to assume liability for, and to perform, all the terms and conditions of this Agreement; and
 3. **Appoint an Authorized Representative.** Prior to commencing operation of the Stanley Steemer Business, to help ensure a smooth transition of the Stanley Steemer Business upon the death of the Franchise Owner, or the death of any owner of the Franchise Owner (if Franchise Owner is an entity), Franchise Owner must designate a representative authorized by Franchise Owner to communicate with SSI regarding matters relating to the Stanley Steemer Business in the event of such death (the "Authorized Representative"). Franchise Owner agrees and acknowledge that (i) SSI may communicate directly with the Authorized Representative upon the disability or death described herein, (ii) SSI may rely on information provided by the Authorized Representative, and (ii) the continuance of the Stanley Steemer Business by the heirs shall be subject to the provisions of Stanley Steemer's then-effective policy regarding franchisee survivorship, which may limit or condition the continuation of the Stanley Steemer Business by the heirs.
 4. **Notice.** The Authorized Representative shall have thirty (30) days following the date of death to notify SSI within if the heirs request SSI's consent to the transfer of the deceased's interest to deceased heirs.
 5. **3. Failure to Qualify.** ~~If the heirs do not meet SSI's qualifications the decedent's estate shall use its best commercially reasonable efforts to sell decedent's interest under this Agreement to a transferee who meets SSI's qualifications within twenty-four (24) months from the date of decedent's death; provided, however, that if the estate demonstrates in writing that it has been pursuing a sale in good faith and that the transfer cannot reasonably be completed within the eighteen (18) month period due to probate proceedings, lender requirements, or other circumstances beyond the estate's reasonable control, SSI shall grant a single extension of up to six (6) months upon written request submitted prior to the expiration of the initial eighteen (18) month period. During that period SSI shall have the option, but not the obligation, to operate or manage the estate, at the estate's sole expense, to appoint a manager reasonably acceptable to SSI to oversee the operation of the Franchise Owner's Stanley Steemer Business for the account of Franchise Owner's estate upon payment by Franchise Owner's estate of a reasonable management fee. If the transfer is not accomplished within the twenty-four (24) month period, then this Franchise Agreement shall terminate in the manner provided in Article XIII hereof. During the period between the date of death and the earlier of the completion of a transfer or the termination of this Agreement, SSI may, in its sole discretion, authorize one or more adjacent franchise owners, SSI company-owned operations, or other parties to provide some or all Service Categories within Franchise~~ SSI's qualifications within twenty-four (24) months from the date of decedent's death; provided, however, that if the estate demonstrates in writing that it has been pursuing a sale in good faith and that the transfer cannot reasonably be completed within the eighteen (18) month period due to probate proceedings, lender requirements, or other circumstances beyond the estate's reasonable control, SSI shall grant a single extension of up to six (6) months upon written request submitted prior to the expiration of the initial eighteen (18) month period. During that period SSI shall have the option, but not the obligation, to operate or manage the estate, at the estate's sole expense, to appoint a manager reasonably acceptable to SSI to oversee the operation of the Franchise Owner's Stanley Steemer Business for the account of Franchise Owner's estate upon payment by Franchise Owner's estate of a reasonable management fee. If the transfer is not accomplished within the twenty-four (24) month period, then this Franchise Agreement shall terminate in the manner provided in Article XIII hereof. During the period between the date of death and the earlier of the completion of a transfer or the termination of this Agreement, SSI may, in its sole discretion, authorize one or more adjacent franchise owners, SSI company-owned operations, or other parties to provide some or all Service Categories within Franchise

Owner's Area to ensure continuity of service to customers. Such authorization shall terminate upon completion of the transfer or upon such other date as SSI determines.

6. **Incapacity.** For purposes of this Agreement, "Incapacity" means the physical or mental inability of Franchise Owner (or, if Franchise Owner is an entity, the individual who serves as the Designated Principal or controlling owner) to manage or supervise the operation of the Stanley Steemer Business for a period of ninety (90) or more consecutive days, as evidenced by (i) a written determination by a licensed physician, (ii) a court order or legal adjudication, or (iii) Franchise Owner's failure to respond to written communications from SSI for ninety (90) consecutive days following delivery of notice to the Authorized Representative. Upon the occurrence of Incapacity, the Authorized Representative shall promptly notify SSI. SSI may, at the expense of Franchise Owner or Franchise Owner's estate, appoint or require the appointment of a manager reasonably acceptable to SSI to oversee the operation of the Stanley Steemer Business during the period of Incapacity. If Franchise Owner does not resume active management of the Stanley Steemer Business within twelve (12) months following the onset of Incapacity, Franchise Owner or Franchise Owner's legal representative shall use commercially reasonable efforts to transfer Franchise Owner's interest to a transferee meeting SSI's qualifications under this Article XII within eighteen (18) months of the onset of Incapacity. If the transfer is not completed within such period, this Agreement shall terminate in the manner provided in Article XIII. During the period between the onset of Incapacity and the earliest of Franchise Owner's resumption of active management, the completion of a transfer, or the termination of this Agreement, SSI may, in its sole discretion, authorize one or more adjacent franchise owners, SSI company-owned operations, or other parties to provide some or all Service Categories within Franchise Owner's Area to ensure continuity of service to customers. Such authorization shall terminate upon the earliest of Franchise Owner's resumption of active management, the completion of a transfer, or such other date as SSI determines.

D. **Method of Transfer and Assignment: Generally.** Except pursuant to Article XII, Sections B and C above, Franchise Owner's interest may be transferred, provided the provisions of Article XII, Section A hereof are fulfilled, only in the following manner:

1. **Bona Fide Offer.** Franchise Owner must receive a bona fide written offer to acquire Franchise Owner's interest from a financially responsible prospective transferee who meets SSI's then current qualifications with regard to financial strength and managerial capabilities and such other criteria and conditions as SSI shall then be applying in considering applicants for new franchises.
2. **Disclosure.** Franchise Owner must disclose to SSI the name and address of the prospective transferee, and of all Persons having any interest in the prospective transferee, including shareholders, members, partners or interest owners in the event the offer is received from a corporation, partnership, limited liability company, or other business entity, as well as the terms of the offer from the prospective transferee. In addition, the prospective transferee must submit to SSI all information which SSI then requires from applicants for new franchises. SSI must be satisfied with the character, business experience, financial strength, reputation, business ability, experience, and credit rating of the proposed new franchisee (and its principals if the proposed new franchisee is a corporation, limited liability company, partnership, or other legal entity).
3. **Transferee's Agreement.** The prospective transferee must agree in writing to execute the franchise agreement then being offered by SSI to new franchise owners upon transfer of Franchise Owner's interest and to complete the training required by that franchise agreement. The prospective transferee must further agree to take any action prescribed by SSI to ~~make~~bring the Stanley Steemer Business ~~to be~~being acquired ~~comply~~into compliance with SSI's current standards for Stanley Steemer Cleaning Platforms, Service Vehicles, Integrated Technology Systems, equipment, signage, and other requirements for Stanley Steemer businesses within a specified period of time after the transfer ~~(not to exceed 90 days)~~(not to exceed 120 days) ~~(unless extended by SSI in its sole discretion)~~. The prospective transferee shall also execute the then-current TSAA and any system agreements required of new franchisees. SSI may require, at Franchise Owner's expense, a transfer compliance inspection of the Stanley Steemer Business to confirm conformity with current standards, and SSI may condition approval of the transfer on the correction of any deficiencies identified.
4. **Cash Flow.** The proposed transaction must be on such terms as to permit a cash flow from ~~Franchise Owner's~~ the transferee's Stanley Steemer Business after payment of debt service sufficient for the reinvestment in, and operation of, ~~Franchise Owner's~~ the transferee's Stanley Steemer Business required by the terms of the new ~~Franchise Agreement~~franchise agreement.

5. **Offer to SSI.** Franchise Owner must then offer ~~the interest~~ a right of first refusal to SSI in writing to purchase Franchise Owner's Stanley Steemer Business ("Right of First Refusal") on the same terms as are contained in the offer from the prospective transferee. ~~If the prospective transferee's offer contemplates the acquisition or purchase of any other property or rights from Franchise Owner or any principals or Franchise Owner's affiliates (other than rights under other franchise agreements for Stanley Steemer businesses) as part of the bona fide offer, the proposal for such property or rights must be set forth in a separate, contemporaneous offer that is disclosed to SSI, and the price and terms of purchase offered to Franchise Owner or the principals for the transfer must reflect the bona fide price offered therefor and may not reflect any value for any other property or rights., and shall provide information and documents reasonably requested by SSI in connection with such offer.~~
6. **Acceptance by SSI.** ~~Thereafter,~~ Following its receipt of the bona fide offer, SSI shall have thirty (30) days ~~within which~~ to accept the offer, ~~provided that SSI may~~ in writing. SSI reserves the right to substitute equivalent cash for any non-cash form of payment proposed in such offer. ~~SSI shall also have discretion to accept the offer to purchase solely rights under the franchise agreements for Stanley Steemer businesses and to reject the purchase of other rights and interests, including, notwithstanding related party lease agreements, employment or consulting agreements and terms including pre payment penalties.~~ A modification to the bona fide offer shall re-trigger SSI's Right of First Refusal only if it results in: (i) a change in the total aggregate consideration to Franchise Owner exceeding ten percent (10%) of the originally disclosed offer price; or (ii) a fundamental change in transaction structure (including, without limitation, a conversion from an asset sale to an equity sale or the addition of seller financing not disclosed in the original offer). Modifications to payment timing, representations and warranties, closing conditions, inspection rights, or other commercial terms that do not alter the total consideration to Franchise Owner by more than ten percent (10%) shall not re-trigger SSI's right of first refusal.
- a. **Right to Purchase Select Assets.** If the offer includes assets or obligations other than Franchise Owner's interest in this Agreement and the direct assets of the Stanley Steemer Business, and Franchise Owner will present information for the bona fide offer that breaks down the assets and obligations in a manner that permits SSI to evaluate the offer consistent with this section. SSI shall have the right, in its sole discretion, to exercise its Right of First Refusal for only the assets of the Stanley Steemer Business. SSI may expressly reject the purchase of any other rights and interests, including but not limited to:
- i. Related party lease agreements;
 - ii. Personal service, employment, or consulting agreements;
 - iii. Covenants not to compete that are separate from this Agreement; and
 - iv. Any terms that include pre-payment penalties on debt.
- b. **Price Allocation.** If SSI exercises its right to purchase select assets, the purchase price for those assets shall be allocated from the total price of the bona fide offer. If the parties cannot agree on a reasonable allocation within ten (10) days, the allocation shall be determined by an independent, certified business appraiser mutually agreed upon by the parties, whose determination shall be binding absent manifest error. Should the parties fail to mutually agree upon an appraiser within ten (10) days, each shall select one appraiser, and those two shall select a third appraiser to perform the allocation. The cost of a single mutually agreed appraiser shall be shared equally; if the three-appraiser process is required, each party shall bear the cost of its own appraiser, and the cost of the third appraiser shall be shared equally.
- c. **Independent Agreement Acknowledgment.** If SSI declines to purchase any related-party lease, employment agreement, consulting agreement, non-compete agreement, or other contract included in the bona fide offer, and Franchise Owner thereafter completes the transfer to the prospective transferee, Franchise Owner and the transferee shall ensure that any such related-party agreement clearly states that it is separate from and independent of the Franchise Agreement, and that neither SSI nor the transferee shall be bound by its terms except as may be expressly agreed in writing by SSI. Franchise Owner shall

indemnify SSI against any claim by the transferee or any related party that SSI assumed, ratified, or is bound by any such agreement.

7. **Transfer.** If SSI should decline or fail to accept the offer and if the prospective transferee meets SSI's qualifications for new franchise owners and the other conditions set forth above have been fulfilled then Franchise Owner shall complete the proposed transfer within ~~thirtysixty (3060)~~ thirty-six (36) days (or such longer period as SSI may allow in writing) thereafter on the same terms as contained in the offer. If Franchise Owner fails to complete the transfer within such period on the exact terms and conditions of the offer, or if such terms and conditions change in any material way, SSI's right of first refusal shall be deemed reinstated, and Franchise Owner shall not transfer any interest without again first complying with all provisions of this Article XII, Section D. Any closing delay, amended purchase price, modified payment schedule, allocation change, or addition of any ancillary agreement shall constitute a material change that reinstates SSI's Right of First Refusal.
8. **Payment of Transfer Fee.** Franchise Owner must pay SSI a transfer fee equal to Ten Thousand Dollars (\$10,000.00) prior to the effectiveness of any approval of SSI to the transfer.
9. **General Release.** ~~Franchise Owner and the undersigned individual shall execute a general release, in a form prescribed by SSI, of any and all claims through the date of transfer against SSI, any person acting by, through, under or on behalf of SSI, its past and present shareholders, officers, members, partners, directors, employees, agents, parent, subsidiaries and corporate affiliates, their successors and assigns, in their corporate and individual capacities.~~
- E. **When Void.** Any transfer or assignment without fulfilling the terms of this Article XII shall be absolutely void and a prospective transferee would acquire no right in this Agreement thereby.
- F. **Deemed Transfers.** For purposes of this Agreement, the following events shall be deemed transfers requiring compliance with the terms of this Article XII and the consent of SSI:
 1. Any transfer to a corporation, partnership, limited liability company or other business entity;
 2. Any conversion of an entity to a different form of entity;
 3. If Franchise Owner is a corporation or a limited liability company:
 - a. Any conversion, dissolution, merger, consolidation or other reorganization;
 - b. Any issuance, sale or other transfer of any shares or membership interests in an amount sufficient to affect the voting control of the corporation or limited liability company or to a person or entity that is not a current shareholder or member; provided, however, that a transfer under this subsection (b) which does not result in a change of voting control (a "Minority Transfer") shall not be subject to the Transfer Fee (Article XII.D.8). Such Minority Transfer shall still require SSI's prior written consent (which shall not be unreasonably withheld), shall remain subject to SSI's Right of First Refusal (Article XII.D.5-9) only if the Minority Transfer, together with all prior transfers during the preceding thirty-six (36) months, would result in a cumulative change of twenty-five percent (25%) or more of the equity or economic interests in Franchise Owner, and the proposed transferee must satisfy the conditions in Article XII.D.2 and execute any documents required by SSI, including, without limitation, a personal guarantee of the Franchise Agreement, a confidentiality and non-competition agreement, and an acknowledgment of the Franchise Agreement's terms. For avoidance of doubt, any transfer of a beneficial interest, profit interest, voting rights, management rights, or other equity or governance rights that results in a change in control, governance, or economic ownership of the Franchise Owner, whether or not reflected in formal ownership percentages, shall be deemed a transfer requiring SSI's prior written consent.
 - c. Any sale of assets outside of the ordinary course of business, ~~or~~;
 - d. Any change in the controlling interest, chief executive officer, primary operating officer or manager;

4. If Franchise Owner is a partnership, any change in or withdrawal of any partner or conversion, merger, consolidation or other reorganization or any dissolution of the partnership; ~~or,~~
5. If Franchise Owner consists of more than one Person, any transfer of interest from one Person to the other.
- G. **Definitions of Transferee.** For the purposes of this Article XII, "transferee" means any Person acquiring by transfer, assignment, sale, pledging, mortgaging, hypothecation or otherwise encumbering any of Franchise Owner's interest in this Agreement or of any stock or other interest in Franchise Owner, whether or not now authorized and outstanding.
- H. **No Obligation to Find Assignee or Transferee.** Nothing in this Agreement or otherwise shall cause SSI to have any obligation whatsoever to find, or assist in finding, an assignee or transferee for the Franchise Owner's Stanley Steemer business.
- I. **Transfer by SSI.** SSI shall have the right to transfer or assign all or any part of its rights and/or obligations hereunder to any person, persons, partnership, association, corporation, limited liability company or other entity which assumes the obligations of SSI hereunder. Franchise Owner agrees to execute any documents that SSI may reasonably request to effectuate any transfer or assignment by SSI. SSI shall provide Franchise Owner with written notice of any such transfer or assignment within thirty (30) days of its effective date, identifying the assignee and confirming that the assignee has assumed all of SSI's obligations under this Agreement. Franchise Owner's consent to such transfer or assignment shall not be required.

ARTICLE XIII. TERMINATION BY SSI

- ~~A. **SSI's Option.** If Franchise Owner fails to pay any sum due to SSI or any affiliate of SSI within the time for paying the same without penalty or if Franchise Owner fails to comply with any of the substantive provisions of this Agreement, then SSI may elect either:~~
- A. **Compliance with Applicable Law.** To the extent required by applicable state franchise laws, the provisions in this Article XIII parties acknowledge that certain state laws may provide Franchise Owner with rights that differ from those set forth in this Article XIII, and in such event, SSI shall modify certain provisions in this Article XIII solely for compliance with such state laws to the minimum extent required by law. All other provisions of this Article XIII and this Agreement shall remain fully enforceable, and nothing in this Section A shall be construed to modify any rights not expressly required under applicable law.
- ~~1. to terminate this Agreement; or~~
- B. **SSI's Right to Terminate.** SSI may terminate this Agreement upon the occurrence of any event described in Section C (Incurable Defaults) or Section D (Curable Defaults), subject to the notice and cure provisions set forth below. SSI's right to terminate is in addition to, and not in lieu of, all other rights and remedies available to SSI under this Agreement, at law, or in equity, including the right to seek injunctive relief, without the necessity of posting a bond or other security, and to recover damages.

~~2. to terminate only the provisions of Article I hereof which provide that Franchise Owner's license is exclusive. As a result, SSI could, at its option, grant other persons the right to own and operate a Stanley Steemer business in Franchise Owner's Area or operate a Stanley Steemer business in Franchise Owner's Area itself. In the event SSI elects to terminate the exclusivity of Franchise Owner's license, SSI may also suspend, permanently or for such duration of time as determined by SSI in its sole discretion, Franchise Owner's access to and utilization of the Integrated Technology Services, 1-800-STEEMER, and Local Market Directory and Social Media Listings and discontinue Franchise Owner's participation in any National Account Programs in SSI's sole discretion.~~

C. **Incurable Defaults.** The parties acknowledge and agree that the conduct described in this Section C constitutes conduct that, by its nature, causes irreparable harm to SSI, the Stanley Steemer System, and the Stanley Steemer Trademarks, or otherwise constitutes conduct that—by its nature—cannot practicably be cured. Accordingly, SSI may terminate this Agreement effective immediately upon written notice to Franchise Owner, without opportunity to cure, upon the occurrence of any of the following:

B. Events of Default: The occurrence of any of the following events shall constitute a default under this Agreement:

1. Franchise Owner fails to satisfactorily complete the initial training program as required under Article VII, Section B.
2. ~~1. The failure~~Franchise Owner fails to open the Stanley Steemer Business and commence business operations ~~at the Premises~~ within ~~six~~three (63) months after the Effective Date of this Agreement; ~~as required by Article I.~~
3. ~~2. The failure of~~Franchise Owner ~~to satisfactorily complete the initial training program to the satisfaction of SSI as set forth in Article VII, Section B hereof;~~becomes insolvent, makes a general assignment for the benefit of creditors, files a voluntary petition in bankruptcy, is adjudicated bankrupt, or has any proceeding filed under any bankruptcy or insolvency law commenced against Franchise Owner that is not dismissed within sixty (60) days.
4. ~~3. If~~Franchise Owner ~~shall misuse~~, or any of Franchise Owner's owners, officers, directors, managing members or managers (each a "Franchisee Party"), is convicted of, or enters a plea of no contest to, a felony, a crime involving fraud, dishonesty, or moral turpitude, or any other crime or offense that SSI reasonably determines is likely to adversely affect the reputation or goodwill of the Stanley Steemer System, or the Stanley Steemer Trademarks ~~or otherwise materially impair the goodwill associated therewith or SSI's rights therein, or if Franchise Owner shall use, in connection with its Stanley Steemer Business, any name, marks, systems, insignia or symbols not authorized by SSI;~~
4. If Franchise Owner fails to promptly pay any sum due by virtue of this Agreement;
5. Any unauthorized assignment, transfer, sublicense, subfranchise, or encumbrance of any rights or interest under this Agreement, the Stanley Steemer Business, or any interest in Franchise Owner's entity in violation of Article XII.
6. ~~5. If~~Franchise Owner ~~fails to furnish to SSI,~~ or any Franchisee Party, makes any material misrepresentation or omission in connection with the execution of this Agreement, any report or information provided to SSI, or any financial or operational disclosure required ~~in~~under this Agreement;
7. ~~6. If~~Franchise Owner ~~fails to operate~~operates the Stanley Steemer Business in ~~compliance with the terms of this Agreement, the Operations Manual and any quality or operations standards and guidelines issued in writing by SSI, or Franchise Owner fails to comply with a material term of this Agreement;~~ a manner that creates an imminent danger to public health or safety, as determined by SSI in its sole discretion.

- ~~7. If Franchise Owner fails to perform and observe any provision of any lease or sublease covering the Premises and/or the equipment utilized in the operation of the Stanley Steemer Business;~~
- ~~8. The termination or expiration of the lease or sublease covering the Premises;~~
- ~~9. Franchise Owner's failure to perform any provision of this Agreement or any other agreement to which SSI or SSI's affiliates and Franchise Owner are parties;~~
- ~~10. Any assignment for the benefit of creditors of Franchise Owner, if not dismissed within fifteen (15) days;~~
- ~~11. If Franchise Owner abandons the Stanley Steemer Business by failing. For purposes of this Section, "abandon" means Franchise Owner ceases to operate the Stanley Steemer Business for five (5) or more consecutive business days during which Franchise Owner is required to operate the business under the terms hereof, or any shorter period in which SSI reasonably concludes that Franchise Owner does not intend to continue to operate the Stanley Steemer Business, unless such failure to operate is due to (other than by reason of fire, flood, earthquake, or other similar causes beyond Franchise Owner's control; force majeure event as provided in Article XVII) without SSI's prior written consent.~~
- ~~12. If Franchise Owner fails, for a period of ten (10) days after receipt of notification of noncompliance, to comply with any federal, state or local law or regulation applicable to the operation of the Stanley Steemer Business;~~
- ~~9. The death of Franchise Owner (or, if Franchise Owner is a business entity, the death of a controlling owner of the business entity), if: (a) the decedent's estate or heirs fail to notify SSI in writing within thirty (30) days of decedent's death of the estate's desire to transfer decedent's interest pursuant to Article XII, Section C; or (b) the estate or heirs fail to complete such transfer within the time period set forth in Article XII, Section C.3 (including any extension thereof). For avoidance of doubt, if the estate or heirs timely elect to transfer decedent's interest and are diligently pursuing such transfer in accordance with Article XII, Section C, this Agreement shall not be terminated under this Section C.9 upon the expiration of the applicable transfer period set forth in Article XII, provided such transfer is completed within the time period prescribed by SSI, in its reasonable discretion.~~
- ~~13. Any attempted transfer in violation of Article XII hereof;~~
- ~~10. Franchise Owner's refusal to offer or provide any Essential Service Category, as provided in Article III, Section D.4(a).~~
- ~~11. 14. Any material misrepresentation by Franchise Owner relating to his, her or its acquisition of the franchise granted hereunder or conduct by Franchise Owner that reflects materially and unfavorably upon or any of Franchise Owner's owners, officers, directors, or managers engages in conduct that constitutes fraud, dishonesty, misappropriation or misrepresentation in connection with this Agreement or the operation and reputation of the Stanley Steemer Business or the Stanley Steemer System;~~
- ~~15. If the Stanley Steemer Business or the Premises are seized, taken over or foreclosed by a government official in the exercise of his duties, or seized, taken over or foreclosed by a creditor, lienholder or lessor, and not dismissed within thirty (30) days; or if Franchise Owner admits its inability to pay its obligations as they come due; or if a receiver is appointed over all or any part of the assets of Franchise Owner; or a levy of execution has been made upon the license granted by this Agreement or upon any property used in the Stanley Steemer Business and it is not discharged within five (5) days of such levy, or if Franchise Owner shall file a petition in bankruptcy, reorganization or similar proceeding or be named a debtor in any such proceeding under the bankruptcy laws of the United States;~~
- ~~12. Franchise Owner knowingly understates Gross Sales or other amounts upon which royalties, advertising contributions, or other fees are calculated by five percent (5%) or more in any reporting period.~~

13. Franchise Owner uses, sells, or disposes of any Stanley Steemer Cleaning Platform in violation of Article III, Section C.1.e without first complying with SSI's right of first refusal.
14. Franchise Owner engages in any unauthorized use of the Stanley Steemer Trademarks, Stanley Steemer System, or Confidential Information outside the scope of this Agreement, or contests the validity or ownership of any Stanley Steemer Trademark.
15. ~~16. If~~ Franchise Owner, or ~~any of a~~ Franchisee Party, or any person acting at Franchise Owner's ~~owners or principal officers, is convicted of a felony or any other crime involving moral turpitude, fraud or financial dishonesty;~~ direction or with Franchise Owner's knowledge, engages in:
17. If SSI makes a reasonable determination that the continued operation of the Stanley Steemer Business by Franchise Owner will result in immediate danger to public health or safety and such default is not cured within three (3) days after notice from SSI to Franchise Owner;
- a. any intentional or willful act to compromise, disrupt, damage, or interfere with the Integrated Technology Systems, Required Components, or any data maintained therein; or
- b. any act or omission that Franchise Owner or the applicable Franchisee Party knew or reasonably should have known would compromise system integrity, data security, or customer privacy, including but not limited to: unauthorized access to or modification of SSI systems or data; deliberate circumvention or disabling of security protocols, tracking systems, or data-reporting functions; fraudulent manipulation of data transmitted through any Required Component or as otherwise provided to SSI; or knowing failure to implement a security measure that SSI has identified in writing as critical to protecting customer Personal Information from an identified and imminent threat.
- For avoidance of doubt, negligent failure to implement a technology, software, hardware or system update, inadvertent misconfiguration of a Required Component, or good-faith delay in adopting a new technology requirement shall not constitute an incurable default under this Section C.15 but may constitute a curable default under Section D.
16. ~~18. If SSI gives Franchise Owner a notice of default under this Article XIII after two (2) previous defaults that have been cured after notice of default within the preceding twelve (12) month period;~~ fails to maintain any insurance coverage required under Article IX for a period of ten (10) or more consecutive days after written notice from SSI, unless Franchise Owner demonstrates that coverage has been reinstated or replacement coverage obtained within such period.
19. If Franchise Owner, or any of Franchise Owner's employees, breaches Article VII, Section C of this Agreement resulting in the disclosure of the Operations Manual to any third party;
17. ~~20. The death of Franchise Owner, or if Franchise Owner is a business entity, the death of an owner of the business entity, without the election to sell and transfer~~ violates the in-term covenant not to compete set forth in Article VII, Section F or any in-term covenant not to compete set forth in a separate non-competition agreement executed by Franchise Owner in connection with the Stanley Steemer Business ~~as set forth in Article XII, Section B hereof;~~
21. The failure of the representative of a deceased Franchise Owner or disabled Franchise Owner to comply with the provisions of Article XII, Section B hereof; and
18. A Franchisee Party violates the in-term covenant not to compete set forth in a separate non-competition agreement executed by such Franchisee Party in connection with this Agreement or Franchise Owner's Stanley Steemer Business.
19. A material breach of the Technology Systems Access Agreement that is designated therein as an incurable default.

For avoidance of doubt, nothing in this Article XIII shall be interpreted as granting SSI any right to hire, fire, discipline, supervise, or control Franchise Owner's employees or day-to-day labor relations.

D. Curable Defaults. SSI may terminate this Agreement upon written notice to Franchise Owner if Franchise Owner fails to cure any of the following defaults within thirty (30) days after receipt of written notice from SSI specifying the default with reasonable particularity (the "Cure Period"):

1. ~~22. If Franchise Owner is unable to obtain the Service Vehicles within the timeframe required herein,~~ fails to comply with any material term or condition of this Agreement, the TSAA, the Stanley Steemer Manuals, or the Brand Standards that is not specified as an incurable default under Section C.

~~23. If Franchise Owner fails for any period of two (2) successive Minimum Annual Royalty Years to generate an amount of Gross Sales during the full calendar year that requires payment by Franchise Owner of a total amount of monthly royalty payments that are equal to or greater than the applicable Minimum Annual Royalty for the Minimum Annual Royalty Year as set forth in Article II, Section E.~~

2. ~~24. If Franchise Owner fails to procure and maintain any insurance policy or policies in such types, coverage and amounts described in Article IX,~~ submit any report, financial statement, information, documentation or data required under this Agreement in a complete, accurate, and timely manner.

~~25. If Franchise Owner fails to fully comply, on an ongoing basis, with its obligations related to advertising as provided by Article VI, Section A and Article VI, Section B.~~

3. ~~Shortened Cure for Specified Defaults.~~ Notwithstanding the thirty (30) day Cure Period set forth above, SSI may instead of such thirty (30) day Cure Period, specify in its notice of default to Franchise Owner a shorter cure period of no less than ten (10) days for defaults involving:

a. ~~failure to pay royalties, fees, or other amounts due to SSI when due and owing;~~

~~Notwithstanding anything in this Article XIII, Section B to the contrary, in the event of default pursuant to paragraph (11) above, SSI shall have the right, with or without termination of this Agreement, to operate the Stanley Steemer Business from and after the date of abandonment of the Stanley Steemer Business by the Franchise Owner for the benefit of Franchise Owner, using Franchise Owner's employees or employees or independent contractors of SSI or any parent, affiliate or subsidiary of SSI. Any such assistance shall be provided for a reasonable fee to Franchise Owner and for a reasonable amount of time, as determined by SSI in its commercially reasonable discretion. In connection therewith, Franchise Owner shall at all times be responsible for salary and incidental expenses of Franchise Owner, its owners, officers, manager(s) and other employee(s) during such operation of the Stanley Steemer Business by SSI.~~

~~C. **Termination.** Upon the occurrence of any of the events set forth in Article XIII, Section B, SSI may, without prejudice to any other rights or remedies continued in this Agreement or provided by law or equity, terminate this Agreement. Such termination shall be effective thirty (30) days after written notice (or such other notice as may be required by applicable state law) is given by SSI to Franchise Owner of any of the events set forth in paragraphs (3), (4), (5), (6), (7), (9), (11), (21), (24) or (25) of Article XIII, Section B if such defaults are not cured within such period. Such termination shall be effective immediately upon written notice upon the occurrence of the events set forth in paragraphs (1), (2), (10), (12), (15), (16), (18), (19), (22), and (23) of Section B. Such termination shall be effective immediately without notice upon the occurrence of the events set forth in paragraph (8), (13), (14), (17) or (20) of Article XIII, Section B.~~

b. ~~failure to obtain and maintain required insurance coverage (to the extent such failure has not triggered an incurable default under Section C.16); or~~

- c. failure to comply with applicable law where continued non-compliance could, in SSI's sole discretion, expose SSI to regulatory liability, fines, penalties, enforcement actions or orders.

This Section D.3 shall not apply to defaults arising solely under the Technology Services Access Agreement for which a specific cure period is provided therein.

4. **Cure Coordination with Authorized Provider Authorization** If SSI has provided Franchise Owner with a cure period under Article I, Section B.3(a) (Authorized Provider Authorization) for the same conduct that would also constitute a curable default under this Section D, Franchise Owner shall not be required to cure the same deficiency under both provisions simultaneously. The Article I, Section B.3(a) cure period shall control for purposes of the Authorized Provider Authorization framework, and SSI shall not issue a separate notice of default under this Section D for the same conduct during the pendency of such cure period.
5. **Repeated Defaults.** Notwithstanding any cure period described above, if Franchise Owner commits three (3) or more defaults under this Section D within any consecutive twelve (12) month period the third default, and each thereafter, shall be deemed incurable, and SSI shall have the right to terminate this Agreement effective immediately upon written notice to Franchise Owner, regardless of whether the previous defaults were of the same type or timely cured).

E. General Provisions.

1. ~~D.No Waiver.~~ The failure of SSI to terminate this Agreement after any default hereunder or the election of SSI to terminate only the exclusivity portion of Article I of this Agreement without terminating the entire Agreement shall not waive SSI's right to terminate the Agreement in the event of the continuation of such default or the occurrence of any new event of default. SSI's failure or delay to exercise any right of termination under this Article XIII shall not constitute a waiver of such right. SSI's acceptance of royalty payments or other amounts due during any period of default shall not constitute a waiver of SSI's right to terminate this Agreement or a waiver of any other remedy available at law, in equity, or under this Agreement. No waiver shall be effective unless in writing and signed by SSI.
2. **Cumulative Remedies.** All remedies available to SSI under this Article XIII are cumulative and in addition to any other remedies available at law, in equity, or under this Agreement. SSI's election to pursue one remedy shall not preclude pursuit of any other remedy.
3. **Compliance with State Law.** To the extent any provision of this Article XIII conflicts with applicable state franchise law the applicable state law shall control, and this Article XIII shall be modified to the minimum extent necessary to comply with such law.
4. **Post-Termination.** Upon termination of this Agreement pursuant to this Article XIII, Franchise Owner, and if applicable, each Franchisee Party, shall comply with all post-termination obligations set forth in Article XV.

ARTICLE XIV: TERMINATION BY FRANCHISE OWNER

- A. **Right to Terminate; Procedure.** Franchise Owner may terminate this Agreement only in the event of a material breach of this Agreement by SSI. To terminate, Franchise Owner must provide SSI with written notice specifying the exact nature of the alleged material breach. If a material breach by SSI of this Agreement has occurred, SSI shall have sixty (60) days from the receipt of such notice to cure the alleged material breach. If SSI fails to cure the material breach within such sixty (60) day period, Franchise Owner may terminate this Agreement by providing a second, final written notice of termination to SSI. Franchise Owner has no other rights under this Agreement to terminate this Agreement, and any termination of this Agreement by Franchise Owner except as provided under this Article XIII shall be a breach by Franchise Owner of this Agreement.
- B. **Limitations on Damages.** In the event ~~SSI fails to comply with any of the substantial terms of this Agreement, then~~ Franchise Owner ~~may elect to terminate~~ terminates this Agreement in the manner accordance with this Article XIV, Section A and establishes that SSI materially breached this Agreement and failed to cure within the applicable cure period, Franchise Owner's recovery shall be limited to actual, direct damages that were directly caused by

such breach and that are verified and proven by competent evidence, subject to the waivers set forth in ~~Article XIII,~~
~~Section B hereof~~ C of this Article.

- C. **Waivers.** To the fullest extent permitted by applicable law, Franchise Owner expressly waives and releases any and all claims for: (a) consequential, incidental, special, punitive, exemplary, or treble damages; (b) damages for lost profits, lost business opportunities, loss of goodwill, or diminution in franchise value; (c) damages based on any multiple of earnings, revenue, sales or other financial metric; and (d) damages for emotional distress, reputational harm, or other non-economic losses.
- D. **Fee Shifting.** The fee-shifting provisions of Article XVI.E shall apply to any dispute arising under this Article XIV.
- E. **Severability and Reformation.** To the extent any limitation on damages, waiver, or remedy limitation set forth in this Article XIV is determined by a court of competent jurisdiction to be unenforceable or violative of public policy under the laws of the applicable jurisdiction, such provision shall be deemed modified to the minimum extent necessary to render it enforceable (or severed if modification is not possible), and the remainder of this Article XIV shall remain in full force and effect. The parties expressly agree that the liability cap set forth in Section B of this Article XIV and the waivers set forth in Section C of this Article XIV are separate, independent, and severable covenants.
- F. **Post-Termination Obligations.** Upon termination of this Agreement by Franchise Owner pursuant to this Article XIV, Franchise Owner shall comply with all post-termination and post-expiration obligations set forth in this Agreement, including but not limited to obligations set forth in Article XV and those relating to de-identification, return of materials, cessation of trademark use, data return or destruction, indemnification and post-term non-competition, as well as those which by their nature survive termination of this Agreement. All Royalty Fees, Technology Fees, advertising contributions, and other amounts accrued through the effective date of termination shall remain due and payable. Franchise Owner's termination of this Agreement shall not release Franchise Owner from any obligation or liability arising prior to the effective date of termination.
- G. **Concurrent Claims.** If Franchise Owner provides notice of material breach under this Article XIV during any period in which SSI has provided Franchise Owner notice of default under this Agreement or any other agreement by and between Franchise Owner and SSI, neither party's notice shall be deemed to waive or limit the other party's rights. Matters pertaining to both notices of default shall continue independently, and the resolution of one shall not preclude the resolution of the other. Any dispute regarding competing termination claims shall be resolved in accordance with Article XVI (Dispute Resolution).

ARTICLE XV: EFFECT OF TERMINATION AND EXPIRATION

- A. **Obligations of Franchise Owner.** Upon the termination or expiration of this Agreement, whenever and however such termination or expiration may occur, Franchise Owner agrees that:
1. **Sums Due.** Franchise Owner shall pay to SSI all sums which Franchise Owner owes to SSI or any affiliate of SSI, ~~whether or not the sums that~~ are then due and owing or that have accrued as of the date of termination or expiration. In the event of termination for any default by Franchise Owner under Article XIII, all sums owing under this Agreement, including amounts not yet due, shall be immediately accelerated and payable in full. In the event of termination for any default by Franchise Owner, such sums shall include all damages, costs and expenses, including reasonable ~~attorney~~ attorneys' fees, incurred by SSI ~~as a result of~~ in connection with the default, ~~which obligation shall give rise to and remain until paid in full, a lien in favor of SSI or its affiliate as the case may be against any and all of the personal property, vehicles, machinery, equipment and supplies~~ or the enforcement of SSI's rights concerning such default . To secure the full and timely payment and performance of all obligations of Franchise Owner to SSI and its affiliates under this Agreement (the "Obligations"), Franchise Owner hereby grants to SSI a security interest in and to all equipment, machinery, inventory, accounts (including accounts receivable), chattel paper general intangibles (excluding the franchise rights and license granted under this Agreement, which are not assignable or transferable except as expressly provided in Article XII), instruments, documents, and vehicles, whether now owned or hereafter acquired, and all proceeds, products, and accessions thereof, owned by Franchise Owner and used in Franchise Owner's the Stanley Steemer Business at the time of default. (collectively, the "Collateral"). SSI's security interest shall have the priority established under Article 9 of the Uniform Commercial Code and other applicable law. SSI agrees to subordinate its security interest to a third-party lender's purchase-money security interest ("PMSI") in specific equipment or vehicles acquired by Franchise Owner with bona fide third-party financing, provided such PMSI is properly perfected under applicable law. SSI

shall execute commercially reasonable subordination agreement in connection with any such PMSI within thirty (30) days of Franchise Owner's written request, provided the financing is on commercially reasonable terms and does not impair SSI's security interest in other Collateral. For purposes of this Section, "third-party" means a lender, equipment lessor, or financing source that is not SSI, any affiliate of SSI, any entity in which SSI holds a direct or indirect ownership interest, or any vendor that receives rebates, incentives, or other payments from SSI in connection with financing provided to Franchise Owner. SSI may, in its sole discretion, agree to subordinate its lien to other third-party financing on such terms as SSI may require. Franchise Owner authorizes SSI to file any and all UCC financing statements, and amendments thereto, that SSI deems necessary or appropriate to perfect and maintain its security interest in the Collateral. Franchise Owner further agrees to execute any additional documents, certificates, or filings that SSI reasonably requests to maintain, continue, or enforce SSI's security interest.

- a. **General Lender Cooperation.** In addition to the purchase-money subordination set forth above, SSI shall, upon Franchise Owner's written request, negotiate in good faith and execute commercially reasonable subordination agreements, intercreditor agreements, or lender acknowledgment letters in connection with bona fide third-party financing obtained by Franchise Owner from an institutional lender for the acquisition, operation, or improvement of the Stanley Steemer Business, provided that: (i) the financing is on commercially reasonable terms from a recognized financial institution or SBA-approved lender; (ii) the subordination or intercreditor terms do not impair SSI's security interest in Collateral that is not the subject of the third-party financing; (iii) the agreement does not require SSI to provide cure rights, step-in rights, or any obligation to assume Franchise Owner's debts or operations; (iv) SSI shall not be required to subordinate its security interest in the Stanley Steemer Cleaning Platforms, proprietary equipment, or intellectual property; and (v) Franchise Owner reimburses SSI for its reasonable attorneys' fees and administrative costs incurred in reviewing, negotiating, preparing and executing such agreements, including SSI's approximate costs for the renew, negotiation, preparation and execution of such agreements by SSI in-house attorneys. SSI shall respond to any such request within thirty (30) days. SSI's obligation under this Section is limited to commercially reasonable cooperation and does not require SSI to agree to terms that, in SSI's reasonable judgment, would materially impair SSI's rights under this Agreement or the TSAA.
2. **Stanley Steemer Trademarks.** Franchise Owner shall cease using the name ~~SSI~~ Stanley Steemer, or any variation thereof, and all Stanley Steemer Trademarks ~~owned by SSI~~ and shall not thereafter, directly or indirectly, represent to the public that the business is a Stanley Steemer business or hold ~~themselves~~ itself out as a present ~~or former~~ franchise owner of ~~SSI~~. ~~a Stanley Steemer franchise or business, or represent any current or ongoing affiliation with SSI or the Stanley Steemer System.~~ Nothing in this Section prohibits Franchise Owner from making truthful statements regarding Franchise Owner's prior relationship with SSI, provided such statements do not create a likelihood of confusion regarding any current affiliation and are not disparaging, defamatory or misleading, or the like.
3. **Stanley Steemer System.** Franchise Owner shall immediately cease ~~using, by~~ advertising, promoting or using in any manner whatsoever, any and all methods, ~~procedure~~ procedures, and techniques associated with SSI or the Stanley Steemer System in which SSI has a proprietary right, title or interest, and, in particular, Franchise Owner shall cease using, without limitation, any equipment or products proprietary to SSI, including, but not limited to the Stanley Steemer Cleaning Platforms, all signs, machines, vehicles, equipment, advertising materials, stationery, forms, distinctive color schemes and any other articles which display in any form the Stanley Steemer Trademarks or other indicia associated with ~~SSI~~ or the Stanley Steemer System. Franchise Owner shall immediately cease use of all such equipment and shall not sell, lease, transfer, or otherwise dispose of any Stanley Steemer Cleaning Platform or proprietary equipment except in accordance with Article III and SSI's right of first refusal described set forth herein. Franchise Owner shall complete all de-identification steps required by SSI within thirty (30) days of termination or expiration of this Agreement (or such longer period as SSI may approve in writing for good cause shown, such approval not to be unreasonably withheld), including repainting or removing all branding from vehicles, premises, and equipment, and shall provide photographic or video documentation of compliance upon request, in the format and manner specified by SSI.
4. **Stanley Steemer Manuals.** Franchise Owner shall deliver to SSI all Stanley Steemer Manuals and other bulletins and ~~written~~ materials supplied or loaned to Franchise Owner by SSI, including in particular, any materials provided to Franchise Owner in any format and via any method or platform, describing any information about the Stanley Steemer System, equipment, products and cleaning methods and techniques, whether or not such information is proprietary to SSI or constitutes a trade secret. All digital copies, including downloads, files, documents, and backups must be permanently deleted from Franchise Owner's computer, tablet

or other hardware, point of sale system, if any, and cloud-based storage platforms or any other similar devices and platforms, and Franchise Owner shall certify such deletion in writing.

5. **Advertising Materials.** Franchise Owner shall deliver to SSI all advertising materials provided to or prepared by or on behalf of Franchise Owner in accordance with the terms of this Agreement. Franchise Owner shall not continue to display, distribute, or post any materials referencing SSI or the Stanley Steemer System.
6. **Telephone Lines.** Franchise Owner shall cease using all telephone number(s) and classified listings and advertisements and, if such is necessary, transfer to SSI all rights to such telephone lines and classified listings and other advertisements used by Franchise Owner in the Stanley Steemer Business as required by Article VI, Section B.4 of this Agreement. Franchise Owner shall pay to the telephone company all obligations owed to that company by Franchise Owner, including the cost of transferring any telephone lines to SSI. Franchise Owner shall not continue to display, distribute, or post any materials referencing SSI, the Stanley Steemer Trademarks, or the Stanley Steemer System.
- ~~7. **Confidential Information and Customer Records.** Franchise Owner shall immediately cease using all Confidential Information, including but not limited to, customer records and data and shall promptly deliver to SSI (in all forms and media) all such Confidential Information in Franchise Owner's possession.~~
7. **Digital Assets and Online Presence.** Franchise Owner shall immediately cease using and shall, at SSI's request, transfer to SSI or its designee all administrative control over any and all social media pages, social media accounts, local business listings (e.g., Google Business Profile, Yelp), and any other digital or online profiles used for the Stanley Steemer Business. Franchise Owner shall not create any new business listings or digital profiles that may reasonably confuse the public regarding an affiliation with SSI or ownership of a Stanley Steemer business.
8. **Data and Systems Access.** Upon termination or expiration, Franchise Owner's license to access and use the Integrated Technology Systems and any Personal Information provided by SSI is immediately revoked. The obligations of this Section are in addition to, and do not limit, Franchise Owner's data return and destruction obligations described elsewhere herein or under the TSAA. In the event of any conflict between this Section and the corresponding provisions of the TSAA, the provision more protective of SSI's rights in Customer Data and Confidential Information shall control. Franchise Owner shall cease all use of such systems and shall, at SSI's direction, securely return or certify the destruction of all Personal Information previously provided to Franchise Owner by SSI, its affiliates or through their national marketing channels. Franchise Owner shall also: (i) immediately uninstall all Required Components and related software; (ii) return or destroy all system credentials, access keys, tokens, and devices; (iii) permanently delete all SSI-originated data stored on local devices, servers, or in the cloud, including all backups of such data; provided, however, that Franchise Owner may retain copies of its own financial, tax, and employment records to the extent required by applicable law or for legitimate tax or legal compliance purposes, but only for the minimum period required by such law and subject to the continuing confidentiality obligations of Article VII, Section C; and (iv) certify to SSI in writing Franchise Owner's full compliance with the obligations described in this Section 8.A. Unauthorized retention of Personal Information constitutes a material breach and a continuing, ongoing infringement of SSI's rights until such time as Franchise Owner fully complies with the post-termination and post-expiration obligations in this Section 8.A and Franchise Owner shall be liable to SSI for any costs, fees, damages and other expenses incurred by SSI in connection with Franchise Owner's breach of this Section 8.A.
9. **8. Sale or Disposal of Equipment.** Franchise Owner shall fully cooperate and comply with SSI's right of first refusal to purchase any Stanley Steemer Cleaning Platform(s) and/or Service Vehicle(s) ~~in which same is mounted as required by Article III, Section C.1.e of~~ set forth in this Agreement, if such right of first refusal is exercised by SSI.
- ~~9. **Loss of Access to Integrated Technology Systems.** Franchise Owner shall immediately lose any rights granted to it by SSI permitting Franchise Owner to access the Integrated Technology Systems provided by SSI.~~
10. **No Imitations.** Franchise Owner agrees, in the event Franchise Owner operates any business, not to use any reproduction, copy or colorable imitation of the Stanley Steemer Trademarks or the Stanley Steemer System in conjunction with such other business which is likely to cause confusion or mistake or to deceive, and further agrees not to utilize any trade dress or designation of origin or description or representation which falsely

suggests or represents an association or connection with SSI, the Stanley Steemer System or the Stanley Steemer Trademarks. Further, Franchise Owner shall make such modifications or alterations to the Premises, Service Vehicles and Stanley Steemer Cleaning Platforms immediately upon termination or expiration as may be necessary to prevent the operation of any business by ~~themselves~~ Franchise Owner or others in derogation of this Article XV and shall make such specific additional changes thereto as SSI may reasonably request for that purpose including, but not limited to, removing or painting over any and all names, ~~marks and tradenames,~~ marks, trademarks (including the Stanley Steemer Trademarks), identifiable color schemes used or associated with the Stanley Steemer System, and any insignia identifying SSI or a Stanley Steemer business in any way so that the same are in no way visible. Franchise Owner acknowledges that failure to complete the above-described de-branding within the time required by this Article XV will cause SSI irreparable harm for which monetary damages would be an inadequate remedy, and that SSI shall be entitled to seek injunctive relief to enforce such obligations without the necessity of posting a bond or other security, in addition to any other remedies available at law or in equity.

11. **Cost of Enforcement.** Franchise Owner shall pay SSI all damages, costs and expenses, including reasonable ~~attorney's~~ attorneys' fees, incurred by SSI subsequent to the termination or expiration of this Agreement in obtaining damages, or injunctive or any other relief for the enforcement of any portion of this Article XV. This obligation shall expressly survive termination or expiration of this Agreement.

12. **Post-Termination Covenant Not to Compete.**

a. ~~12. **Competition After Termination Covenant.**~~ Upon ~~termination or expiration or~~ termination of this Agreement, ~~whenever and however such termination may occur and~~ for for whatever reason and whether voluntary or involuntary, and for a period of two (2) years thereafter (or, if such two-year period is determined by a court of competent jurisdiction to be unenforceable, then for a period of one (1) year thereafter) (the "Restricted Period"), Franchise Owner ~~will not, within Franchise Owner's Area as specified by this Agreement or within 25 miles of the boundary of Franchise Owner's Area, work or enter into an Agreement or accept employment with any Person or organization where their duties would be to engage in activities similar to Franchise Owner's Stanley Steemer Business.~~ shall not, without SSI's prior written consent, directly or indirectly:

i. **Competitive Activity Restriction.** Own, operate, manage, engage in, be employed by, provide services to, consult with, advise, lend money to, have any financial interest in or management interest in (whether as an owner, shareholder, member, manager, partner, lender, investor, or otherwise), or permit the use of Franchise Owner's name or identity by any business or entity that offers, provides, or franchises residential or commercial cleaning, restoration, mitigation, or related services that are the same as or substantially similar to any Services offered under this Agreement or offered under the Stanley Steemer name or brand, regardless of whether such Service is specifically enumerated below, including but not limited to: carpet cleaning; rug cleaning; tile and grout cleaning; upholstery cleaning; hardwood floor cleaning; stone or other hard surface floor cleaning; air duct cleaning; HVAC system cleaning; water damage restoration, mitigation, extraction, drying, or remediation; fire or smoke damage restoration; mold remediation or abatement; emergency restoration services; and any other cleaning, restoration, or mitigation services designated by SSI as part of the Stanley Steemer System during the Term (any such business or entity, a "Competing Business" "). The foregoing list is illustrative and not exhaustive; provided, however, the restrictions in this Section --] do not prohibit Franchise Owner from owning less than two percent (2%) of the outstanding securities of any publicly traded company whose shares are listed on a national securities exchange, provided that Franchise Owner has no active involvement in the management, operations, or strategic direction of such company and such ownership is solely for passive investment purposes.

ii. **Geographic Restriction.** The restrictions set forth in subsection shall apply (a) within the Area formerly franchised to Franchise Owner under this Agreement (the "Former Territory"), and (b) within a one (1) mile radius of any Stanley Steemer Business operated by SSI or its affiliates, or by a Stanley Steemer franchisee, as of the date of termination or expiration of this Agreement (the "Restricted Area"). For purposes of this subsection, the Former Territory is the Area

described in Exhibit A. If the Former Territory is described in whole or in part as one or more counties, the boundaries are the exterior county boundary lines of such county or counties.

- iii. **Customer Non-Solicitation.** During the Restricted Period, Franchise Owner shall not, directly or indirectly: (A) Solicit, divert, service, or accept business from any Person who was a customer of Franchise Owner during the twenty-four (24) month period prior to expiration or termination of this Agreement, for the purpose of providing or offering any cleaning, restoration, or mitigation services, where such Person is located within the Restricted Area; (B) Use or disclose any customer lists, customer contact information, customer preferences, or other customer-related Confidential Information for any purpose; or (C) Contact any customer of Franchise Owner for any purpose related to cleaning, restoration, or mitigation services or any services typically offered by a Competing Business. For purposes of this subsection, "customer" means any Person: (1) to whom Franchise Owner provided Services during the twenty-four (24) month period prior to expiration or termination of this Agreement, (2) from whom Franchise Owner received payment for Services during such period, (3) to whom Franchise Owner provided a quote or estimate for Services during such period and who engaged Franchise Owner for at least one paid Service during such period, or (4) who is identified as a customer or prospective customer in Franchise Owner's customer relationship management system or customer-facing records at any time during the twenty-four (24) month period prior to the date of expiration or termination of this Agreement.
- iv. **Vendor Non-Interference.** During the Restricted Period, Franchise Owner shall not, directly or indirectly, interfere with, disrupt, or attempt to disrupt the relationship, contractual or otherwise, between SSI (or any SSI franchisee) and any third-party vendor, supplier, lessor, or service provider, including but not limited to suppliers of chemical solutions, fleet maintenance providers, and equipment manufacturers.

b. **Persons and Entities Bound.**

- i. **Definition of "Franchise Owner".** For purposes of this Section A.12, "Franchise Owner" shall include and mean: (A) Franchise Owner (whether an individual or entity); (B) if Franchise Owner is an entity: each owner, shareholder, member, partner, manager, managing member, officer, and director of Franchise Owner, and any Person holding a ten percent (10%) or greater direct or indirect ownership interest in Franchise Owner; (C) any member of the immediate family of any individual identified in subsections (A) or (B) who resides in the same household as such individual; and (D) any entity that is directly or indirectly controlled by any Person identified in subsections (A), (B), or (C). For purposes of this Section A.12(b), "control" 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.
- ii. **Anti-Circumvention.** Franchise Owner shall not, directly or indirectly, including through any affiliate, agent, nominee, trust, partnership, limited liability company, corporation, or other Person or entity (including any spouse, domestic partner, or immediate family member) acting at Franchise Owner's direction or for Franchise Owner's benefit, take any action that would constitute a violation of this Section A.12 if undertaken by Franchise Owner directly. Any such action shall be deemed a breach by Franchise Owner and shall subject Franchise Owner to all remedies available under this Agreement, including injunctive relief and liability for damages.

c. **Acknowledgments and Waivers.**

- i. **Reasonableness.** Franchise Owner acknowledges and agrees that: (A) The restrictions set forth in this Section A.12 are reasonable and necessary to protect SSI's legitimate business interests, including SSI's trade secrets, Confidential Information, proprietary methods and processes, customer relationships and goodwill developed through use of the Stanley Steemer Marks and the Stanley Steemer System, and SSI's substantial investment in developing and maintaining the Stanley Steemer System; (B) The Restricted Period is reasonable in light of the fact that customer relationships in the cleaning, mediation, restoration and remediation services industry are often long-term and repeat-based, and that customer loyalty to service providers typically extends for multiple years; (C) The Restricted Area is reasonable in light of the geographic scope of the Area operated by Franchise Owner, the mobility of customers and potential customers in such Area, the reach of Franchise Owner's advertising and marketing during the Term, and the fact that Franchise

Owner has had access to Confidential Information regarding other Stanley Steemer locations in proximity to Franchise Owner's Area; (D) The scope of prohibited activities is reasonable in light of the Services offered by Franchise Owner under this Agreement and the Services offered under the Stanley Steemer System generally, and is narrowly tailored to protect SSI's legitimate interests without unduly restricting Franchise Owner's ability to engage in lawful business activities unrelated to the Stanley Steemer System; (E) Franchise Owner has had substantial time (the duration of the Term) to develop alternative business opportunities, professional skills, and career options such that the restrictions in this Section A.12 will not deprive Franchise Owner of the ability to earn a reasonable livelihood; and (F) Franchise Owner has had the opportunity to consult with legal counsel regarding the terms of this Section A.12 and has entered into this Agreement and the covenants herein voluntarily and with full understanding of their consequences.

ii. **Irreparable Harm.** Franchise Owner acknowledges and agrees that any violation of this Section A.12 will cause SSI immediate and irreparable harm for which monetary damages would be an inadequate remedy. Accordingly, Franchise Owner agrees that SSI shall be entitled to seek and obtain injunctive relief (including temporary restraining orders, preliminary injunctions, and permanent injunctions) to enforce this Section A.12 without the necessity of proving actual damages or posting a bond, in addition to any other remedies available at law or in equity.

iii. **Independent Covenants.** The covenants set forth in subsections A.12(a)(i), A.12(a)(iii), and A.12(a)(iv) (competitive activity restriction, customer non-solicitation, and vendor non-interference) are independent and severable covenants. If any one covenant is determined to be unenforceable, the others shall remain in full force and effect.

d. **Reformation and Severability.** If any provision of this Section A.12 is held by a court of competent jurisdiction to be unenforceable because of the duration, geographic scope, or range of activities covered, the parties expressly authorize and request such court to reform, modify, or blue-pencil this Section A.12 to the minimum extent necessary to render it enforceable under applicable law. Without limiting the generality of the foregoing:

i. If the Restricted Period is held to be too long, the parties authorize the court to reduce it to one (1) year or such other maximum period allowed by law;

ii. If the Restricted Area is held to be too broad, the parties authorize the court to reduce it to subsection A.12(a)(ii)(A) (Former Territory only) or to such smaller area as the court deems reasonable; and

iii. If the scope of prohibited activities is held to be too broad, the parties authorize the court to limit it to those specific Services actually offered by Franchise Owner during the Term or to such narrower scope as the court deems reasonable.

The parties intend that this Section A.12 be enforced to the fullest extent permissible under applicable law as it exists at the time enforcement is sought.

e. **Tolling.** If Franchise Owner violates any provision of this Section A.12, the running of the Restricted Period shall be tolled and suspended during the period of such violation, and the Restricted Period shall be equitably extended by a period equal to the duration of such violation, so that SSI receives the full benefit of the Restricted Period without reduction due to Franchise Owner's breach. Franchise Owner agrees that this tolling provision is reasonable and necessary to ensure that SSI receives the protection to which it is entitled under this Agreement.

f. **Attorneys' Fees and Costs.** In any action to enforce this Section A.12, the prevailing party shall be entitled to recover its reasonable attorneys' fees, expert fees, court costs, and investigation costs from the non-prevailing party, whether or not such action proceeds to judgment. For purposes of this Section A.12.f, "prevailing party" has the meaning set forth in Article XVI, Section D of this Agreement.

g. **Choice of Law and Venue.** Any action to enforce this Section A.12 may be brought by SSI in any court of competent jurisdiction. This Section A.12 shall be governed by and construed in accordance with the laws of the state of Ohio without regard to its conflicts of law principles, except to the extent preempted by federal law.

h. **Federal or State Regulatory Contingency.** If, during the Restricted Period, any federal or state statute, regulation, or final non-appealable judicial order (a "Statutory Restriction") renders any portion of this Section A.12 unenforceable or prohibited as applied to Franchise Owner, then: (i) the affected portion shall be deemed automatically modified to the minimum extent necessary to comply with such Statutory Restriction; and (ii) all unaffected provisions of this Section A.12 (including customer non-solicitation, vendor non-interference, confidentiality obligations, and any geographic or temporal restrictions not prohibited by the Statutory Restriction) shall remain in full force and effect.

13. ~~Survival of Provisions After Termination or Expiration.~~ The obligations of Franchise Owner set forth in, and the other provisions of, Articles V, VII, Section C, X, XI, XV, Section A, XVI, XVII, and XVIII shall survive the termination or expiration of this Agreement. Notwithstanding the expiration or termination of this Agreement for any reason, all obligations of the Franchise Owner that expressly or by their nature are intended to survive such expiration or termination shall remain in full force and effect until fully satisfied. Such surviving obligations include, but are not limited to, Franchise Owner's obligations with respect to indemnification (Article IX.F), confidentiality (Article VII.C), post-termination covenants (Article XV.A), and all payment obligations accrued prior to termination.

B. **Obligations During Authorized Provider Authorization.** For avoidance of doubt, Authorized Provider authorization under Article I, Section B.3 does not constitute termination or expiration of this Agreement, and the post-termination or expiration obligations of Section A do not apply during any Authorization Period. During such Authorization Period:

1. Franchise Owner shall continue to operate the Stanley Steemer Business for all Active Service Categories in full compliance with this Agreement.
2. Franchise Owner shall continue to accept and fulfill customer requests for the affected Service Category when received directly by Franchise Owner, unless SSI directs otherwise in writing.
3. Franchise Owner shall not de-identify vehicles, remove signage, or cease use of the Stanley Steemer Trademarks.
4. Franchise Owner shall cooperate with SSI and the Authorized Provider to ensure continuity of service to customers in the Area for the affected Service Category, including reasonable coordination of scheduling, customer communications, and service handoffs as SSI may direct.
5. If Authorized Provider authorization subsequently leads to termination of this Agreement, the post-termination obligations of Section A shall apply in their entirety from the date of such termination.

ARTICLE XVI: DISPUTE RESOLUTION

A. ~~A.~~ **Resolution of Disputes.** Except with respect to the enforcement of the parties' rights and remedies under (i) any promissory note executed by Franchise Owner in SSI's favor and/or under any security agreement between the parties, or (ii) any promissory note executed by Franchise Owner in favor of a third party and/or under any security agreement between Franchise Owner and a third party, either of which promissory note and/or security agreement is assigned to SSI by such third party, as to which the procedures specified in this Article XVI, Section A shall not apply, the procedures specified in this Article XVI, Section A are the only procedures for the resolution of any and all controversies, disputes or claims of any nature whatsoever arising out of or related to this Agreement or any other agreement between Franchise Owner and SSI, including the breach, termination or validity of any such agreement, or the relationship between Franchise Owner and SSI and/or the operation of the Stanley Steemer Business and including any and all controversies, disputes or claims of any nature against SSI by anyone claiming through Franchise Owner. For avoidance of doubt, this Article XVI governs any dispute relating in any way to Brand Standards, the Stanley Steemer Manuals, the Technology Systems Access Agreement ("TSAA"), the Integrated Technology Systems, Required Components, or any other element of the Stanley Steemer System.

However, before or during the time that Franchise Owner and SSI follow these procedures, either Franchise Owner or SSI can go to the appropriate court to get a preliminary injunction or other preliminary judicial relief if Franchise Owner or SSI reasonably believes that such a step is necessary to avoid irreparable damage or harm. Even if either Franchise Owner or SSI takes such action, Franchise Owner and SSI will continue to participate in good faith in the procedures specified in this Article XVI, Section A. Notwithstanding anything in Article XVI, Section A to the

contrary, without obligation to pursue the negotiation, mediation or arbitration described herein, SSI shall at all times have the right to seek from an appropriate court (i) replevin or similar orders, (ii) temporary, preliminary, or permanent injunctive relief enforcing SSI's rights in the Stanley Steemer Trademarks, the Brand Standards, the Stanley Steemer System, the Integrated Technology Systems, SSI's Confidential Information, and the post-termination covenants set forth in Article XV; and (iii) other equitable relief as SSI reasonably believes such order(s) are necessary and permissible under the Federal Arbitration Act ("FAA").

All dispute-resolution procedures under this Article XVI shall be governed by the Federal Arbitration Act ("FAA"), 9 U.S.C. §§ 1-16. Except to the extent prohibited by the inclusion of a state-specific addendum attached to this Agreement as required by applicable state law, the parties expressly agree that the FAA shall preempt any state rule, statute, regulation, ordinance, common-law doctrine, or judicial precedent purporting to limit the enforceability or scope of this Article XVI. The parties expressly agree that the FAA, and not state law, governs the interpretation, scope, enforcement, delegation, and severability of this Article XVI.

1. ~~1.~~ **Negotiations.** Franchise Owner and SSI will both attempt in good faith to resolve promptly any controversy or claim arising out of or relating to this Agreement (including any alleged violation of Brand Standards, the Stanley Steemer Manuals, or the Technology Systems Access Agreement ("TSAA")) and any other agreement between Franchise Owner and SSI, the relationship between Franchise Owner and SSI or the operation of Franchise Owner's Stanley Steemer Business or any claims of any nature against SSI by anyone claiming through Franchise Owner, by negotiations between representatives of the parties who have authority to settle the controversy ~~(and, where applicable, who do not have direct responsibility for administration of this Agreement or any other agreement between Franchise Owner and SSI)~~ who are authorized to bind the party with respect to settlement of the dispute).
2. ~~2.~~ **Notice and Response.** The disputing party will give the other party written notice of the dispute. Within thirty (30) ~~business~~ days after receipt of this notice, the receiving party shall submit to the other a written response. The notice and response shall include (a) a statement of each party's position and a summary of the facts and arguments supporting its position, and (b) the name and title of the person who will represent that party. The persons shall meet and/or otherwise communicate at a mutually acceptable time and place within thirty (30) ~~business~~ days of the date of the responding party's written response and thereafter as often as they reasonably deem necessary to exchange relevant information and to attempt to resolve the dispute.
3. ~~3.~~ **Mediation.** If the matter has not been resolved within sixty (60) ~~business~~ days of the disputing party's notice, or if the responding party will not meet and/or otherwise communicate within thirty (30) ~~business~~ days of the written response, either party may initiate mediation of the controversy or claim with JAMS, ~~The Resolution Experts Inc. ("JAMS"),~~ which is a private alternative dispute resolution provider ~~having its Chicago, Illinois office located at 71 South Wacker Drive, Suite 3000, Chicago, Illinois 60606 (telephone (312) 655-0555), or its successor.~~ Unless the parties agree otherwise in writing, the location of the mediation shall be at the JAMS Resolution Center in ~~Chicago, Illinois~~ Columbus, Ohio. Any mediator shall be mutually selected by Franchise Owner and SSI or, if Franchise Owner and SSI cannot agree, by JAMS, ~~The Resolution Experts~~ in accordance with its then-effective rules and procedures applicable to selection of mediators.
4. ~~4.~~ **Arbitration.** If the matter has not been resolved pursuant to mediation within sixty (60) ~~business~~ days of the initiation of such procedure, or if either party will not participate in a mediation, the controversy shall be settled by arbitration by a sole arbitrator in accordance with the then-effective JAMS Comprehensive Arbitration Rules and Procedures. Any arbitrator shall be mutually selected by Franchise Owner and SSI or, if Franchise Owner and SSI cannot agree, by JAMS, ~~The Resolution Experts~~ in accordance with the then-effective JAMS Comprehensive Arbitration Rules and Procedures. ~~The~~

The parties expressly agree that the arbitrator shall have exclusive authority to determine issues of jurisdiction, arbitrability, delegation, formation, scope, and enforceability of this Article XVI, including but not limited to the enforceability and interpretation of the class-action waiver, and any objections concerning the existence, validity, or scope of the arbitration agreement itself. The arbitrator shall apply and enforce this Article XVI in accordance with the Federal Arbitration Act and controlling decisions of the United States Supreme Court interpreting the FAA, including those addressing the enforceability of agreements to arbitrate on an individual (non-class, non-representative) basis.

Except to the extent prohibited by applicable law that cannot be waived, the arbitrator is not empowered to, and shall not, award punitive, exemplary, indirect, special, consequential, or incidental damages, or any other damages in excess of actual direct damages or in excess of any limit on direct damages set forth in this Agreement, whichever is lower. If applicable law prohibits waiver of any particular category of damages, this provision shall be enforced to the maximum extent permitted and the unenforceable portion shall be severed without affecting the remainder. Unless the parties agree otherwise in writing, the place of arbitration shall be at the JAMS Resolution Center in Chicago, Illinois. Jurisdiction and arbitrability disputes, including disputes over the formation, validity, interpretation or scope of this Agreement shall be submitted to and ruled on by the arbitrator. The arbitrator has the authority to determine jurisdiction and arbitrability issues as a preliminary matter. Columbus, Ohio. The arbitration shall be final and binding, and the arbitrator shall render a reasoned award. The arbitration proceedings and award shall be confidential and shall not be disclosed to any third party except as necessary to enforce the award, as required by law, or with the written consent of both parties.

The arbitration shall be governed by the Federal Arbitration Act, 9 U.S.C. §§ 1-16. Courts of the State of Ohio or the United States District Court for the Southern District of Ohio will have sole jurisdiction over enforcement of arbitration and/or enforcement of the Agreement. Judgment upon the award rendered by the arbitrator may be entered by any state or federal court in Ohio having jurisdiction thereof. If either party is required to compel arbitration, that party shall be reimbursed for the costs and expenses incurred in connection therewith to the fullest extent permitted by applicable law. The parties acknowledge that the initiation of dispute resolution procedures under this Section A (including negotiation, mediation, and arbitration) tolls any applicable statute of limitations from the date of the initial dispute notice under Section A.2 through the conclusion of the final applicable procedure.

B. ~~B.~~ **LIMITATIONS OF CLAIMS.** FRANCHISE OWNER HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT OR CLAIM FOR ANY PUNITIVE, EXEMPLARY, INDIRECT, SPECIAL, INCIDENTAL, OR CONSEQUENTIAL, ~~OR EXEMPLARY~~ DAMAGES AGAINST SSI AND ~~AGREE~~ AGREES THAT IF THERE IS A DISPUTE WITH SSI THAT FRANCHISE OWNER WILL BE LIMITED TO THE RECOVERY OF ACTUAL DAMAGES SUSTAINED BY IT. FRANCHISE OWNER ALSO AGREES THAT ANY CLAIM OR ACTION FOR MONEY DAMAGES BROUGHT BY FRANCHISE OWNER RELATING TO THIS AGREEMENT MUST BE BROUGHT WITHIN ONE (1) YEAR OF THE OCCURRENCE OF THE CIRCUMSTANCES DATE THE CLAIMING PARTY KNEW OR REASONABLY SHOULD HAVE KNOWN OF THE FACTS GIVING RISE TO SUCH CLAIM OR ACTION, ~~WHETHER KNOWN OR UNKNOWN, OR SUCH CLAIM OR ACTION WILL BE BARRED.~~ NOTWITHSTANDING THE FOREGOING, THIS ONE-YEAR LIMITATIONS PERIOD: (i) SHALL NOT BAR SSI FROM ISSUING DEFAULT NOTICES, CURE NOTICES, OR TERMINATION NOTICES BASED ON CONDUCT THAT OCCURRED MORE THAN ONE YEAR PRIOR TO SUCH NOTICE; (ii) SHALL NOT LIMIT SSI'S ABILITY TO INTRODUCE EVIDENCE OF A PATTERN OF NON-COMPLIANCE OCCURRING MORE THAN ONE YEAR PRIOR TO A TERMINATION DECISION; (iii) SHALL NOT APPLY TO SSI'S CLAIMS FOR ROYALTY FEES, TECHNOLOGY FEES, ADVERTISING CONTRIBUTIONS, OR OTHER AMOUNTS DUE UNDER THIS AGREEMENT OR THE TSAA, WHICH SHALL BE GOVERNED BY THE APPLICABLE STATUTE OF LIMITATIONS; AND (iv) SHALL NOT LIMIT EITHER PARTY'S RIGHT TO SEEK INJUNCTIVE OR EQUITABLE RELIEF. THIS PROVISION SHALL NOT BE CONSTRUED TO EXTEND ANY APPLICABLE STATUTE OF LIMITATIONS, BUT ONLY TO SHORTEN IT TO THE EXTENT PERMITTED BY LAW. THIS LIMITATIONS PROVISION SHALL NOT APPLY IF PROHIBITED BY APPLICABLE STATE FRANCHISE LAW, BUT SHALL APPLY TO THE MAXIMUM EXTENT PERMITTED. TO THE FULLEST EXTENT PERMITTED BY THE FAA, THE ARBITRATOR SHALL ENFORCE THIS LIMITATIONS PROVISION. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING SAVINGS CLAUSE, IN ANY STATE IN WHICH APPLICABLE LAW PROHIBITS OR RESTRICTS THE CONTRACTUAL SHORTENING OF A STATUTE OF LIMITATIONS FOR FRANCHISE-RELATED CLAIMS, THE LIMITATION PERIOD FOR SUCH CLAIMS SHALL BE THE SHORTER OF: (A) ONE (1) YEAR FROM THE DATE THE CLAIMING PARTY KNEW OR REASONABLY SHOULD HAVE KNOWN OF THE FACTS GIVING RISE TO SUCH CLAIM; OR (B) THE MINIMUM LIMITATION PERIOD REQUIRED BY SUCH APPLICABLE STATE LAW. THIS PROVISION SHALL NOT BE CONSTRUED TO EXTEND ANY LIMITATION PERIOD BEYOND THE PERIOD THAT WOULD OTHERWISE APPLY UNDER APPLICABLE LAW.

- C. **WAIVER OF JURY TRIAL.** THE PARTIES HERETO IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM IN CONNECTION WITH ANY MATTER OR DISPUTE OF ANY KIND ARISING UNDER OR IN ANY WAY CONNECTED WITH THIS AGREEMENT OR ANY RIGHT OR REMEDY HEREUNDER, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER OF SSI OR FRANCHISE OWNER.
- D. **CLASS ARBITRATION WAIVER.** ANY ARBITRATION WILL BE CONDUCTED AND RESOLVED ON AN INDIVIDUAL BASIS AND NOT A CLASS-WIDE, MULTIPLE PLAINTIFF, OR SIMILAR BASIS. THIS WAIVER EXPRESSLY INCLUDES ANY CLAIM BROUGHT IN A REPRESENTATIVE CAPACITY UNDER ANY STATE STATUTE, INCLUDING BUT NOT LIMITED TO ANY PAGA-STYLE CLAIM. ANY ARBITRATION WILL NOT BE CONSOLIDATED WITH ANY OTHER ARBITRATION PROCEEDING INVOLVING ANY OTHER PERSON, EXCEPT CONTROVERSIES, DISPUTES OR CLAIMS OF ANY NATURE AGAINST SSI BY ANYONE CLAIMING THROUGH FRANCHISE OWNER, AS PROVIDED IN ARTICLE XVI ABOVE. THE PARTIES AUTHORIZE THE ARBITRATOR, AND NOT ANY COURT, TO ENFORCE THIS CLASS-ACTION WAIVER TO THE FULLEST EXTENT PERMITTED BY THE FAA.
- E. ~~E.~~ **EXPENSES IN LEGAL PROCEEDINGS.** IN THE EVENT A DISPUTE ARISES UNDER THIS AGREEMENT, THE PREVAILING PARTY SHALL BE ENTITLED TO RECOVER ITS EXPENSES, INCLUDING WITHOUT LIMITATION ATTORNEYS' FEES AND DISBURSEMENTS, ACCOUNTING FEES AND DISBURSEMENTS, COURT COSTS AND COSTS OF COLLECTION, IN ADDITION TO ANY OTHER RELIEF TO WHICH IT IS FOUND ENTITLED. TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE ARBITRATOR SHALL AWARD SUCH FEES AND EXPENSES TO THE PREVAILING PARTY. FOR PURPOSES OF THIS SECTION, THE "PREVAILING PARTY" IS THE PARTY THAT OBTAINS SUBSTANTIALLY THE RELIEF IT SOUGHT, AS DETERMINED BY THE ARBITRATOR OR COURT. WHERE BOTH PARTIES PREVAIL ON SOME CLAIMS BUT NOT OTHERS, THE ARBITRATOR OR COURT MAY APPORTION FEES AND EXPENSES IN ITS DISCRETION.

ARTICLE XVII: REPRESENTATIONS BY FRANCHISE OWNER

- A. **INDEPENDENT INVESTIGATION.** FRANCHISE OWNER ACKNOWLEDGES THAT ~~THEY HAVE~~ FRANCHISE OWNER HAS CONDUCTED AN INDEPENDENT INVESTIGATION OF THE BUSINESS BEING LICENSED HEREIN AND RECOGNIZES THAT THE BUSINESS VENTURE CONTEMPLATED BY THIS AGREEMENT INVOLVES BUSINESS RISKS AND WILL BE GREATLY DEPENDENT UPON THE ABILITY OF THE FRANCHISE OWNER AS AN INDEPENDENT BUSINESS PERSON. FRANCHISE OWNER FURTHER REPRESENTS THAT FRANCHISE OWNER HAS BEEN PROVIDED ACCESS TO, AND HAS HAD ADEQUATE OPPORTUNITY TO REVIEW, THE STANLEY STEEMER MANUALS, THE BRAND STANDARDS, AND ALL OTHER MATERIALS MADE AVAILABLE TO NEW FRANCHISE OWNERS PRIOR TO EXECUTION OF THIS AGREEMENT.
- B. **FRANCHISE DISCLOSURE DOCUMENT.** FRANCHISE OWNER ACKNOWLEDGES THAT ~~THEY HAVE~~ FRANCHISE OWNER HAS RECEIVED, AT LEAST FOURTEEN (14) CALENDAR DAYS PRIOR TO THE EXECUTION BY FRANCHISE OWNER OF THIS AGREEMENT OR PAYMENT OF ANY CONSIDERATION TO SSI, A COPY OF THE CURRENT STANLEY STEEMER FRANCHISE DISCLOSURE DOCUMENT FOR THE STATE IN WHICH FRANCHISE OWNER'S AREA IS LOCATED, OR SUCH LONGER PERIOD AS MAY BE REQUIRED BY THE LAW OF THE STATE IN WHICH FRANCHISE OWNER'S AREA IS LOCATED.
- C. **CONSULTATION.** FRANCHISE OWNER STATES THAT ~~THEY HAVE~~ FRANCHISE OWNER HAS RECEIVED, READ, AND UNDERSTOOD THIS AGREEMENT, AND HAS BEEN ACCORDED AN AMPLE OPPORTUNITY AND A PERIOD OF NOT LESS THAN FIVE (5) BUSINESS DAYS AFTER RECEIPT OF A FINAL COPY OF THIS AGREEMENT TO CONSULT WITH ADVISORS OF ~~THEIR~~ FRANCHISE OWNER'S OWN CHOOSING CONCERNING THE POTENTIAL BENEFITS AND RISKS THAT MAY BE INVOLVED IN ENTERING INTO THIS AGREEMENT AND BECOMING A STANLEY STEEMER FRANCHISE OWNER.
- D. **DISCLAIMER.** FRANCHISE OWNER ACKNOWLEDGES THAT SSI HAS MADE NO WARRANTY OR GUARANTEE, EXPRESS OR IMPLIED, AS TO THE POTENTIAL INCOME, PROFIT OR SUCCESS OF THE BUSINESS VENTURE CONTEMPLATED BY THIS AGREEMENT. FRANCHISE OWNER FURTHER ACKNOWLEDGES AND WARRANTS THAT, IN MAKING ITS DECISION TO ENTER INTO THIS AGREEMENT, IT HAS RELIED SOLELY ON ITS OWN INDEPENDENT INVESTIGATION AND ON THE INFORMATION CONTAINED IN SSI'S FRANCHISE DISCLOSURE DOCUMENT PROVIDED TO FRANCHISE

OWNER. FRANCHISE OWNER AFFIRMATIVELY STATES THAT IT HAS NOT RELIED ON ANY OTHER STATEMENT, REPRESENTATION, PROMISE, "PRO FORMA" FINANCIAL PROJECTION, OR GUARANTEE, WHETHER ORAL OR WRITTEN, FROM SSI OR ANY OF ITS EMPLOYEES, AGENTS, OR REPRESENTATIVES. FRANCHISE OWNER EXPRESSLY REPRESENTS THAT IT HAS NOT BEEN PROVIDED, AND HAS NOT RELIED UPON, ANY FINANCIAL PERFORMANCE REPRESENTATION OTHER THAN THOSE (IF ANY) EXPRESSLY INCLUDED IN ITEM 19 OF SSI'S FRANCHISE DISCLOSURE DOCUMENT PROVIDED TO FRANCHISE OWNER, AND HAS NOT RECEIVED OR RELIED UPON ANY BREAK-EVEN ANALYSIS, PROFIT PROJECTION, OR OTHER FORWARD-LOOKING FINANCIAL INFORMATION OUTSIDE SSI'S FRANCHISE DISCLOSURE DOCUMENT PROVIDED TO FRANCHISE OWNER.

E. **FINANCIAL STATEMENTS.** FRANCHISE OWNER HAS PROVIDED SSI WITH ACCURATE FINANCIAL STATEMENTS WHICH PRESENT A TRUE REPRESENTATION OF ~~HIS, HER OR ITS~~ FRANCHISE OWNER'S FINANCIAL CONDITION.

F. **LITIGATION AND REGULATORY HISTORY.** FRANCHISE OWNER REPRESENTS AND WARRANTS THAT NEITHER FRANCHISE OWNER NOR ANY OF ITS OWNERS, OFFICERS, DIRECTORS, OR MANAGERS: (i) HAS BEEN CONVICTED OF, OR PLEADED NO CONTEST TO, A FELONY OR ANY CRIME INVOLVING FRAUD, MISREPRESENTATION, DISHONESTY, OR MORAL TURPITUDE; (ii) IS CURRENTLY SUBJECT TO ANY PENDING LITIGATION, REGULATORY PROCEEDING, OR GOVERNMENT INVESTIGATION THAT COULD REASONABLY BE EXPECTED TO MATERIALLY IMPAIR FRANCHISE OWNER'S ABILITY TO PERFORM ITS OBLIGATIONS UNDER THIS AGREEMENT; OR (iii) HAS HAD A FRANCHISE AGREEMENT TERMINATED FOR CAUSE BY ANY FRANCHISOR WITHIN THE PRECEDING TEN (10) YEARS. FRANCHISE OWNER AGREES TO NOTIFY SSI PROMPTLY IN WRITING IF ANY OF THE FOREGOING REPRESENTATIONS BECOMES INACCURATE DURING THE TERM.

G. ~~F. BUSINESS ENTITY.~~ FRANCHISE OWNER, IF IT IS A BUSINESS ENTITY, ACKNOWLEDGES THAT NO STOCK OR OTHER OWNERSHIP INTEREST OF THE BUSINESS ENTITY MAY BE TRANSFERRED WITHOUT ~~SSI'S~~ SSI'S PRIOR APPROVAL IN ACCORDANCE WITH ARTICLE XII. FRANCHISE OWNER AGREES TO PLACE THE FOLLOWING LEGEND ON ALL CERTIFICATES OF STOCK OR OTHER OWNERSHIP INTEREST IN THE BUSINESS ENTITY, OR, IF NO CERTIFICATES ARE ISSUED, TO INCLUDE THE FOLLOWING RESTRICTION IN THE ENTITY'S OPERATING AGREEMENT, BYLAWS, OR OTHER GOVERNING DOCUMENTS:

The transfer of this stock [or other certificate of ownership interest] is subject to the terms and conditions of a Franchise Agreement with Stanley Steemer International, Inc.

All references to Franchise Owner in this Article XVII shall mean Franchise Owner and ~~the undersigned individual, and each~~ each individual who signs this Agreement on behalf of Franchise Owner or in a personal capacity (each, an "Executing Individual"). Each representation, ~~acknowledgement~~ acknowledgment, and statement by Franchise Owner in this Article XVII shall be deemed to have been independently made by Franchise Owner and ~~the undersigned individual~~ each Executing Individual.

ARTICLE XVIII: MISCELLANEOUS

A. **Severability.** If any provision of this Agreement ~~shall be construed~~ is found to be illegal or, invalid, ~~it shall not affect the legality or validity of any other provisions hereof. The illegal or invalid provision shall or unenforceable, it will be deemed deleted as if never incorporated herein, but all other provisions hereof shall continue.~~ and the remaining provisions will continue in effect. If part of a provision is found to be illegal, invalid, or unenforceable, that part will be deleted, and the rest of the provision will continue to the maximum extent allowed by law. The parties intend that any unenforceable provision, or portion of a provision, be modified by the court or arbitrator to be enforceable to the maximum extent allowed by law.

B. **Amendment.** No change or modification in this Agreement shall be valid unless the same be in writing signed by the parties: (including by electronic signature in accordance with Section J of this Article XVIII). For avoidance of doubt, amendments to this Agreement do not constitute amendments to the TSAA unless expressly stated therein, and vice versa.

- C. **Interpretation.** Except to the extent governed by the U.S. Trademark Act of 1946, as amended, and unless otherwise provided by applicable state law, this Agreement shall be deemed to have been made and entered into in the State of Ohio, and all rights and obligations of the parties hereto shall be governed by and construed in accordance with the local laws of the State of Ohio without application of its conflicts of laws principles.
- D. **Venue.** Except to the extent prohibited by applicable state law to the contrary, and subject to the arbitration provisions of Article XVI, SSI and Franchise Owner agree that any litigation or legal action permitted under this Agreement, including actions to enforce or relating to this Agreement and the relationship of the parties hereunder confirm arbitration awards, actions for injunctive relief as permitted under Article XVI, and any other proceedings not subject to arbitration, shall be filed in the ~~federal district court~~ United States District Court for the Southern District of Ohio in Columbus, Ohio, or the Court of Common Pleas Court of Franklin County, Ohio, and SSI and Franchise Owner hereby consent to the exclusive jurisdiction of such courts.
- E. **Entire Agreement.** This Agreement, together with the Technology Systems Access Agreement between the parties (as the same may be amended, restated, or replaced from time to time in accordance with its own terms) and the FDD, contains the entire agreement of the parties with respect to the subject matter hereof, and no representation, inducements, promises inducement, promise, or agreement, oral or written (~~other than the most recent version of SSI's franchise disclosure document provided to Franchise Owner~~), not included in this Agreement the foregoing documents shall be of any force and effect.
- F. **Waiver.** No failure by SSI or Franchise Owner to exercise any power given to it or to insist upon any strict compliance by the other party of any obligation hereunder, shall constitute a waiver of such power or right, nor shall it affect either party's ~~party's~~ right ~~concerning such default of~~ with respect to any subsequent default. Waiver by SSI or Franchise Owner of any particular default by the other party shall not affect or impair its rights in respect to any subsequent default of the same or a different nature.
- G. **Counterparts & Electronic Execution.** This Agreement may be executed in any number of counterparts each of which shall be as an original and together shall be construed as a fully executed agreement. Further, the parties hereto agree that counterparts executed and transmitted electronically or via facsimile shall also constitute originals.
- H. ~~H.~~ **Notices.** All Notices required or permitted under this Agreement ("Notices") will be deemed given and received: (a) when delivered by hand; ~~(b) two days after electronically confirmed transmission by facsimile or electronically confirmed delivery receipt~~ and accepted by the receiving party or its representative; (b) by electronic mail in accordance with this Article XVIII; (c) three days after confirmed delivery if by certified or registered mail, postage prepaid; or (d) upon delivery by a nationally recognized courier or delivery service. ~~The notice address for each Party shall be the principal place of business set forth in the preamble of this Agreement. Either Party may specify a different address by notifying the other Party in writing of the different address-, with proof of delivery.~~

Notices to SSI shall be sent to its principal place of business as set forth in the preamble of this Agreement, or to such other address as SSI may designate by written Notice to Franchise Owner. Notices to Franchise Owner shall be sent to the Franchise Owner's principal place of business as set forth in the preamble of this Agreement and, in all cases, to the Franchise Owner's designated Stanley Steemer-issued branded email address of record required under Article III, Section D.2 (the "Designated Branded Email Address"). Delivery by electronic mail to the Designated Branded Email Address shall constitute effective Notice to Franchise Owner for all purposes under this Agreement, regardless of whether Franchise Owner accesses, reads, or otherwise acknowledges such email.

Franchise Owner shall be solely responsible for maintaining access to, and monitoring, the Designated Branded Email Address. Failure to maintain or monitor the Designated Branded Email Address, or failure of any Franchise Owner-managed forwarding or filtering system, shall not affect the validity or effectiveness of any Notice delivered thereto. A party may change its non-email physical Notice address by giving Notice to the other Party, provided that Franchise Owner may not change or replace its Designated Branded Email Address without the prior written consent of SSI.

- I. ~~I.~~ **E-Signature and E-Records.** The person or persons signing below are referred to as "you" and "your." If the party signing this Agreement is a corporation, limited liability company, or other business entity, "you" and "your"

shall refer to such entity and shall also refer to the natural person signing below on behalf of such entity, provided that no natural person (other than the undersigned individual (as defined below)) shall be entitled to any of the rights and benefits under this Agreement. (The natural person signing below is called the "undersigned individual.""Executing Individual," as defined in Article XVII.) "SSI" refers to Stanley Steemer International, Inc., an Ohio corporation, and its successors and assigns.

J. ~~J.~~ **Electronic Images; Signature Pages by PDF or Electronic Means; Electronic Signatures.**

1. ~~1.~~ **Franchise Documents and Franchise Documents Parties.** As used in this Article XVIII, Section J:
 - a. ~~a.~~ the term "Franchise Document" or "Franchise Documents" shall mean, individually and collectively, this Agreement; any document or agreement related to, or arising from, this Agreement or your Stanley Steemer Business; and any other document required to be delivered pursuant to any of the foregoing documents or agreements.
 - b. ~~b.~~ the term "Franchise Document Party" or "Franchise Document Parties" shall mean, individually and collectively, you, any party or signatory to a Franchise Document, any natural person signing on behalf of any legal or business entity which is a party to a Franchise Document, any owner of an interest in any legal or business entity franchisee (if franchisee is a legal or business entity).
2. ~~2.~~ **Electronic Signature Pages.** If SSI agrees, in its sole discretion, to accept delivery in any electronic form (including deliveries by emailed portable document format ("PDF") or any other electronic means) of an executed signature page or counterpart of a signature page of a Franchise Document, whether signed manually or electronically, then such delivery will be, for all purposes, as valid and effective as the delivery of an original, manually executed signature page or counterpart of a signature page of such Franchise Document.
3. ~~3.~~ **Electronic Signatures Generally.** If SSI agrees, in its sole discretion, to accept and/or provide any electronic signatures (i.e., an electronic sound, symbol, or process attached to, or associated with, an agreement, contract, or other record and adopted by a person with the intent to sign, authenticate, or accept such agreement, contract, or other record) as a manner of execution of any Franchise Document, then such electronic signatures shall have the same legal force and effect, admissibility, validity, and enforceability as manually executed signatures, to the extent and as provided for in any applicable law, including, the Uniform Electronic Transactions Act as then enacted in the State of Ohio (or, if necessary and as may be applicable, as then enacted in such other state), the Federal Electronic Signatures in Global and National Commerce Act, and any other applicable state laws based on, or similar in effect to, such acts or laws.
4. ~~4.~~ **Reliance and Confirmation of Electronic Signatures.** SSI may rely on any and each such electronic signature described in this Article XVIII without further inquiry. SSI may require that a Franchise Document Party send an email or other written communication to SSI, in such form and content as instructed by SSI, confirming the execution of such Franchise Document by electronic signature. SSI may also require that any such Franchise Documents and signatures thereto be confirmed by a separate manually signed original thereof delivered to SSI as instructed by SSI; provided, however, that the failure to request or deliver the same shall not limit the effectiveness of any PDF or other electronically delivered signature page or image thereof.
5. ~~5.~~ **Agreement Regarding Electronic Signatures.** SSI AND YOU AGREE THAT THIS AGREEMENT AND ANY AND ALL OTHER FRANCHISE DOCUMENTS THAT SSI OR ITS REPRESENTATIVES OR AGENTS PROVIDE TO YOU FOR THE PURPOSE OF ELECTRONIC SIGNATURE MAY BE ELECTRONICALLY SIGNED BY ANY AND ALL PARTIES THERETO. Notwithstanding the foregoing, if requested by SSI, the Franchise Document Parties shall re-execute, using a manual signature, any Franchise Documents previously executed by the Franchise Document Parties by or through the use of electronic signatures.
6. ~~6.~~ **Waiver Regarding Electronic Signatures and Electronic Records.** Without limiting the foregoing provisions of this Article XVIII, by providing an electronic signature or by providing the confirmation or documentation described in Section J.4 above), you and any owner, officer, director or

manager of any legal or business entity of Franchise Owner (if Franchise Owner is a legal or business entity) waive (i) any argument, defense, or right to contest the legal effect, admissibility, validity, or enforceability of this Agreement or any other Franchise Document based on the lack of paper originals or paper copies of this Agreement or such other Franchise Document, respectively, including with respect to any signature pages or counterpart signature pages thereto, and (ii) any claim against SSI or its affiliates (and their respective successors and assigns), and/or the respective officers, directors, shareholders, employees, representatives, agents, affiliates, and successors and assigns of SSI and its affiliates, for any losses, claims, damages, penalties, incremental taxes, liabilities, and related expenses arising from SSI's reliance on or use of electronic signatures, electronic images, electronic records, emailed PDF, or any other electronic means that reproduces an image of an executed signature page or counterpart signature page, and/or use of any electronic signature service provider that facilitates electronic signatures (e.g., DocuSign), including any losses, claims, damages, penalties, incremental taxes, liabilities, and related expenses arising as a result of the failure of a Franchise Document Party to use any available security procedures and measures in connection with the execution, delivery, or transmission of any electronic signature or electronic record.

- K. ~~J.~~ **Exhibits and Recitals.** Each exhibit to this Agreement is hereby incorporated herein by reference, and each Recital in this Agreement is hereby incorporated herein by reference as if fully restated herein.
- L. **Injunctive Relief.** Franchise Owner acknowledges that a breach of its obligations under Article V (Trademarks), Article VII.C (Confidentiality), Article XV.A (Post-Termination Obligations, including Section A.8 (Data and Systems Access) and Section A.12 (Competition After Termination)), and the TSAA will cause irreparable harm to SSI for which monetary damages are inadequate. Franchise Owner further acknowledges that its specific representations in Article XV.A.12(d) as to the reasonableness and necessity of the non-compete are a material inducement for SSI to enter this Agreement. Therefore, Franchise Owner agrees that in the event of such a breach or threatened breach, SSI shall be entitled to temporary and permanent injunctive relief without the necessity of posting any bond or proving actual damages.
- M. **No Third-Party Beneficiaries.** This Agreement is intended for the sole and exclusive benefit of the parties hereto (SSI and Franchise Owner) and their permitted successors and assigns. Nothing in this Agreement shall be construed to create any rights in, or be enforceable by, any third party, including but not limited to any employee, customer, or creditor of Franchise Owner.
- N. **Construction.** The parties acknowledge that this Agreement has been the subject of negotiation and review, and that each party has had the opportunity to consult with legal counsel. Accordingly, the rule of construction that any ambiguities are to be resolved against the drafting party shall not apply to the interpretation of this Agreement.
- O. **Force Majeure.** Neither party shall be liable for any failure or delay in performing its obligations under this Agreement (other than payment obligations, which shall not be excused) to the extent such failure or delay results from circumstances beyond the party's reasonable control, including but not limited to acts of God, natural disasters, epidemics, pandemics, government orders or restrictions, war, terrorism, civil unrest, labor disputes (other than those involving the affected party's own employees), supply chain disruptions, or utility failures (each, a "Force Majeure Event"). The affected party shall provide prompt written notice to the other party describing the Force Majeure Event and its expected duration, and shall use commercially reasonable efforts to mitigate the impact and resume performance as soon as practicable. If a Force Majeure Event continues for more than one hundred eighty (180) days, either party may terminate this Agreement upon thirty (30) days' written notice without liability for such termination, provided that all accrued obligations and post-termination obligations of Article XV shall survive.
- P. **Cumulative Remedies.** Except as expressly provided otherwise in this Agreement, all rights and remedies of the parties under this Agreement are cumulative and in addition to any other rights and remedies available at law or in equity. The exercise of any right or remedy shall not preclude the exercise of any other right or remedy.
- Q. **Good Faith and Fair Dealing.** The parties acknowledge and agree that this Agreement shall be interpreted and performed in accordance with a mutual obligation of good faith and fair dealing. This obligation applies to the exercise of any discretion, judgment, or approval right granted to either party under this Agreement, including without limitation SSI's exercise of discretion under Article I (Service Categories), Article XI (Renewal), Article XII (Transfer), Article XIII (Termination), and Article XVI (Dispute Resolution). For avoidance of doubt: (a) this covenant is an interpretive principle governing the parties' performance of their express obligations under this Agreement and does not create any independent cause of action, fiduciary duty, or obligation beyond those expressly set forth herein; (b) "good faith" means honesty in fact and the observance of reasonable commercial standards of fair dealing, consistent with the definition in Ohio Revised Code § 1301.201(b)(20); (c) this covenant does not limit SSI's right to exercise business judgment in the management and development of the Stanley Steemer System, including

decisions regarding brand strategy, technology, marketing, territory development, and system standards; and (d) this covenant does not require either party to act against its own legitimate business interests or to forgo any right expressly granted under this Agreement

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~~[remainder of page intentionally blank; signature page follows]~~**[SIGNATURES ON FOLLOWING PAGE]**

THE UNDERSIGNED HAVE READ AND UNDERSTAND THE FOREGOING AGREEMENT AND AGREE THERETO.

STANLEY STEEMER INTERNATIONAL, INC.

By: _____
D. Ryan Jankowski, Vice President Legal Affairs and
Chief Administrative Officer

FRANCHISE OWNER:

By: _____

EXHIBIT A TO FRANCHISE AGREEMENT

A. ~~1. Franchise Owner's Area:~~ {TERRITORY DESCRIPTION}

B. Designated Principal: {DESIGNATED PRINCIPAL NAME}

C. ~~2. Franchise Owner's Initial Fee and Terms of Payment:~~ {AMOUNT & METHOD OF PAYMENT}

D. Minimum Annual Royalty Schedule: Each row below corresponds to one Minimum Annual Royalty Year, as defined in Article II, Section E of the Franchise Agreement. Year 1 runs from the Effective Date through its first anniversary; each successive Year runs through the next successive anniversary of the Effective Date. The Minimum Annual Royalty for each Year is the aggregate minimum royalty obligation for that Year under Article II, Section E.

a. Total Fee: _____

b. Down Payment:—

e. Interest Rate: _____

d. Payable How Often:—

e. Final Payment Due: _____

f. Security: _____

g. _____ Default in any payment causes the entire unpaid balance to be due and payable immediately.

3. Franchise Owner's Minimum Annual Royalty Schedule:

~~Minimum Annual Royalty Year~~	~~Time Period Covered~~	~~Minimum Annual Royalty~~
~~Minimum Annual Royalty Year 1~~	~~Between Effective Date of the Franchise Agreement to which this Exhibit A is attached and first anniversary of the Effective Date~~	~~TBD~~
~~Minimum Annual Royalty Year 2~~	~~Between first anniversary of the Effective and the second anniversary of the Effective Date~~	~~TBD~~
~~Minimum Annual Royalty Year 3~~	~~Between second anniversary of the Effective and the third anniversary of the Effective Date~~	~~TBD~~
~~Minimum Annual Royalty Year 4~~	~~Between third anniversary of the Effective and the fourth anniversary of the Effective Date~~	~~TBD~~
~~Year 2~~	~~\$~~	
~~Year 3~~	~~\$~~	
~~Year 4~~	~~\$~~	
~~Minimum Annual Royalty Year 5~~	~~Between fourth anniversary of the Effective and the fifth anniversary of the Effective Date~~	~~TBD~~
~~Minimum Annual Royalty Year 6~~	~~Between fifth anniversary of the Effective and the sixth anniversary of the Effective Date~~	~~TBD~~
~~Minimum Annual Royalty Year 7~~	~~Between sixth anniversary of the Effective and the seventh anniversary of the Effective Date~~	~~TBD~~
~~Minimum Annual Royalty Year 8~~	~~Between seventh anniversary of the Effective and the eighth anniversary of the Effective Date~~	~~TBD~~

Minimum Annual Royalty Year	Time Period Covered	Minimum Annual Royalty
Royalty Year 8	anniversary of the Effective Date\$_____	
Minimum Annual Royalty Year 9	Between eighth anniversary of the Effective and the ninth anniversary of the Effective Date	TBD
Minimum Annual Royalty Year 10	Between ninth anniversary of the Effective and the tenth anniversary of the Effective Date	TBD
Year 9	\$_____	
Year 10	\$_____	

Note: If one or more Service Categories is subject to the rights of an Authorized Provider under Article I, Section B.3, the Minimum Annual Royalty obligation is not reduced. See Franchise Agreement, Article II, Section K.

E. Mandatory Service Categories. The following Service Categories are designated as mandatory for Franchise Owner's Area as of the Effective Date. All Service Categories marked as Essential are designated as Essential Service Categories under Article III, Section D of the Franchise Agreement; failure to offer or provide an Essential Service Category is an Incurable Default under Article XIII, Section C.10. Service Categories listed in Section F below that are checked or otherwise identified as "Excluded" are considered "Excluded Service Categories" are not included in Franchise Owner's grant and are not subject to mandatory offering obligations under Article I, Section B.1.

<u>Service Category</u>	<u>Type</u>	<u>Included / Excluded</u>
<u>Carpet Cleaning</u>	<u>Essential</u>	☐ Included ☐ Excluded
<u>Upholstery Cleaning</u>	<u>Essential</u>	☐ Included ☐ Excluded
<u>Tile and Grout Cleaning</u>	<u>Essential</u>	☐ Included ☐ Excluded
<u>Hardwood Floor Cleaning</u>	<u>Essential</u>	☐ Included ☐ Excluded
<u>Air Duct Cleaning</u>	<u>Standard</u>	☐ Included ☐ Excluded
<u>Water Damage Mitigation and Restoration</u>	<u>Standard</u>	☐ Included ☐ Excluded
<u>24-Hour Emergency Services</u>	<u>Standard</u>	☐ Included ☐ Excluded
<u>[Additional categories as designated by SSI]</u>		

Note: "Essential" = Essential Service Category per Article III, Section D. "Standard" = Standard mandatory Service Category per Article I, Section B.1. Each Service Category must be designated "Included" or "Excluded" at time of execution. Unmarked categories default to "Included."

F. Excluded Service Categories. Pursuant to Article I, Section B.8 of the Franchise Agreement, the following Service Categories are excluded from Franchise Owner's grant as of the Effective Date ("Excluded Service Categories"). Franchise Owner has no exclusive territorial rights with respect to Excluded Service Categories, is not subject to the mandatory offering obligation of Article I, Section B.1 with respect to Excluded Service Categories, and SSI may authorize another operator to offer Excluded Service Categories within Franchise Owner's Area without any obligation to Franchise Owner.

<u>#</u>	<u>Excluded Service Category</u>	<u>Current Authorized Operator (if applicable)</u>
<u>1.</u>	<u>[Service Category Name]</u>	<u>[Name of authorized operator holding rights]</u>
<u>2.</u>	<u>[Service Category Name]</u>	<u>[Name of authorized operator holding rights]</u>
<u>3.</u>	<u>[Service Category Name]</u>	<u>[Name of authorized operator holding rights]</u>

G. Service Category Acknowledgments. Franchise Owner acknowledges and agrees:

1. Exclusive territorial rights under Article I, Section A are conditioned on maintaining all Service Categories designated as “Included” in Section E above as Active Service Categories throughout the term of this Agreement.
2. SSI may elect to appoint an Authorized Provider under Article I, Section B.3, or termination under Article XIII, if Franchise Owner fails to maintain Active status for any Included Service Category. SSI’s election of an Authorized Provider in one instance does not create any right or expectation regarding future elections.
3. All royalties, fees, and contributions continue without abatement, reduction, or offset during any Authorization Period . See Franchise Agreement, Article II, Section K.
4. The Service Categories listed in Section F above as Excluded Service Categories are not included in Franchise Owner’s grant. Franchise Owner has reviewed Section F prior to execution, understands which Service Categories are excluded, and acknowledges that the presence of Excluded Service Categories is a material term of this Agreement.
5. SSI has no obligation to acquire, transfer, or consolidate Excluded Service Category rights with Franchise Owner’s grant at any time during the term of this Agreement, although SSI may, in its sole discretion, elect to do so where operationally appropriate.

AGREED & ACCEPTED AS OF THE EFFECTIVE DATE:

STANLEY STEEMER INTERNATIONAL, INC.

By: _____
D. Ryan Jankowski, Vice President Legal Affairs and
Chief Administrative Officer

FRANCHISE OWNER:

By: _____

EXHIBIT B TO FRANCHISE AGREEMENT

Stanley Steemer Trademarks
Registered with United States Patent and Trademark Office

Mark: “**STANLEY STEEMER**”

Carpet Cleaning Machines

Reg. Date: October 22, 1974

Reg. No.: 996,362

Renewal Date: August 16, 1994

Second Renewal Date: September 22, 2004

Third Renewal Date: September 18, 2014

Fourth Renewal Date: February 3, 2025

Mark: “**STANLEY STEEMER**”

Carpet Cleaning Services

Reg. Date: March 11, 1975

Reg. No.: 1,006,675

Renewal Date: November 23, 1994

Second Renewal Date: September 22, 2004

Third Renewal Date: January 23, 2015

Fourth Renewal Date: July 24, 2025

Mark: “**STANLEY STEEMER**”

Cleaner and spot remover for carpets and upholstery sold in connection with carpet cleaning services

Reg. Date: August 26, 1986

Reg. No.: 1,406,382

Renewal Date: November 3, 2006

Second Renewal Date: October 13, 2016

Mark: “**STANLEY STEEMER**”

Upholstery Cleaning Services

Reg. Date: June 16, 1992

Reg. No.: 1,694,865

Renewal Date: March 13, 2002

Second Renewal Date: December 3, 2011

Third Renewal Date: October 5, 2022

Mark: “**STANLEY STEEMER**”

Duct Cleaning Services

Reg. Date: August 31, 1999

Reg. No.: 2,274,323

Renewal Date: September 30, 2009

Second Renewal Date: September 19, 2019

Mark: “**STANLEY STEEMER**”

Installation of carpet; Retail store services and retail door to door services, namely for carpet.

Reg. Date: April 10, 2001

Reg. No.: 2,442,125

Renewal Date: April 11, 2011

Second Renewal Date: June 22, 2021

Mark: “**STANLEY STEEMER**”

Installation, repair, maintenance and cleaning of heating, ventilating and air conditioning systems.

Reg. Date: August 10, 2004

Reg. No.: 2,871,734

Renewal Date: August 7, 2014

Mark: **"STANLEY STEEMER"** (stylized font)

Carpet cleaning services; renting of carpet cleaning machines; installation, repair, maintenance and cleaning of heating, ventilating and air conditioning systems; hardwood floor refinishing; tile and grout cleaning; water damage restoration in the nature of cleaning services; upholstery cleaning services; installation of carpet; and duct cleaning services; cleaner and spot removers; carpet cleaning machines; rugs and carpet; retail store and retail door to door services, namely for carpet.

Reg. Date: November 9, 2010

Reg. No.: 3,872,588

Renewal Date: January 24, 2021

Mark: **Depiction of Stanley Steemer Vehicle**

Carpet and upholstery cleaning; installation, repair, maintenance and cleaning of heating, ventilating and air conditioning systems; hardwood floor refinishing; tile and grout cleaning; water damage restoration in the nature of cleaning services.

Reg. Date: December 12, 2006

Reg. No.: 3,182,239

Renewal Date: February 10, 2017

Mark: **Stanley Steemer Yellow**

Carpet and upholstery cleaning; installation, repair, maintenance and cleaning of heating, ventilating and air conditioning systems; hardwood floor refinishing; tile and grout cleaning; water damage restoration in the nature of cleaning services.

Reg. Date: December 12, 2006

Reg. No.: 3,182,240

Renewal Date: February 10, 2017

Mark: **"TOUGH ON DIRT. GENTLE ON CARPET"**

Carpet and upholstery cleaning services

Reg. Date: February 15, 2000

Reg. No.: 2,319,147

Renewal Date: March 23, 2010

Second Renewal Date: April 3, 2020

Mark: **"1-800-STEEMER"**

Carpet and upholstery cleaning; installation, repair, maintenance and cleaning of heating, ventilating and air conditioning systems; hardwood floor refinishing; tile and grout cleaning; water damage restoration in the nature of cleaning services.

Reg. Date: July 15, 2008

Reg. No.: 3,464,933

Renewal Date: May 9, 2018

Mark: **"LIVING BRINGS IT IN. WE TAKE IT OUT."**

Carpet cleaning services; cleaning of heating, ventilating, and air conditioning systems; upholstery cleaning services.

Reg. Date: October 20, 2020

Reg. No.: 6,179,648

Mark: **"EXPERT CARE FOR YOUR AIR"**

Carpet cleaning services; cleaning of heating, ventilating, and air conditioning systems; upholstery cleaning services

Reg. Date: October 20, 2020

Reg. No.: 6,180,147

EXHIBIT D

Optional Franchise Agreement Language

The following provisions will be inserted as **Section ~~K~~L of Article II** of the Franchise Agreement if the franchisee elects to pay the initial franchise fee under the plan described as “Option B” in Item 5 of this disclosure document:

~~K~~L. Added Royalty. In addition to the royalty payments referred to in ~~paragraph~~Section B- of this Article II-, Franchise Owner shall pay Stanley Steemer an additional royalty (the “Added Royalty”) equal to an additional three percent (3%) of ~~gross sales~~Gross Sales from Franchise Owner’s Stanley Steemer ~~business~~Business derived from its Core Business and Related Business, which payments shall commence on _____, 20____ and shall be due and payable each and every month thereafter until such time as Franchise Owner has paid Stanley Steemer Added Royalty equal to _____ Dollars (\$____,000.00). Notwithstanding any other provision of this Agreement to the contrary, such Added Royalty shall be subject to the following provisions:

1. Upon the failure of Franchise Owner to make any payment of Added Royalty or other ~~payments~~amounts due hereunder when due, for any reason, and if such failure is not cured ~~as set forth~~within the period specified in Article XIII-A.2., Section D.3 hereof, Stanley Steemer shall have the right without further notice to terminate this Agreement as set forth in Article XIII- hereof.
2. Upon the termination of this Agreement by ~~Stanley Steemer~~either party, or upon its expiration, the obligation of Franchise Owner to pay the Added Royalty, including any accrued but as yet unpaid Added Royalty, shall cease. The cessation of the Added Royalty obligation shall not affect any other post-termination or post-expiration obligation of Franchise Owner under this Agreement.”

EXHIBIT E

COGNOVIT BUSINESS PURPOSE PROMISSORY NOTE

MAKERS: [Franchisee Entity Name]; [Franchise Owner Name(s)]

PRINCIPAL AMOUNT: \$(Principal Amount)

EFFECTIVE DATE: [Date]

MATURITY DATE: [Maturity Date]

DUBLIN, OHIO

This **BUSINESS PURPOSE PROMISSORY NOTE** (this "Note") is made as of the Effective Date by **[Franchise Entity Legal Name]**, a(n) **[Franchise Entity Domicile] [Franchise Entity Type]**, and **[Owner Name(s)]**, individually and as the principal **[Franchise Entity Equity Type]** of **[Franchise Entity Name]** (collectively, the "Makers"), in favor of **STANLEY STEEMER INTERNATIONAL, INC.**, an Ohio corporation (the "Payee" or "SSI").

\$ _____ — Dublin, Ohio
_____, 20__

MAKERS: _____

GUARANTORS (if applicable): _____

RECITALS

WHEREAS, Makers operate a Stanley Steemer business pursuant to a certain Franchise Agreement dated [Franchise Agreement Date] (the "Franchise Agreement"); and

WHEREAS, Makers desire to borrow the Principal Amount from SSI for the purpose of **[DESCRIBE SPECIFIC PURPOSE (e.g., financing the initial franchise fee; funding working capital; acquiring assets for use in the business)]**.

~~FOR VALUE RECEIVED~~ **NOW, THEREFORE**, for value received, the undersigned, jointly and severally ~~if more than one~~, promise to pay to the order of ~~STANLEY STEEMER INTERNATIONAL~~ SSI upon the terms set forth below:

1. **Promise to Pay.**

~~, INC.~~ Makers promise to pay to SSI, at its principal place of business located at 5800 Innovation Drive, Dublin, Ohio 43016, or at such other address as ~~the holder hereof may from time to time~~ Payee may designate in writing, the sum of _____ (\$ _____) (hereinafter referred to as the "principal sum") principal sum of **[Principal Amount]** U.S. Dollars (\$[_____]), or such lesser portion thereof as remains outstanding (the "**Principal**"), together with interest thereon at the rate of _____ percent (%) per annum. ~~Principal sum and interest shall be due and payable as follows: as provided herein.~~

2. **Interest.**

The unpaid Principal shall bear interest at a rate of **[Interest Rate]**% per annum, compounded **[quarterly/monthly]** (the "**Contract Rate**"). Interest shall be calculated on the basis of a 365-day year for the actual number of days elapsed. Any interest not paid when due shall be added to the outstanding Principal and shall thereafter bear interest at the Contract Rate.

3. **Payment.**

- a. **Installments.** The entire Principal balance, together with all accrued and unpaid interest, shall be due and payable in **[Number of Payments]** equal **[monthly/quarterly]** installments of principal and interest, commencing on **[First Payment Date]** and continuing on the same day of each **[month/quarter]** thereafter until the Maturity Date, at which time all outstanding Principal and interest shall be paid in full. The specific payment amount and the application of payments to principal and interest shall be as set forth in the Amortization Schedule attached hereto as **Schedule 1**.

- b. **Prepayment.** Makers may prepay the outstanding Principal balance, in whole or in part, at any time without premium or penalty. Any partial prepayment shall be applied to the remaining installments in inverse order of maturity (last installment first) unless Payee directs otherwise in writing. Prepayment shall not relieve Makers of the obligation to make regularly scheduled installment payments until the Note is paid in full.
- c. **Application of Payments.** Unless Payee elects otherwise, all payments shall be applied first to any late charges, fees, costs, or expenses then due, then to accrued and unpaid interest, and finally to the outstanding Principal balance.
- d. **Manner of Payment.** All payments shall be made in lawful money of the United States in immediately available funds by ACH transfer, wire transfer, check, or such other method as Payee may specify in writing.

4. **Late Charge and Default Rate.**

- a. **Late Charge.** If any payment is not received by Payee within five (5) days of its due date, Makers shall pay a late charge equal to five percent (5%) of the overdue amount, which late charge may, at Payee's option, be added to the Principal balance.
- b. **Default Rate.** Upon the occurrence of an Event of Default, the interest rate on the entire unpaid Principal balance (including any accrued and unpaid interest and late charges added thereto) shall increase to the lesser of (i) the Contract Rate plus five (5) percent per annum, calculated on a simple interest basis (without compounding), or (ii) the maximum rate permitted by applicable law (the "**Default Rate**"), until the Event of Default is cured or the Note is paid in full.

5. **Events of Default.** An "Event of Default" shall occur if:

- a. Makers fail to make any payment when due under this Note and such failure continues for ten (10) days after written notice thereof from Payee to Makers; **provided, however**, that no cure period shall apply to the failure to pay the entire outstanding balance on the Maturity Date;
- b. a default or breach occurs under the Franchise Agreement;
- c. any representation or warranty made by Makers in connection with this Note is untrue in any material respect when made;
- d. Makers file or have filed against them a petition in bankruptcy or for any other relief under any insolvency act, or Makers make an assignment for the benefit of creditors; or
- e. any Maker who is a natural person dies or becomes legally incapacitated, or any Maker that is an entity dissolves, liquidates, or ceases business operations.

6. **Remedies.**

Upon an Event of Default, Payee may, at its option: (a) declare the entire unpaid Principal and accrued interest immediately due and payable; (b) exercise any and all rights and remedies available at law or in equity, including the right to pursue collection of all amounts due; and (c) set off any amounts owed by Payee to any Maker against the obligations under this Note. No failure or delay by Payee in exercising any right or remedy shall operate as a waiver thereof, nor shall any single or partial exercise preclude any further exercise.

7. **Waivers.**

Except as otherwise expressly provided herein, each Maker hereby waives demand, presentment for payment, notice of dishonor, protest, and notice of protest. Each Maker consents to any extension of time, renewal, release of any party, or modification of the terms of payment granted by Payee without notice to or consent of any Maker, and agrees that no such action shall release or affect the liability of any Maker.

8. **Joint and Several Liability.**

The obligations of the Makers under this Note are joint and several. Payee may enforce this Note against any one or more Makers without proceeding against any other Maker.

9. Costs of Collection and Enforcement.

In any action or proceeding to collect or enforce this Note (including any appeal or bankruptcy proceeding), the prevailing party shall be entitled to recover its reasonable attorneys' fees, court costs, and expenses of litigation from the non-prevailing party, whether or not suit is filed. For purposes of this Section, "prevailing party" means the party that obtains substantially the relief sought.

10. Dispute Resolution.

a. **Jury Waiver.** TO THE FULLEST EXTENT PERMITTED BY LAW, EACH MAKER AND PAYEE HEREBY KNOWINGLY, VOLUNTARILY, AND INTENTIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LITIGATION, PROCEEDING, OR COUNTERCLAIM (WHETHER BASED IN CONTRACT, TORT, OR OTHERWISE) ARISING OUT OF OR RELATING TO THIS NOTE. THIS WAIVER APPLIES TO ANY ACTION IN ANY COURT OF COMPETENT JURISDICTION. EACH PARTY ACKNOWLEDGES THAT THIS WAIVER IS A MATERIAL INDUCEMENT TO ENTER INTO THIS NOTE AND THAT EACH PARTY HAS HAD THE OPPORTUNITY TO CONSULT WITH LEGAL COUNSEL REGARDING THIS WAIVER.

b. **Governing Law; FAA Governance.** This Note shall be governed by and construed in accordance with the laws of the State of Ohio, without regard to its conflict of laws principles. To the extent any dispute under this Note is submitted to arbitration pursuant to this Section 10, the arbitration and the enforcement of any arbitration award shall be governed by the Federal Arbitration Act ("FAA"), 9 U.S.C. §§ 1–16. Except to the extent prohibited by a state-specific addendum attached to the Franchise Agreement as required by applicable state law, the parties expressly agree that the FAA shall preempt any state rule, statute, regulation, ordinance, common-law doctrine, or judicial precedent purporting to limit the enforceability or scope of this Section 10.

c. **Jurisdiction and Venue.** Each Maker hereby irrevocably submits to the exclusive jurisdiction of the state and federal courts located in Franklin County, Ohio for any action or proceeding arising out of or relating to this Note, and each Maker irrevocably waives any objection to venue in such courts, including on the basis of forum non conveniens.

d. **Elective Arbitration.** Notwithstanding the foregoing, Payee may, at its sole election, require that any dispute, claim, or controversy arising out of or relating to this Note be resolved by binding arbitration administered by JAMS, Inc. ("JAMS") in accordance with the then-effective JAMS Comprehensive Arbitration Rules and Procedures; provided that any such election must be made by written notice to the other party within thirty (30) days of the notice of dispute required under any pre-arbitration process applicable between the parties. Any such arbitration shall be conducted by a single arbitrator at the JAMS Resolution Center in Columbus, Ohio. The arbitrator shall be mutually selected by Makers and Payee or, if they cannot agree, by JAMS in accordance with its then-effective rules and procedures. The arbitrator shall have exclusive authority to determine issues of jurisdiction, arbitrability, and the enforceability of this Section 10, and shall have the authority to award any remedy or relief that a court of competent jurisdiction could order or grant, including specific performance, injunctive relief, and attorneys' fees and costs to the prevailing party; provided, however, that the arbitrator shall not award punitive, exemplary, indirect, special, consequential, or incidental damages in excess of actual direct damages. Judgment on any arbitration award may be entered in any court having jurisdiction.

e. **Class Action Waiver.** ALL DISPUTES UNDER THIS NOTE SHALL BE RESOLVED ON AN INDIVIDUAL BASIS. NEITHER MAKERS NOR PAYEE SHALL BE ENTITLED TO JOIN OR CONSOLIDATE CLAIMS IN ARBITRATION BY OR AGAINST OTHER MAKERS OR FRANCHISEES, OR TO ARBITRATE OR LITIGATE ANY CLAIM AS A REPRESENTATIVE MEMBER OF A CLASS OR IN A PRIVATE ATTORNEY GENERAL CAPACITY. THE ARBITRATOR SHALL HAVE NO AUTHORITY TO CONDUCT A CLASS-WIDE OR REPRESENTATIVE ARBITRATION.

f. **Consolidation with Franchise Agreement Proceedings.** If a dispute under this Note arises out of or is related to facts or circumstances that are also the subject of a dispute resolution proceeding under Article XVI of the Franchise Agreement, Payee may, at its option, require that the claims under this Note be consolidated into and resolved within the Article XVI proceeding, which shall govern the consolidated dispute. In such event, the procedures, timelines, and remedies set forth in Article XVI of the Franchise Agreement shall apply to the

consolidated proceeding, and the provisions of this Section 10 shall be deemed supplemental to Article XVI to the extent not inconsistent therewith.

- g. **Costs of Dispute Resolution.** In any arbitration proceeding under this Section, the party that does not substantially prevail shall bear all costs and expenses of the arbitration, including the arbitrator's fees and the prevailing party's reasonable attorneys' fees and costs.

11. **Business Purpose Acknowledgment.**

Each Maker represents, warrants, and acknowledges that: (a) the loan evidenced by this Note is being made solely for business or commercial purposes and not for personal, family, or household purposes; (b) the proceeds of the loan will be used exclusively in connection with the operation of one or more Stanley Steemer franchise locations; and (c) this Note does not constitute a "consumer credit transaction" or a "consumer loan" under any applicable federal or state consumer protection law, including the federal Truth in Lending Act (15 U.S.C. § 1601 *et seq.*) or the Ohio Consumer Sales Practices Act (Ohio Rev. Code § 1345.01 *et seq.*).

12. **Usury Savings.**

Notwithstanding anything to the contrary contained herein, in no event shall the interest charged, collected, or agreed to be paid under this Note exceed the maximum rate permissible under applicable law. If any excess interest is charged, collected, or received, such excess shall be applied first to reduce the outstanding Principal balance and then refunded to Makers. In determining whether the interest paid or payable exceeds the maximum rate, the total amount of interest shall be spread over the full term of this Note.

13. **Miscellaneous.**

- a. **Entire Agreement.** This Note constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior negotiations, representations, and agreements relating thereto.
- b. **Severability.** If any provision of this Note is found to be invalid, illegal, or unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect, and the parties shall negotiate in good faith to replace the invalid provision with a valid provision that achieves the same commercial purpose.
- c. **Amendments.** No amendment, modification, or waiver of any provision of this Note shall be effective unless made in writing and signed by both Payee and each Maker.
- d. **Successors and Assigns.** This Note shall be binding upon and inure to the benefit of Makers and Payee and their respective heirs, executors, administrators, successors, and assigns. Makers may not assign or transfer this Note or any obligations hereunder without the prior written consent of Payee. Payee may assign this Note or any interest herein without the consent of Makers.
- e. **Independent Counsel.** Makers represent that they have had the opportunity to be represented by independent legal counsel in connection with this Note.
- f. **Electronic Signatures and Counterparts.** This Note may be executed in any number of counterparts, each of which shall be deemed an original and together shall be construed as a fully executed agreement. The parties agree that this Note may be electronically signed and that electronic signatures (i.e., an electronic sound, symbol, or process attached to, or associated with, a contract or other record and adopted by a person with the intent to sign the record) shall have the same legal force and effect, validity, and enforceability as manually executed signatures under the federal Electronic Signatures in Global and National Commerce Act (ESIGN Act) and the Uniform Electronic Transactions Act (UETA). Delivery of an executed counterpart of a signature page by facsimile, .pdf, or other electronic means (including signatures transmitted via DocuSign, Adobe Sign, or similar electronic signature platforms) shall be as effective as delivery of a manually executed counterpart. The Makers waive[s] any argument, defense, or right to contest the legal effect, validity, or enforceability of this Note based on the use of electronic signatures or electronic records.
- g. **Notices.** Any notice, demand, or other communication required or permitted under this Note shall be given in accordance with the notice provisions of Article XVIII of the Franchise Agreement, which are incorporated herein by reference. For purposes of this Section, references in Article XVIII to "this Agreement" shall be

deemed to include this Note. Any notice delivered in accordance with Article XVIII shall be deemed effective as provided therein, including notices delivered via Designated Branded Email (as defined in Article XVIII, Section H of the Franchise Agreement).

~~The undersigned, jointly and severally if more than one, promise to pay the principal sum and interest in _____ () consecutive equal monthly installments of _____ Dollars (\$) which sum includes principal and interest. The first installment due shall be due and payable on the _____ day of _____, 20____, and the final installment shall be due and payable on the _____ day of _____, 20____. All or any part of the principal sum and accrued interest may be paid at any time without penalty.~~

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK — SIGNATURE PAGE FOLLOWS]

This Note is secured by a Franchise Agreement executed by Makers on the _____ day of _____, _____.

BUSINESS PURPOSE PROMISSORY NOTE

SIGNATURE PAGE

Upon default in payment of any installment when due and payable hereunder, this Note shall, at the option of the holder hereof, bear interest at the rate of _____ percent (%) per annum, and the entire principal sum hereof remaining unpaid, together with all accrued interest, shall, at said holder's option, become immediately due and payable without any notice or demand.

All persons now or hereafter liable for the payment of the principal or interest due on this Note, or any part thereof, do hereby expressly waive presentment for payment, notice of dishonor, protest and notice of protest, and agree that the time for the payment or payments of any part of this Note may be extended with out releasing or otherwise affecting their liability on this Note.

The undersigned, and each of them if more than one, hereby authorize any attorney at law to appear in any court of record in any county in the State of Ohio, or in any state or territory of the United States, after the above indebtedness becomes due, either by acceleration or otherwise, to waive the issuing and service of process, and to confess judgment against any one or more of the undersigned in favor of **STANLEY STEEMER INTERNATIONAL, INC.** for the amount then appearing due together with costs of suit, and thereupon to waive all errors and all rights of appeal and stay of execution. No such judgment against less than all of the under signed shall be a bar to a subsequent judgment or judgments against any one or more of the undersigned against whom judgment has been obtained hereon; this being a joint and several warrant of attorney to confess judgment.

This Note may be electronically signed, and signatures transmitted electronically (including as attached files (e.g., .PDF)) shall be acceptable to bind the undersigned.

This Note was ~~IN WITNESS WHEREOF~~, the undersigned have executed on the day and year this Business Purpose Promissory Note as of the date first written above ~~written in Dublin, Franklin County, Ohio.~~

~~**WARNING — BY SIGNING THIS PAPER YOU GIVE UP YOUR RIGHT TO NOTICE AND COURT TRIAL. IF YOU DO NOT PAY ON TIME A COURT JUDGMENT MAY BE TAKEN AGAINST YOU WITHOUT YOUR PRIOR KNOWLEDGE AND THE POWERS OF A COURT CAN BE USED TO COLLECT FROM YOU OR YOUR EMPLOYER REGARDLESS OF ANY CLAIMS YOU MAY HAVE AGAINST THE CREDITOR WHETHER FOR RETURNED GOODS, FAULTY GOODS, FAILURE ON HIS PART TO COMPLY WITH THE AGREEMENT, OR ANY OTHER CAUSE. (Section 2323.13, ORC).**~~

MAKERS:

[Franchisee Entity Name]

By: [Name], [Title]

Individually and as Principal [Equity Interest Type] of [Franchisee Entity Name]:

[Franchise Owner Name]

[Franchise Owner Name]

BUSINESS PURPOSE PROMISSORY NOTE
ACKNOWLEDGMENT AND DISCLOSURE

By signing this Note, each Maker acknowledges and confirms that:

- i. the loan evidenced by this Note is for business purposes only and not for personal, family, or household purposes;
- ii. each Maker has had the opportunity to consult with independent legal counsel before executing this Note;
- iii. each Maker has read and understands all of the terms and conditions of this Note;
- iv. each Maker is signing this Note voluntarily and without coercion; and
- v. this Note contains a **WAIVER OF THE RIGHT TO A JURY TRIAL** and each Maker knowingly and voluntarily agrees to such waiver.

Acknowledged and agreed:

[Maker Printed Name]

[Maker Printed Name]

[Maker Printed Name]

SCHEDULE 1

AMORTIZATION SCHEDULE

Principal Amount: \$[_____]

Interest Rate: [____]% per annum

Commencement Date: [_____]

Maturity Date: [_____] **Maker:** [_____]

Payment Frequency: [Monthly/Quarterly]

Number of Installments: [____]

Installment Amount: \$[_____]

[Insert amortization table showing payment number, payment date, payment amount, principal portion, interest portion, and remaining balance for each installment.]

Guarantor (if applicable)

Guarantor (if applicable)

Exhibit F

OPTION TO PURCHASE AGREEMENT

THIS OPTION TO PURCHASE AGREEMENT (this "Agreement") is made and entered into this ____ day of _____, 20____, (the "Effective Date"), by and between **STANLEY STEEMER INTERNATIONAL, INC.**, an Ohio corporation (~~hereinafter referred to as "Stanley Steemer"~~ "SSI" or "we," "us," or "our") and _____, a (~~hereinafter referred to as "n"~~ _____) ("Prospective Franchise Owner" or "you" or "your").

WITNESSETH: BACKGROUND

~~WHEREAS, Prospective Franchise Owner desires to purchase the license~~ SSI is the franchisor of the Stanley Steemer System, a system for providing residential and commercial cleaning and restoration services under the Stanley Steemer® brand. You desire to obtain an option to enter into a Franchise Agreement with SSI to own and operate a Stanley Steemer ~~carpet and upholstery cleaning~~ franchised business in the designated area comprised of _____; and

~~SSI is willing~~ ~~WHEREAS, Stanley Steemer desires to grant to Prospective Franchise Owner said option to purchase upon~~ such option on the terms and conditions set forth herein in this Agreement.

~~NOW, THEREFORE, IN CONSIDERATION OF THE FOREGOING, AND THE PREMISES HEREINAFTER SET FORTH, THE PARTIES HERETO HEREBY AGREE AS FOLLOWS:~~

~~Accordingly, in consideration of the mutual covenants and agreements contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:~~

1. ~~1-~~ **Grant and Term.** Stanley Steemer grants to Prospective Franchise Owner the option to purchase the ~~exclusive license to~~ SSI grants to you the option (the "Option") to enter into a Franchise Agreement with SSI to own and operate a Stanley Steemer ~~carpet and upholstery cleaning~~ franchised business in the area comprised of _____ for the sum of _____ (\$_____) (the "Proposed Area"). The Option is exercisable for a period of one (1) year from the ~~date hereof~~ Effective Date (the "Option Period"). The initial franchise fee payable upon execution of the Franchise Agreement will be \$ _____ (\$_____). To exercise the Option, you must deliver written notice to SSI before the expiration of the Option Period and execute a Franchise Agreement.

~~As used herein, the term "Franchise Agreement" means the form of franchise agreement then currently offered by SSI, together with all required ancillary agreements and exhibits.~~

2. ~~2-~~ **Purchase Price** ~~Option Fee.~~ In consideration of the grant of the ~~option set forth in Paragraph One above, Prospective Franchise Owner hereby agrees to pay Stanley Steemer the nonrefundable sum of Two Thousand Five Hundred Dollars~~ Option, you shall pay SSI a nonrefundable fee of _____ (\$2,500.00) upon execution hereof. ~~Although nonrefundable, this sum~~ of this Agreement (the "Option Fee"). The Option Fee is nonrefundable; however, if you exercise the Option, and execute the Franchise Agreement, the Option Fee will be credited against the initial franchise fee payable under the Franchise Agreement. If you do not exercise the Option within the Option Period, SSI will retain the Option Fee in its entirety. You may request in writing to change the Proposed Area before the earlier of (i) the expiration of the Option Period, or (ii) the date you exercise the Option. SSI may withhold or condition its consent to change the Proposed Area at its sole discretion. Any change must be documented in writing and signed by both parties. The non-refundable Option Fee may be transferred and applied to the purchase of the license for another ~~toward the initial franchise fee for the new proposed area, at SSI's sole discretion. If SSI approves the change, "Proposed Area" shall refer to the new proposed area.~~

3. **No Franchise Rights Granted.** This Agreement grants only an option to enter into the Franchise Agreement. Unless and until the Franchise Agreement is fully executed and delivered by both parties, you have no right to operate a Stanley Steemer business, use any SSI trademarks, service marks, or trade names, or exercise any rights that would otherwise arise under the Franchise Agreement (including, without limitation, any territorial rights). SSI is not obligated to reserve the Proposed Area for you during the Option Period and may, in its sole discretion, grant franchise rights, operate company-owned locations, or authorize others to operate within the Proposed Area during the Option Period. SSI's grant of this Option does not constitute a commitment, promise, or representation that the Proposed Area (or any area) will be available if you exercise the Option.
4. **Confidentiality.** You acknowledge that in connection with your evaluation of the Option, SSI may disclose confidential and proprietary information, including information regarding the Proposed Area, the Stanley Steemer System, operations, pricing, financial performance, and business strategies. You agree to maintain the confidentiality of all such information and not to disclose it to any third party (other than your legal, financial, and business advisors who need to know the information to advise you and who are bound by obligations of confidentiality) or use it for any purpose other than evaluating your decision to exercise the Option. This obligation survives the expiration or termination of this Agreement regardless of whether you exercise the Option.
5. **Governing Law; Venue; Jury Waiver.**
- a. **Governing Law.** This Agreement is governed by and construed in accordance with the laws of the State of Ohio, without giving effect to any choice-of-law or conflict-of-laws rules or provisions that would cause the application of the laws of any other jurisdiction.
- b. **Venue.** Any action or proceeding arising out of or relating to this Agreement shall be brought exclusively in the United States District Court for the Southern District of Ohio sitting in Columbus, Ohio, or, if federal jurisdiction is not available, in the Court of Common Pleas of Franklin County, Ohio. Each party irrevocably consents to the personal jurisdiction and venue of such courts and waives any objection based on inconvenient forum or lack of jurisdiction.
- c. **Jury Waiver.** EACH PARTY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT.
6. ~~3.~~ **Entire Agreement.** This Agreement contains the entire agreement ~~of~~ between the parties with respect to the subject matter hereof and supersedes all prior and contemporaneous, oral, and written, agreements or understandings of the parties, representations, and communications. No representation, inducements, promises, inducement, promise, or agreement, oral or written, not included not contained in this Agreement shall be of any force and effect. Nothing in this Agreement or in any related agreement, however, is intended to disclaim the representations made in the Franchise Disclosure Document SSI made in the Stanley Steemer franchise disclosure document SSI furnished to Prospective Franchise Owner you.
7. **Amendment.** This Agreement may not be amended, modified, or supplemented except by a written instrument signed by both parties.
8. **Notices.** Any notice required or permitted under this Agreement shall be in writing and delivered to the addresses set forth on the signature page (or such other address as a party may designate by written notice). Notice is deemed given: (a) when delivered by hand; (b) one (1) business day after deposit with a nationally recognized overnight courier service; or (c) three (3) business days after mailing by certified or registered mail, postage prepaid, return receipt requested.
9. **Counterparts and Electronic Signatures.** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument. Delivery of an executed signature page in electronic form (including by emailed PDF or through an electronic signature service such as DocuSign) shall be as effective as delivery of an original manually executed signature page. Electronic signatures used to execute this Agreement shall have the same legal force and effect, validity, and

enforceability as manually executed signatures to the extent provided under applicable law, including the Uniform Electronic Transactions Act as enacted in the State of Ohio (Ohio Rev. Code § 1306.01 et seq.) and the Federal Electronic Signatures in Global and National Commerce Act (15 U.S.C. § 7001 et seq.).

10. **Assignment.** You may not assign, transfer, or delegate this Agreement or any of your rights or obligations hereunder without the prior written consent of SSI, which may be withheld or conditioned in SSI's sole discretion. Any purported assignment in violation of this Section is void. SSI may freely assign this Agreement to any successor or assign, or to an affiliate of SSI.

4. ~~**Electronic Signature.** This Agreement may be electronically signed, and signatures transmitted electronically (including as attached files (e.g., .PDF)) shall be acceptable to bind the parties.~~

{REMAINDER OF PAGE INTENTIONALLY LEFT BLANK}

{SIGNATURES ON FOLLOWING PAGE}

THE UNDERSIGNED HAVE READ AND UNDERSTAND ~~THE FOREGOING~~ THIS AGREEMENT AND AGREE ~~THERETO~~ TO BE BOUND BY ITS TERMS.

[signature page follows]

STANLEY STEEMER INTERNATIONAL, INC.

~~STANLEY STEEMER:-~~

~~STANLEY STEEMER INTERNATIONAL, INC.~~

By: _____

~~D. Ryan Jankowski, Esq., its Vice President of
Legal Affairs and CAO~~

Date: _____

~~PROSPECTIVE FRANCHISE OWNER:-~~

~~INSERT NAME OF FRANCHISEE ENTITY~~

By: _____

Title: _____

Date: _____

~~INSERT NAME OF SOLE PROPRIETOR~~

=

Name: _____

Date: _____

By: _____

D. Ryan Jankowski, Vice President Legal Affairs and
Chief Administrative Officer

PROSPECTIVE FRANCHISE OWNER:

INSERT NAME OF FRANCHISEE ENTITY

By: _____

Title: _____

Date:

INSERT NAME OF SOLE PROPRIETOR

By:

~~EXHIBIT G~~
STANLEY STEEMER INTERNATIONAL, INC.
TECHNOLOGY SYSTEMS ACCESS AGREEMENT

This **TECHNOLOGY SYSTEMS ACCESS AGREEMENT** (the "Access Agreement"), is made effective the ~~{DATE}~~ [Effective Date] (the "Effective Date") by and between Stanley Steemer International, Inc., an Ohio corporation with its principal place of business located at 5800 Innovation Drive, Dublin, Ohio 43016 (hereinafter referred to as "SSI") and ~~{FRANCHISE OWNER}, a(n) {STATE} {ENTITY TYPE}~~ [Franchise Owner Legal Entity], a(n) [Entity Domicile] [Entity Type] with its principal place of business located at ~~{FRANCHISE ADDRESS}~~ [Franchise Owner Address] (hereinafter referred to as "Franchise Owner").

RECITALS

WHEREAS, SSI has granted Franchise Owner the franchise and exclusive license to operate a Stanley Steemer Business pursuant to the terms of a certain Franchise Agreement dated _____ [Franchise Agreement Date] (the "Franchise Agreement"); and

WHEREAS, SSI has developed certain integrated technology systems and proprietary software for use in the operation of a Stanley Steemer Business ~~(the "Integrated Technology Systems")~~; and

WHEREAS, Franchise Owner desires to access the Integrated Technology Systems described herein, and SSI desires to provide Franchise Owner access to such offerings, subject to the terms and conditions set forth in this Access Agreement; and

WHEREAS, the parties intend that this Access Agreement shall serve as the governing instrument for all matters relating to technology systems, data ownership, data security, and privacy compliance in connection with the Stanley Steemer Business, supplementing the Franchise Agreement as set forth herein.

NOW, THEREFORE, in consideration of the foregoing, the mutual covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, agree as follows:

AGREEMENT

1. **Grant and Term.** SSI hereby grants Franchise Owner a temporary, limited, personal, non-exclusive, non-assignable, and non-transferable license to use the Integrated Technology ~~Services~~ Systems in accordance with the terms of this Access Agreement, the Franchise Agreement and the Stanley Steemer Manuals (as defined in the Franchise Agreement). The term of this license shall run for the term of the Franchise Agreement, unless earlier terminated by SSI in accordance with the terms hereof. This Access Agreement will automatically terminate upon any termination or expiration of the Franchise Agreement without further action by either party. Fee credits accrued under Section 5.B shall not extend the term of, or modify Franchise Owner's rights or obligations under, this Access Agreement or the Franchise Agreement. Certain components of the Integrated Technology ~~Services~~ Systems may require Franchise Owner to enter into a separate software license agreement with an approved or designated third-party service provider. SSI shall identify such requirements in the Stanley Steemer Manuals or by written notice and shall use commercially reasonable efforts to negotiate third-party license terms that do not materially conflict with this Access Agreement or the Franchise Agreement.
2. **Standalone Definitions.** Unless expressly defined in this Agreement, capitalized terms shall have their plain and customary meaning in the franchise industry as of the Effective Date. To the extent any definition in the underlying Franchise Agreement conflicts with a definition in this Agreement, the definition in this Agreement shall control for all purposes related to: (a) calculation of Technology Fees; (b) scope of Required Components; (c) data ownership and usage rights; and (d) termination or default provisions arising from technology-related obligations. For clarity, "Gross Sales" as used in this Agreement shall have the same meaning as "Gross Sales" under the Franchise Agreement, including all inclusions and exclusions set forth therein.
3. **Supersession of Prior Technology Agreements.**

- A. **Replacement of Prior Agreements.** This Access Agreement supersedes and replaces in its entirety any and all prior agreements, understandings, arrangements, or commitments between the parties related to technology systems, software access, computer systems, data usage, technology fees, or technology services, whether written or oral, including without limitation any prior Technology Systems Access Agreement, Technology Services Agreement, Software License Agreement, or similar document executed in connection with any version of the Franchise Agreement (collectively, “Prior Technology Agreements”). Upon execution of this Access Agreement, all Prior Technology Agreements shall be deemed null and void and of no further force or effect, regardless of whether the underlying Franchise Agreement has been amended, renewed, or replaced.
- B. **Application Across Franchise Agreement Versions.** Franchise Owner acknowledges and agrees that: (i) this Access Agreement governs Franchise Owner’s access to and use of all Integrated Technology Systems regardless of the version, execution date, or renewal status of the underlying Franchise Agreement; (ii) technology standards, requirements, fees, and data rights may be updated by SSI independently from modifications to the Franchise Agreement; (iii) Franchise Owner’s continued use of any Integrated Technology Systems after the Effective Date of this Access Agreement constitutes acceptance of and agreement to be bound by all terms herein; and (iv) to the extent any terms in the Franchise Agreement relate to technology systems, technology fees, or data ownership, such terms are supplemented by the more specific provisions of this Access Agreement and, where inconsistent, the provisions of this Access Agreement shall control in accordance with Section 3.C.
- C. **Priority for Technology and Privacy Matters.** To the extent any provision of the Franchise Agreement addresses data privacy, data protection, data security, consumer privacy rights, Data Subject Access Requests, privacy notices, data breach obligations, technology systems, technology fees, or data ownership, the provisions of this Access Agreement (including without limitation Section 9 (Technology Fees), Section 10 (Franchise Owner Operational Data; Authorized Users; and Acceptable Use), Section 11 (Franchise Owner Security), and Section 12 (Data Protection; Processing and Access)) shall govern and control, and any conflicting or inconsistent provisions in the Franchise Agreement shall be deemed superseded by this Access Agreement for all purposes relating to technology, data, and privacy matters.
4. **2–Integrated Technology Systems.** SSI has developed certain integrated technology and computer systems for use in the operation of a Stanley Steemer Business (the “Integrated Technology Systems”). Franchise Owner shall acquire, implement and fully utilize any Integrated Technology Systems required by SSI as set forth in the Stanley Steemer Manuals. Required and Elective Components of the Integrated Technology Systems are defined in the Stanley Steemer Manuals and may be updated by SSI from time to time in accordance with Section 18.G. (Amendments; Changes to Incorporated Materials). The Integrated Technology Systems may include SSI’s specified or designated (a) computer systems, hardware, tablets, mobile devices, printers, software, apps, websites, network connections, and firewall services; (b) customer scheduling, relationship management and/or operating system (CRM); (c) accounting applications, (d) e-mail and communications systems; (e) extranet; (f) customer satisfaction/referral survey apps; (g) credit card systems; (h) global positioning systems (GPS); (i) learning management system (LMS); (j) marketing automation system; (k) mobile technology solutions; (l) customer portal; (m) telephony and communication systems for franchise business operations, including business phone services, internal team communications, and technician connectivity (excluding inbound customer contact center systems infrastructure); (n) business intelligence and reporting platforms; and (o) other or different components or systems that may be designated by SSI from time to time, subject to the designation requirements of Section 6 and the notice requirements of Section 18.G.
5. **3–Use of Integrated Technology Systems.** As a condition to using the Integrated Technology Systems, Franchise Owner must comply with the terms of this Access Agreement, any applicable terms of use set forth in the Stanley Steemer Manuals and, to the extent applicable, any third-party software license agreements. Franchise Owner acknowledges that the proper use of the Integrated Technology Systems is an integral part of the Stanley Steemer System and critical for maintaining the integrity, character and uniform quality of the goods and services associated with the Stanley Steemer image, the Stanley Steemer System and the Stanley Steemer Trademarks. In order to help SSI achieve these goals, Franchise Owner agrees to use the Integrated Technology Systems in the manner as reasonably specified by SSI from time to time, solely to promote and protect Brand Standards, system integrity, technological uniformity, system security, performance, and data accuracy and in accordance with all policies and procedures set forth in the Stanley Steemer Manuals, which may include, but are not limited to, requirements related to use of the Integrated Technology Systems, using approved or designated vendors for components of the Integrated Technology Systems, integration of the Integrated Technology Systems in the Stanley Steemer Business, and responsibilities for providing

accurate and complete data specified by SSI at the times and in the manner reasonably specified by SSI- for the foregoing purposes. Nothing in this Section, the Manuals, or SSI's specifications for use of the Integrated Technology Systems is intended to relate to labor relations or personnel management, or to grant SSI any right or obligation to control or influence Franchise Owner's staffing, supervision, scheduling, compensation, discipline, workplace policies, or other employment practices. SSI's requirements regarding use of the Integrated Technology Systems are intended solely to promote and protect Brand Standards, system integrity, technological uniformity, system security, performance, and data accuracy, and not to direct, control, or co-determine Franchise Owner's employment decisions, labor costs, or workforce management. SSI will not require Franchise Owner to provide, and will not access, Franchise Owner's personnel files, employee applications, performance reviews, disciplinary records, confidential employment records, payroll systems, timekeeping systems, or employee scheduling systems. To the extent operational data captured in the Integrated Technology Systems incidentally contains employee-related information (such as job-ticket assignments, technician identifiers, or payroll-derived commission calculations), SSI may access such operational data solely for the limited purposes expressly authorized in the Franchise Agreement, including verification of Gross Sales, data integrity audits, and compliance monitoring. SSI shall not use such incidental information to supervise, evaluate, direct, manage, or control Franchise Owner's employment decisions, personnel management, or individual employee performance.

A. **Franchise Owner Override of System Recommendations.** Any Required Component or Elective Component that generates recommendations regarding labor scheduling, task assignment, workforce optimization, pricing optimization, or customer allocation, Franchise Owner acknowledges that: (a) SSI does not require, direct, or expect Franchise Owner to implement such recommendations; (b) such recommendations are generated by algorithms based on anonymized, aggregated system-wide historical data and performance metrics; (c) such recommendations are advisory in nature and not mandatory directives; and (d) such recommendations are subject to Franchise Owner's absolute discretion to accept, modify, or reject based on Franchise Owner's independent business judgment, local market conditions, operational needs, and legal compliance obligations. Franchise Owner shall not be penalized, subject to termination, or deemed in breach of this Agreement or the Franchise Agreement for declining to implement any system-generated recommendation and SSI will not monitor, track, or evaluate Franchise Owner's adoption or rejection of such recommendations. SSI's provision of such technology tools is intended solely to provide Franchise Owner with competitive advantages and operational efficiencies, not to control, influence, or co-determine Franchise Owner's employment practices, staffing levels, wage rates, scheduling decisions, or terms and conditions of employment. Franchise Owner retains sole authority and responsibility for all decisions affecting terms and conditions of employment for Franchise Owner's employees.

B. **System Availability and Limitation of Remedies.**

- i. **As-Is and As-Available Provision.** SSI PROVIDES THE INTEGRATED TECHNOLOGY SYSTEMS ON AN "AS-IS" AND "AS-AVAILABLE" BASIS WITHOUT ANY WARRANTY OF UNINTERRUPTED AVAILABILITY, AND EXPRESSLY DISCLAIMS ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR CONTINUOUS UPTIME. FRANCHISE OWNER ACKNOWLEDGES THAT TECHNOLOGY SYSTEMS EXPERIENCE PERIODIC DISRUPTIONS DUE TO MAINTENANCE, UPGRADES, THIRD-PARTY SERVICE FAILURES, FORCE MAJEURE EVENTS, AND OTHER FACTORS BEYOND SSI'S CONTROL. Franchise Owner acknowledges that the Integrated Technology Systems incorporate third-party platforms, cloud infrastructure, and services not owned or operated by SSI, and that SSI's ability to ensure uninterrupted system availability is inherently limited by its dependence on such third-party providers. SSI's obligation under this Access Agreement is to provide Franchise Owner with access to the Integrated Technology Systems as they exist from time to time and to use commercially reasonable efforts to maintain the availability of Required Components, but SSI does not guarantee any particular level of uptime, functionality, or performance for any component of the Integrated Technology Systems.
- ii. **System Unavailability Measurement.** For purposes of subsection (iii) below, "unscheduled downtime" means periods during which the Integrated Technology Systems are substantially unavailable to Franchise Owner due to system failures, measured as follows:
 - a. **Substantial Unavailability.** Downtime is counted only when failures prevent Franchise Owner from performing core business functions, including customer scheduling, service dispatch, payment

processing, or royalty reporting. Degraded performance, slow response times, or temporary unavailability of non-essential features do not constitute downtime for purposes of this calculation.

- b. **Measurement Period.** Downtime begins when SSI receives notice of the outage (whether through automated monitoring or Franchise Owner report) and ends when SSI confirms that core functionality has been restored, regardless of whether all features are fully operational.
- c. **Scheduled Maintenance Exclusion.** Scheduled maintenance windows (maximum four (4) hours per month with seventy-two (72) hours' advance notice) are excluded from downtime calculations.
- d. **Partial Outages.** If a failure affects only a subset of Franchise Owners due to geographic, network, or other localized factors, downtime is calculated only for affected Franchise Owners and does not accrue toward the system-wide threshold in subsection (c) unless the outage affects twenty-five percent (25%) or more of all Franchise Owners simultaneously.
- e. **SSI's Measurement Controls.** Downtime shall be measured using SSI's standard system monitoring tools and incident tracking systems. Franchise Owner may dispute SSI's downtime calculations by providing contemporaneous documentation (screenshots, error logs, timestamped communications) within thirty (30) days of the alleged outage. SSI shall review such disputes in good faith but retains final discretion in determining whether and to what extent downtime is counted toward the threshold in subsection (iii).

iii. **Limitation of Remedies for System Unavailability.**

- a. **Fee Credit for Extended Downtime.** If cumulative unscheduled downtime attributable to failures within SSI's direct operational control (excluding the failures described in subsection (b) below) exceeds sixty (60) hours in any consecutive twelve-month period, SSI shall credit Franchise Owner's account in an amount equal to one (1) day's pro-rata share of Technology Fees actually received by SSI (excluding any amounts that constitute direct pass-through charges to third-party vendors at cost) for each twenty-four (24) hours of cumulative unscheduled downtime exceeding the sixty (60) hours threshold set forth in this subsection (iii)(a). Such credits shall be calculated based on the average daily Technology Fees received by SSI from Franchise Owner during the twelve-month measurement period and shall be applied against Franchise Owner's future Technology Fee obligations. Credits under this subsection constitute Franchise Owner's sole and exclusive remedy for system unavailability.
- b. **Excluded Causes.** The following failures are excluded from downtime calculations and do not count toward the threshold in subsection (iii)(a):
 - 1. **Third-party cloud hosting providers, internet service providers, telecommunications carriers, content delivery networks, or other infrastructure services not owned or directly operated by SSI;**
 - 2. **Third-party software vendors whose applications or services are integrated into or used by the Integrated Technology Systems;**
 - 3. **Force majeure events, including natural disasters, acts of war or terrorism, governmental actions, pandemics, power grid failures, or other events beyond SSI's reasonable control;**
 - 4. **Distributed denial-of-service (DDoS) attacks, ransomware, malware, hacking attempts, or other malicious third-party actions targeting SSI's systems or infrastructure providers;**
 - 5. **Failures caused by Franchise Owner's own equipment, internet connectivity, local network configuration, firewalls, or endpoint devices;**
 - 6. **Downtime resulting from Franchise Owner's failure to implement required system updates, security patches, or technical specifications within the timeframes specified by SSI; or**

7. Outages occurring during Franchise Owner's breach of this Agreement or the Franchise Agreement.

- iv. **Credit Request Requirement.** Any credit under subsection (iii)(a) must be requested in writing by Franchise Owner within ninety (90) days following the end of the twelve-month measurement period in which the 60-hour threshold was exceeded. The written request must identify the specific outages Franchise Owner contends should be counted toward the threshold. If Franchise Owner does not timely submit a written request, the credit under this subsection is deemed waived.
- v. **Limitation of Additional Remedies.** Franchise Owner expressly acknowledges and agrees that the fee credit remedy set forth in subsection (iii)(a), if applicable, constitutes Franchise Owner's sole and exclusive remedy for system unavailability. Except for fee credits expressly provided under subsection (iii)(a), Franchise Owner waives and releases any claims for: (A) Technology Fee credits, refunds, or offsets beyond those provided in subsection (iii)(a); (B) royalty reductions or abatements under the Franchise Agreement; (C) monetary damages of any kind, including direct, indirect, incidental, consequential, or punitive damages; or (D) any equitable remedies related to system downtime, including injunctive relief or specific performance.
- vi. **Business Interruption Insurance.** Franchise Owner acknowledges and agrees that Franchise Owner's business interruption insurance, and not SSI or any remedy under this Agreement, is Franchise Owner's primary source of recovery for any revenue losses, increased expenses, or other financial impacts resulting from technology system disruptions, regardless of cause. Franchise Owner shall maintain business interruption insurance coverage adequate to protect Franchise Owner's business from losses due to technology failures, and Franchise Owner's failure to maintain such coverage does not increase SSI's obligations or liabilities under this Agreement.

C. **System Access During Alternative Provider Authorization.** During any Authorization Period under the Franchise Agreement, Article I, Section B.3:

- i. Franchise Owner's access to the Integrated Technology Systems shall continue for all Active Service Categories and for the general operation of the Stanley Steemer Business.
- ii. SSI may, in its sole discretion, modify Franchise Owner's access to Integrated Technology Systems features specific to the suspended Service Category, including but not limited to: (a) modifying call routing, lead distribution, or customer inquiry allocation for the suspended Service Category to direct such inquiries to an authorized substitute provider; (b) adjusting reporting dashboards or CRM views to reflect the suspension status; and (c) providing the authorized substitute provider with system access necessary to serve customers in Franchise Owner's Area for the suspended Service Category.
- iii. Franchise Owner shall cooperate with SSI in implementing any system configuration changes necessary to effectuate the Alternative Provider Authorization, including providing any information, credentials, or access reasonably required.
- iv. Upon reinstatement of Franchise Owner's exclusivity pursuant to the Franchise Agreement, Article I, Section B.6, SSI shall restore Franchise Owner's full Integrated Technology Systems access for the reinstated Service Category within ten (10) business days.

6. **4-Integrated Technology Systems Components.** ~~Franchise Owner must acquire and use~~ "System Components" means the computer systems, software, hardware, tablets, mobile devices, printers, ~~software, apps, websites, network connections, and firewall services (collectively, "System Components"), and any other technology that SSI specifies for the operation of the Stanley Steemer Business and use with the Integrated Technology Systems. Certain System Components are proprietary software programs owned and developed by SSI for use in conjunction with the Integrated Technology Systems and the operation of Franchise Owner's Stanley Steemer Business (the "Proprietary Software").~~ For purposes of this Access Agreement, the

A. **Ownership of Derivative Works.**

- i. **Derivative Works Defined.** "Derivative Works" means any modifications, enhancements, derivative works, scripts, customizations, workflows, or integrations that are created using, built upon, or embedded within SSI's Proprietary Software or proprietary components of the Integrated Technology Systems. Derivative Works do not include standalone tools, reports, or applications developed by or for Franchise Owner that merely access or consume data from the Integrated Technology Systems through SSI's published APIs in accordance with Section 6.G.
 - ii. **Ownership and Assignment.** All Derivative Works are and shall remain the sole property of SSI. To the extent Franchise Owner or any person acting on Franchise Owner's behalf creates any Derivative Work, Franchise Owner hereby irrevocably assigns to SSI all right, title, and interest therein, including all intellectual property rights. Franchise Owner shall promptly disclose all Derivative Works to SSI and shall execute any documents reasonably requested by SSI to perfect SSI's ownership rights.
 - iii. **Perfection of Rights.** Franchise Owner shall promptly disclose all Derivative Works to SSI and shall execute any documents reasonably requested by SSI to perfect, record, or enforce SSI's ownership rights. Franchise Owner represents and warrants that it has obtained similar written assignments from all employees or contractors involved in the creation of Derivative Works.
 - iv. **Limited License Back.** SSI hereby grants Franchise Owner a limited non-exclusive license to use such Derivative Works solely during the Term and solely for the operation of the Franchised Business in accordance with this Agreement.
- B. **Required Components.** Franchise Owner shall acquire, install, and continuously use all "Required Components"—the System Components that SSI designates as mandatory for every Franchise Owner. The current list of Required Components, which includes the Public Website; 1800-STEEMER and the core CRM and Royalty Reporting functions of the Powermagic™ platform, is published in the Manuals and may be updated by SSI from time to time in accordance with Section 18.G. (Amendments; Changes to Incorporated Materials). SSI may designate additional System Components as Required Components only if: (a) such designation is reasonably necessary to maintain Brand Standards, system integrity, data security, legal compliance, or competitive positioning of the Stanley Steemer System; (b) the cost of acquiring, implementing, and maintaining such additional Required Component is commercially reasonable in light of the benefits to the Stanley Steemer System and Franchise Owner's business operations; (c) SSI provides Franchise Owner with at least one hundred eighty (180) days' prior written notice of such designation, the effective date for implementation, and a good-faith estimate of the costs Franchise Owner will incur; and (d) such designation is applied uniformly to all franchise owners operating under materially similar circumstances. For purposes of subsection (b), factors relevant to commercial reasonableness include but are not limited to: industry standards for similar franchise systems, the functional necessity of the component, availability of the component from multiple vendors or suppliers, and the relationship between the cost and the operational or competitive benefit provided. Notwithstanding the notice period in subsection (c), SSI may require implementation on shorter notice if reasonably necessary to address an urgent data security vulnerability, imminent legal or regulatory deadline, or system integrity crisis, provided SSI makes reasonable efforts to minimize implementation costs and disruption to Franchise Owner's operations.
- C. **Elective Components.** "Elective Components" are System Components that SSI makes available but does not require Franchise Owner to use (e.g., Mobile, Payment Processing, Field Operations). Franchise Owner may activate or deactivate an Elective Component by written request through SSI's ticketing process. Upon activation, the Elective Component becomes a System Component subject to this Access Agreement, including all fees, suspension remedies, and data-security obligations. The list of available Elective Components and related terms may be modified by SSI from time to time in accordance with Section 18.G. (Amendments; Changes to Incorporated Materials).
- D. **Alternative or Stand-Alone Solutions.** Franchise Owner may, at its sole discretion and expense, select and use third-party products or services—such as GPS tracking, accounting software, or similar business tools—that duplicate the functionality of an Elective Component, provided those third-party products or services operate independently and are not integrated or otherwise connected (whether by API, data feed, or any other means) to the Integrated Technology Systems. Franchise Owner acknowledges that SSI makes no representation, endorsement, or warranty concerning such third-party products or services, nor does SSI require Franchise Owner to use any

specific provider of such products or services. If Franchise Owner desires integration of such functionality into the Integrated Technology Systems, Franchise Owner acknowledges that it must use the Elective Component or another solution expressly designated or approved by SSI. Franchise Owner remains solely responsible for selecting and configuring its chosen technology solutions, including evaluating their impact on Franchise Owner's business operations and employees. Any integration of a third-party tool, including read-only access, requires SSI's prior written consent.

- E. **Supporting Modules and Dependencies.** SSI may condition activation of any Elective Component on Franchise Owner's implementation of supporting modules, connectors, middleware, or updated APIs that SSI determines are reasonably necessary for that Elective Component to function within the Integrated Technology Systems. Any incremental Technology Fees for Elective Components or supporting modules will be set forth in the Technology Fee Schedule referenced in Section 9 (Technology Fees) and may be modified by SSI in accordance with Section 18 (Amendments; Changes to Incorporated Materials). Franchise Owner is responsible for all costs to purchase, lease, license, install, and maintain such Elective Components, supporting modules, and any stand-alone third-party solutions.
- F. **Proprietary Software shall include.** Certain System Components consist of proprietary software programs owned and developed by SSI, including Powermagic[®]™, Fusion™, Nimbus™, and Nimbus X™ ~~along with the object code (but not the source code) for such products and the related user manuals published by SSI~~ (collectively, the "Proprietary Software"), together with ~~all~~ their object code, user manuals, updates, and maintenance ~~thereto which may be furnished~~ releases that SSI furnishes to Franchise Owner ~~by SSI~~ during the term of this Access Agreement. In addition, SSI may develop new or modified System Components or new or modified specifications for the Integrated Technology Systems in the future. SSI may require Franchise Owner to obtain, update, and use specified System Components including, without limitation, a license to use software developed by SSI or others. Modification of the specifications for the Integrated Technology Systems may require Franchise Owner to incur costs to purchase, lease, and/or license new or modified System Components and to obtain service and support for the System Components during the term. Franchise Owner receives only a non-exclusive license to use the Proprietary Software in object-code form, subject to the terms of this Access Agreement. ~~All computer systems within the Integrated Technology Systems~~
- G. **Third-Party Integrations.** Franchise Owner may connect third-party applications (including accounting, marketing, or other business systems) to the Integrated Technology Systems solely through SSI's published APIs and in strict accordance with SSI's API Terms of Use. Direct database access, screen-scraping, or custom code-level integration is prohibited. Franchise Owner must obtain SSI's prior written consent before establishing any integration, connection, or data exchange between a third-party application and the Integrated Technology Systems, including but not limited to API connections, data feeds, automated data transfers, or read-only access to system data. SSI's consent may be conditioned on the third-party vendor's execution of a Data Processing Addendum in a form acceptable to SSI. Franchise Owner remains responsible for ensuring that any third-party vendor whose application is integrated with the Integrated Technology Systems complies with this Access Agreement and all Data Protection Laws. For clarity, this Section does not apply to third-party business tools that operate on a standalone basis without any integration, connection, or data exchange with the Integrated Technology Systems.
- H. **Operational Autonomy.** Neither the designation of a System Component as Required nor the activation of an Elective Component gives SSI authority to dictate Franchise Owner's day-to-day operational decisions — including, without limitation, decisions regarding timeslot configuration, capacity management, routing logic, employee scheduling, hiring, firing, discipline, pay plans, pricing, or tax treatment — except as expressly required to: (i) maintain the integrity, character, and uniform quality associated with the Stanley Steemer System and Stanley Steemer Trademarks; or (ii) ensure compliance with applicable law. Franchise Owner acknowledges and agrees that it is solely responsible for determining how System Components are configured and used in its Stanley Steemer Business, including evaluating and addressing the impact that such configurations may have on its employees and day-to-day operations. SSI's access to, or visibility of, Franchise Owner Operational Data does not give SSI authority to dictate or control Franchise Owner's day-to-day operational decisions. Nothing in this Access Agreement or the Manuals creates, or is intended to create, a joint-employment, agency, apparent agency, or vicarious liability relationship between SSI and Franchise Owner or Franchise Owner's employees. SSI's provision of the Integrated Technology Systems, and Franchise Owner's use thereof, does not make either party the agent of

the other or create vicarious liability for the other party's acts or omissions. The authority reserved by SSI under clauses (i) and (ii) of this Section 6.H is the authority of a franchisor and trademark licensor to specify Brand Standard outcomes and system-wide requirements; the exercise of such authority does not create an agency relationship or a basis for vicarious liability. Franchise Owner remains solely responsible for all employment-related decisions and actions involving its employees and for ensuring that its chosen configurations of System Components comply with applicable law and Franchise Owner's operational needs.

- I. **Discontinuation of Components.** SSI may discontinue Franchise Owner's access to specific System Components (e.g., retiring a vendor or software application) at any time, with or without cause, upon ninety (90) days' written notice to Franchise Owner; provided, however, that SSI shall not terminate this Access Agreement in its entirety except in accordance with Section 13 (Termination) or upon the expiration or termination of the Franchise Agreement.
- J. **Compatibility, Connectivity, and Maintenance.** All System Components must remain compatible with SSI's computer systems as modified from time to time; must be connected to SSI's facilities by high-speed Internet with internet meeting the minimum requirements specified specifications published by SSI; and must be updated, maintained, and used in compliance with SSI's specifications. In connection with Franchise Owner's use of the Integrated Technology Systems, SSI may require Franchise Owner to electronically upload or transmit information operational data on a periodic basis as determined by in the format and at the frequency SSI specifies.
7. **5-Changes to Integrated Technology Systems.** SSI may modify, update, upgrade, add, or delete certain System Components of the Integrated Technology Systems from time to time in its sole discretion. Franchise Owner must comply with those changes promptly upon written notice from Stanley Steemer, in its sole discretion, modify, upgrade, add to, or delete any System Component from time to time, provided that each change is (i) commercially reasonable, (ii) implemented System-wide, and (iii) communicated to Franchise Owner at least thirty (30) days in advance, unless a shorter notice period is required for security or legal-compliance reasons. Updates to Required or Elective Components, supporting modules, or System Component designations may also occur in accordance with Section 16 (Amendments; Changes to Incorporated Materials). Upon receiving such notice, Franchise Owner shall implement or adopt the change in the manner and within the timeframe specified by SSI, but in no event later than the effective date of the change. For changes that materially increase Franchise Owner's cost of compliance, SSI will use commercially reasonable efforts to provide at least ninety (90) days' advance notice and to assist Franchise Owner in understanding the impact on operations. For clarity, the notice requirements in this Section apply to modifications of existing System Components and do not supersede the designation requirements of Section 6.B for new Required Components or the tiered notice requirements of Section 18.G for amendments to this Access Agreement.
8. **6-Approval of Integrated Technology Systems.** If SSI has not yet specified a particular system and/or designated or approved a particular supplier of a system as part of the required Integrated Technology Systems, Franchise Owner must obtain written approval from SSI prior to obtaining or deploying a new system. If SSI specifies systems as part of the Integrated Technology Systems in the future, Franchise Owner must use the systems and/or approved or designated suppliers specified by SSI.
7. **Fees and Payment.** During the term of this Access Agreement, Franchise Owner shall pay SSI, without offset or deduction, a monthly Technology Fee as described in the Franchise Agreement, or if the amount is not explicitly stated in the Franchise Agreement, in an amount described in the Stanley Steemer Manuals or otherwise communicated to the Franchise Owner in writing. Failure to make any payments due under this Access Agreement will constitute a material breach of this Access Agreement shall entitle SSI to the rights and remedies described in Section 11 of this Access Agreement. If such failure continues for more ten (10) days following written notice thereof, SSI may terminate Franchise Owner's access to the Integrated Technology Systems until all past due amounts have been paid without any additional notice to Franchise Owner.
9. **Technology Fees.**
 - A. **Current Fee Structure.** As of the Effective Date of this Access Agreement, SSI does not charge separate Technology Fees for access to Required Components of the Integrated Technology Systems, beyond direct pass-through expenses for third-party vendor services at SSI's actual cost and usage-based charges for the 1-800-STEEMER Call Routing Infrastructure as described in Section 9.D below. SSI expressly reserves the right to implement Technology Fees for Required Components in the future as the Integrated Technology Systems evolve,

as SSI develops proprietary technology tools, or as SSI transitions and/or incorporates third-party enterprise platforms, subject to the limitations set forth in this Section 9 (Technology Fees).

B. Required Components—Aggregate Ceiling.

i. Scope of Technology Fees. Technology Fees for Required Components may include costs for:

- a. Proprietary Technology developed, owned, customized, or maintained by SSI, including development labor, hosting, infrastructure, integration, and ongoing support;
- b. Third-Party Technology Platforms that SSI designates as Required Components, whether licensed system-wide by SSI and passed through to Franchise Owners, or licensed directly by Franchise Owner from third-party vendors at SSI's direction, including but not limited to: customer relationship management (CRM) systems, field service management platforms, reporting and analytics tools, cybersecurity and compliance systems, payment processing infrastructure, communication and collaboration platforms, and mobile applications;
- c. Infrastructure and Hosting Costs necessary to operate Required Components, whether provided by SSI or third-party vendors (cloud hosting, data storage, bandwidth, servers, backup systems);
- d. Integration and Customization of third-party platforms to meet System Standards or connect with other Integrated Technology Systems, including SSI's development of custom modules, workflows, or interfaces for third-party platforms;
- e. Any Combination or Hybrid Systems that incorporate both proprietary SSI technology and third-party platforms.

For clarity, the Aggregate Ceiling applies to the total cost of maintaining franchise-quality technology infrastructure regardless of SSI's build-versus-buy strategy for any particular component. As technology evolves, SSI may transition from proprietary systems to third-party platforms (or vice versa) based on system-wide cost-effectiveness, capabilities, vendor reliability, and competitive positioning.

ii. Aggregate Ceiling—Four Percent. Technology Fees for Required Components are not calculated as a percentage of Franchise Owner's Gross Sales. Technology Fees are determined by the fee methodology applicable to each Required Component as set forth in Section 9.B.vi (which may include flat, per-user, per-device, per-transaction, tiered, or other commercially reasonable structures). However, the aggregate of all Technology Fees charged to Franchise Owner for Required Components in any Calendar Year (including all costs described in subsection (i) above, regardless of whether components are SSI-developed proprietary technology, third-party platforms licensed at cost, or hybrid systems) shall not exceed an amount equal to four percent (4%) of Franchise Owner's Gross Sales for that Calendar Year (the "Aggregate Ceiling"). Franchise Owner's Gross Sales figure serves solely as the measurement benchmark for calculating the Aggregate Ceiling and does not establish a percentage-based fee methodology. If aggregate Technology Fees for Required Components would otherwise exceed the Aggregate Ceiling, SSI shall reduce or credit such fees in accordance with Section 9.E.iii (Reconciliation).

iii. Technology Platform Flexibility and Migration Rights. SSI retains the right, exercised in SSI's business judgment, to determine the composition of Required Components based on System needs, subject to the designation requirements of Section 6.B, including the right to:

- a. Develop and maintain proprietary technology systems;
- b. License third-party platforms and designate such platforms as Required Components;
- c. Migrate from proprietary systems to third-party platforms (e.g., transitioning from Powermagic™/Nimbus™ to a third-party enterprise platform);

- d. Migrate from third-party platforms to proprietary systems (e.g., bringing previously outsourced functionality in-house);
- e. Implement hybrid systems combining proprietary SSI technology with third-party platforms (e.g., custom modules built on Salesforce, specialized integrations connecting multiple vendor systems);
- f. Modify, replace, upgrade, or discontinue any technology platform based on evolving System needs, vendor capabilities, cost considerations, or competitive requirements.

All such technology decisions shall be subject to the designation requirements of Section 6.B (for new Required Components) and the notice requirements of this Section 9 and Section 18.G. The 4% Aggregate Ceiling applies regardless of SSI's technology approach, and SSI's decision to adopt proprietary versus third-party solutions for any particular functionality shall not affect Franchise Owner's maximum fee obligation.

iv. **Implementation and Increase Notice.** SSI shall provide one hundred eighty (180) days advance written notice before: (i) implementing Technology Fees where none previously existed for a particular Required Component; (ii) increasing existing Technology Fees by more than ten percent (10%) annually; or (iii) migrating from one technology platform to another (whether proprietary-to-third-party, third-party-to-proprietary, or third-party-to-different-third-party) that materially changes fee structure. Such notice shall include:

- a. Description of the technology platform, system, or service and its business purpose;
- b. Fee amount or methodology (flat monthly, per-user, percentage-based, tiered, or other structure);
- c. Explanation of cost drivers (development costs, vendor licensing fees, hosting infrastructure, integration requirements);
- d. System benefits and competitive advantages provided by the technology;
- e. Confirmation that total Technology Fees for all Required Components remain within the 4% Aggregate Ceiling.

For platform migrations specifically, SSI shall explain the business rationale (cost savings, enhanced capabilities, vendor reliability, industry standard adoption) and how the migration benefits the franchise system.

v. **Annual Escalation.** Once Technology Fees are established for any Required Component, such fees may increase annually by the lesser of: (i) Consumer Price Index (CPI) plus three percent (3%); or (ii) the percentage increase in SSI's actual costs for such component (including vendor licensing increases, hosting cost increases, or development/maintenance cost increases). This escalation limitation does not apply to: (a) initial establishment of Technology Fees for newly designated Required Components; or (b) platform migrations described in subsection (iii) above. All fees, including escalated amounts, must remain within the 4% Aggregate Ceiling.

vi. **Fee Methodology Flexibility.** Technology Fees for Required Components may be structured using any commercially reasonable methodology, including without limitation: flat monthly or annual fees per location or territory, per-user or per-device or per-technician fees, percentage-based fees calculated on Gross Sales or transaction volume or job count, tiered pricing based on franchise size or sales volume or usage levels, per-transaction or consumption-based fees, hybrid structures combining multiple methodologies, or any combination thereof. SSI may modify the fee structure or methodology for any Required Component upon one hundred eighty (180) days written notice, provided that total Technology Fees for all Required Components remain within the 4% Aggregate Ceiling. The methodology may vary by component based on how costs are incurred and industry pricing norms for such technology (for example, CRM systems may be charged on a per-user basis, reporting tools on a flat monthly fee basis, and payment processing on a

per-transaction basis).

- vii. **Allocation and Uniform Application.** Technology Fees shall be allocated uniformly across all franchise and company-owned locations using consistent methodologies appropriate for each component (per-location, per-user, per-transaction, or usage-based as applicable). SSI shall not charge franchise locations materially different rates than company-owned locations for equivalent usage levels of the same Required Components, except to the extent differences reflect genuine cost drivers (additional users, higher transaction volumes, optional enhanced features).

C. Elective Components—No Cap.

- i. **Definition.** “Elective Components” means technology tools, platforms, features, or services that: (i) are not designated by SSI as Required Components; (ii) provide advanced capabilities, premium features, or specialized functionality beyond baseline franchise operation requirements; and (iii) Franchise Owner may elect to use or decline based on Franchise Owner’s business needs, operational preferences, and budget.
- ii. **Examples.** Elective Components may include but are not limited to: advanced business intelligence and analytics dashboards beyond standard reporting; premium marketing automation or customer engagement tools; specialized integrations with third-party platforms not required by System Standards; AI-powered pricing optimization or scheduling algorithms; enhanced mobile application features; additional data storage or computing capacity beyond standard allotments; premium technical support packages; custom reporting tools; experimental or beta features; or any other technology offerings SSI makes available on an optional basis.
- iii. **Pricing and No Cap.** Technology Fees for Elective Components are not subject to the 4% Aggregate Ceiling and are charged based on actual usage, subscription tiers, feature sets selected, or other pricing models established by SSI or relevant vendors. Elective Components are entirely optional—Franchise Owner pays only for those Elective Components Franchise Owner chooses to use. Franchise Owner may discontinue use of Elective Components at any time in accordance with applicable subscription terms or notice requirements.
- iv. **Conversion Between Required and Elective.** SSI may, upon reasonable notice, convert Elective Components into Required Components (making them mandatory for all Franchise Owners) or convert Required Components into Elective Components (making them optional). Any conversion that increases Required Component fees must comply with the implementation notice requirements in Section 7.B(5) and remain within the 4% Aggregate Ceiling. Upon conversion of an Elective Component to a Required Component, any fees charged for such component shall be recalculated in accordance with the fee methodology applicable to Required Components, and Franchise Owner shall not be charged Elective Component rates for any period following the effective date of conversion. Conversions from Required to Elective status do not require Franchise Owner consent.

D. 1-800-STEEMER Call Routing Infrastructure.

- i. **Required Infrastructure.** All Franchise Owners must utilize the 1-800-STEEMER telephone number and associated call routing infrastructure as the primary customer inquiry channel for the Stanley Steemer Business. The 1-800-STEEMER infrastructure includes: (i) the 1-800-STEEMER telephone number and national brand asset; (ii) interactive voice response (IVR) system for call routing based on customer location; (iii) call distribution technology and telephony infrastructure; and (iv) other SSI-designated telephone numbers that utilize the same IVR platform (collectively, the “Call Routing Infrastructure”).
- ii. **Usage-Based Fees.** Franchise Owner shall pay per-minute fees for all customer calls processed through the Call Routing Infrastructure, calculated from the time the call enters the system until the call is routed to Franchise Owner’s designated downline number. Such fees are charged on a cost-recovery basis to cover SSI’s actual costs for maintaining and operating the Call Routing Infrastructure, including telephony carrier charges, IVR platform costs, routing technology, and system maintenance.
- iii. **Current Fee Disclosure.** As of the Effective Date, per-minute fees for the Call Routing Infrastructure are

published in the Stanley Steemer Manuals and are subject to change based on SSI's actual operating costs. Such fees may be adjusted annually to reflect changes in SSI's actual costs for the Call Routing Infrastructure, subject to thirty (30) days' advance notice to all affected Franchise Owners.

iv. **Call Handling Options.** Franchise Owner shall either: (i) designate one or more downline telephone numbers to which calls shall be routed after processing through the Call Routing Infrastructure, and maintain adequate telephone capacity and staffing to receive and handle such calls in accordance with Brand Standards; or (ii) elect to utilize SSI's Contact Center services, in which case calls are transferred to SSI's Contact Center rather than to Franchise Owner's downline. Call Routing Infrastructure fees apply to all calls processed through the system regardless of whether calls are ultimately handled by Franchise Owner's personnel or by SSI's Contact Center.

v. **Treatment for Fee Cap Purposes.** Call Routing Infrastructure fees are charged at SSI's actual cost on a per-minute usage basis and are not subject to the 4% Aggregate Ceiling for Required Components described in Section 7.B. Such fees are separately disclosed on monthly invoices as "1-800-STEEMER Fees" and represent direct pass-through of SSI's operating expenses for the Call Routing Infrastructure on a system-wide cost-recovery basis.

E. **Transparency and Reporting.**

i. **Technology Fee Disclosure in Manuals.** SSI shall publish in the Stanley Steemer Manuals (which may include the Franchise Owner portal or other electronic communication channels) current information regarding Technology Fees for Required Components, including: (i) description of major technology platforms and systems included in Required Components; (ii) current fee methodology for each Required Component (flat monthly, per-user, percentage-based, tiered, or other structure); (iii) approximate current system-wide technology fees based on average franchise size and usage; (iv) system-wide technology initiatives, platform migrations, or significant changes in progress or planned for the current year. The Manuals shall be updated periodically as technology platforms, fee structures, or Required Components change.

ii. **Monthly Invoice Itemization.** Technology Fees charged to Franchise Owner shall be reflected on Franchise Owner's regular monthly invoices or account statements from SSI, itemized by technology component or service category to the extent practicable given billing system capabilities. Such monthly invoices constitute Franchise Owner's record of technology charges for purposes of calculating compliance with the 4% Aggregate Ceiling.

iii. **Reconciliation.** If the aggregate of all Technology Fees for Required Components charged to Franchise Owner in any Calendar Year exceeds the Aggregate Ceiling (i.e., an amount equal to four percent (4%) of Franchise Owner's Gross Sales for that Calendar Year), SSI shall credit Franchise Owner's account for the excess amount plus interest at the rate specified in the Franchise Agreement for late payments, to be applied against future Technology Fees or, if Franchise Owner's relationship with SSI has terminated, refunded within thirty (30) days of final calculation. Franchise Owner may identify potential overcharges at any time by submitting written notice to SSI with supporting calculations, and SSI shall investigate and respond within thirty (30) days.

F. **Technology Fee Treatment During Authorization Period.** Franchise Owner's obligation to pay all Technology Fees under this Access Agreement shall continue without abatement, reduction, or offset during any Authorization Period under the Franchise Agreement, Article I, Section B.3. Franchise Owner shall not be entitled to any credit, refund, or reduction in Technology Fees by reason of: (1) the suspension of Franchise Owner's exclusive territorial rights for any Service Category; (2) the presence of any authorized substitute provider in Franchise Owner's Area; or (3) any reduction in Gross Sales or service volume attributable to the suspension; provided, however, that to the extent any Required Component is used solely and exclusively in connection with a suspended Service Category and has no material utility for Franchise Owner's remaining Active Service Categories, Franchise Owner may request that SSI suspend the applicable Technology Fee for such Required Component for the duration of the Authorization Period. SSI shall evaluate such request in good faith and shall not unreasonably withhold approval. This exception applies only to fees for discrete Required Components dedicated exclusively to the suspended

Service Category and does not apply to platform-wide, shared, or multi-category components of the Integrated Technology Systems.

10. 8.-Franchise Owner Operational Data; Authorized Users; and Acceptable Use.

~~A. **Franchise Owner Data.** "Franchise Owner Data" means information, data, and other content, in any form or medium, that is collected, downloaded, or otherwise received, directly or indirectly, from Franchise Owner or an Authorized User (as defined below) by or through the Integrated Technology Systems. Franchise Owner's use of the Integrated Technology Services grants SSI a nonexclusive, fully paid, worldwide, perpetual, irrevocable, royalty free, transferable license (with the right to sublicense through unlimited levels of sublicensees) to use, copy, modify, distribute, publicly display and perform, publish, transmit, remove, retain, repurpose, and commercialize Franchise Owner Data, without the need to obtain additional consent, without restriction, notification, or attribution, and without compensation in any way, and to authorize others to do the same.~~

A. **Franchise Owner Operational Data License.**

i. **Definitions and Ownership Alignment.** For purposes of this Agreement, "Franchise Owner Operational Data" means operational metrics and business data generated through Franchise Owner's use of Required Components that reflects Franchise Owner's specific operational decisions—such as employee scheduling choices, local pricing decisions, inventory management practices, and similar operational information. To eliminate ambiguity: SSI owns Customer Data (meaning all customer contact information, service histories, preferences, communications, and transaction records); Franchise Owner Operational Data is subject to Franchise Owner's operational control during the term but is licensed to SSI as described below; and all System Data (aggregated analytics, benchmarking tools, algorithms) is SSI's sole property.

ii. **License Grant.** Franchise Owner grants SSI an irrevocable, worldwide, fully-paid, royalty-free license, which shall survive termination or expiration of this Agreement as set forth in Section 10.B, to access, use, reproduce, modify, create derivative works from, distribute, and sublicense Franchise Owner Operational Data for any purpose related to the Stanley Steemer System, including but not limited to:

- a. **benchmarking and performance analysis across the franchise network;**
- b. **development and improvement of Required Components and other System tools;**
- c. **marketing, advertising, and promotional activities showcasing System performance;**
- d. **training and support materials for other Franchise Owners; and**
- e. **disclosure to third parties in connection with financing, sale, or other business transactions involving SSI or the System.**

SSI may exercise these rights itself and may permit any entity that directly or indirectly controls, is controlled by, or is under common control with SSI (each, an "Affiliate"), any successor or transferee operator of the Business—which may include SSI or an Affiliate—and service providers engaged to support the Integrated Technology Systems to do the same, provided each such party is bound by written confidentiality and data-security obligations at least as protective as those in this Agreement. For the avoidance of doubt, nothing in this Section limits SSI's rights of access and use set out in Section 10(F). SSI's license to access and use Franchise Owner Operational Data does not grant SSI authority to dictate or control Franchise Owner's day-to-day operational decisions or employment matters.

iii. **No Separate Compensation.** Franchise Owner acknowledges that the right to use the Marks and System, as granted under the Franchise Agreement, constitutes full and adequate consideration for the license granted herein. Franchise Owner shall not be entitled to any separate compensation, royalty, or payment for SSI's use of Franchise Owner Operational Data.

- iv. **Data Access During Alternative Provider Authorization.** If SSI invokes Alternative Provider Authorization pursuant to the Franchise Agreement, Article I, Section B.3, SSI shall have the right, in its sole discretion, to provide to any authorized substitute provider operating in Franchise Owner's Area access to such Customer Data and Operational Data as SSI determines is reasonably necessary for the authorized substitute to provide the suspended Service Category to customers in the Area. Franchise Owner hereby consents to such data sharing and waives any claim against SSI or any authorized substitute arising from such data access. SSI shall require any authorized substitute to comply with data security and privacy obligations no less protective than those applicable to Franchise Owner under this Agreement. This data sharing right is limited to the Authorization Period and the specific Service Category that has been suspended.
- B. **Data Retention and Privacy Restrictions.** Following expiration or termination of this Agreement, SSI may retain Franchise Owner Operational Data only to the extent required by applicable law or for legitimate tax, legal, or compliance purposes, and only for the minimum period required by such law or purpose, subject to continuing confidentiality and data security obligations under this Agreement and the Franchise Agreement. SSI will not "sell" or "share" (as those terms are defined under applicable Data Protection Laws (as defined in Section 12)) personal information contained in Franchise Owner Operational Data except as permitted for (i) a service-provider or processor acting on Franchise Owner's behalf, or (ii) a permitted transfer to a successor or transferee operator under item 4 above. Nothing in this Section limits SSI's ownership of aggregated, de-identified analytics that do not identify Franchise Owner or its customers.
- C. **B. Authorized Users.** Franchise Owner may permit its employees to access and use the Integrated Technology Systems in connection with the operation of Franchise Owner's Stanley Steemer Business ("Authorized User"). Franchise Owner shall register all Authorized Users with SSI and require such Authorized Users to comply with the terms of this Access Agreement. Without limiting any other responsibilities Franchise Owner has under this Access Agreement, Franchise Owner shall be fully responsible for the actions of its Authorized Users; of anybody accessing the Integrated Technology Systems using the access credentials of an Authorized User; and any other individuals who Franchise Owner has permitted access to the Integrated Technology Systems.
- D. **C. Acceptable Use.** Franchise Owner shall not use the Integrated Technology ~~Services~~Systems or the Proprietary Software for any purposes beyond the scope of the license granted in this Access Agreement. Franchise Owner's use of the Integrated Technology Systems shall be expressly limited to uses directly related to the operation of Franchise Owner's Stanley Steemer Business and for no other purposes. Without limiting the foregoing and except as otherwise expressly set forth in this ~~License~~Access Agreement, Franchise Owner shall not at any time, directly or indirectly:
- i. copy, modify, or create derivative works of the Integrated Technology ~~Services~~Systems or the Proprietary Software, in whole or in part;
 - ii. rent, lease, lend, sell, sublicense, assign, distribute, publish, transfer, or otherwise make available the Integrated Technology ~~Services~~Systems or the Proprietary Software;
 - iii. reverse engineer, disassemble, decompile, decode, adapt, or otherwise attempt to derive or gain access to the source code, in whole or part, of the Integrated Technology ~~Services~~Systems or the Proprietary Software;
 - iv. remove any proprietary notices from the Integrated Technology ~~Services~~Systems or the Proprietary Software;
 - v. use the Integrated Technology ~~Services~~Systems or the Proprietary Software in any manner or for any purpose that infringes, misappropriates, or otherwise violates any intellectual property right or other right of any person, or that violates any applicable law;
 - vi. use the Integrated Technology Systems to disseminate e-mail, text, SMS and other electronic communications in violation of the CAN-SPAM Act of 2003, the Telephone Consumer Protection Act of 1991 and other legislation of a similar nature; ~~and~~
 - vii. upload, import, or enter into the Integrated Technology Systems any data (including telephone numbers or email addresses) acquired from third-party lead generators or data brokers (excluding SSI-approved

marketing agencies acting on Franchise Owner's behalf) unless Franchise Owner possesses valid, documented proof of consent that specifically names 'Stanley Steemer' as a party authorized to contact the consumer, in full compliance with the TCPA and applicable FCC regulations. SSI reserves the right to audit such consent records at any time.

viii. ~~vii.~~ use the Integrated Technology Systems for the storage of:

- a. government issued identification information, including but not limited to, passport number, social security number, driver's license number, or state-issued identification number;
- b. financial account information, including but not limited to, financial account number, credit card number, debit card number, or credit report information, with or without any required security code, access code, personal identification number, or password that would permit access to an individual's financial account;
- c. biometric, genetic, health, medical, or medical insurance data;
- d. information regarding any individual's racial or ethnic origin, religious beliefs, sex life or sexual orientation, union membership, citizenship or immigration status.

E. **Set-Off and Cross-Default.**

- i. **Set-Off.** SSI shall have the right, at any time and without notice to Franchise Owner, to set off and apply any and all amounts SSI or its affiliates owe to Franchise Owner against any and all past-due Technology Fees, audit costs, interest, or other amounts due under this Agreement.
- ii. **Cross-Default.** Franchise Owner acknowledges and agrees that the Integrated Technology Systems are essential to the uniform operation of the Stanley Steemer System. Accordingly, any material breach of this Access Agreement—including but not limited to failure to pay Technology Fees for sixty (60) days, unauthorized access or disclosure of Customer Data, or failure to implement Required Components after notice and cure—shall constitute a material default under the Franchise Agreement, entitling SSI to exercise all remedies available thereunder, including termination.
- iii. **Continuity of Remedies.** SSI's election to suspend access to the Integrated Technology Systems pursuant to Section 14 of this Agreement shall not limit, waive, or otherwise affect SSI's right to simultaneously or subsequently declare a default under the Franchise Agreement for the same underlying conduct.

F. ~~D.~~ **Reservation of Rights.** SSI reserves all rights not expressly granted to Franchise Owner in this Access Agreement. Except for the limited rights and licenses expressly granted under this Access Agreement, nothing ~~in~~ in this herein grants, by implication, waiver, estoppel, or otherwise, to Franchise Owner or any third party any intellectual property rights or other right, title, or interest in or to the Integrated Technology Systems or the Proprietary Software.

11. ~~9.~~ **Franchise Owner Security.**

A. **Franchise Owner Control and Responsibility.** Franchise Owner shall have sole responsibility for:

- i. all Franchise Owner Operational Data, including its content and use;
- ii. all information, instructions, and materials provided by or on behalf of Franchise Owner or any Authorized User in connection with the Integrated Technology ~~Services~~ Systems;
- iii. Franchise Owner's local technology infrastructure, including computers, software, databases, electronic systems, and networks, whether operated directly by Franchise Owner or through the use of third-party services ("Franchise Owner Systems");
- iv. the security and use of Franchise Owner's and its Authorized Users' access credentials; and

- v. all access to and use of the Integrated Technology Systems directly or indirectly by or through the Franchise Owner Systems or its or its Authorized Users' access credentials, with or without Franchise Owner's knowledge or consent, including all results obtained from, and all conclusions, decisions, and actions based on, such access or use.
- B. **Access and Security.** Franchise Owner shall employ all physical, administrative, and technical controls, screening, and security procedures and other safeguards necessary to:
- i. securely administer the distribution and use of all access credentials and protect against any unauthorized access to or use of the Integrated Technology Systems; and
 - ii. control the content and use of Franchise Owner Operational Data, including the uploading or other provision of Franchise Owner Operational Data into the Integrated Technology ~~Services~~Systems.
- C. **Cyber Liability Insurance.**
- i. **Required Coverage.** As a condition of the license granted herein and to secure Franchise Owner's indemnification obligations under Section 17, Franchise Owner shall, at its sole expense, procure and maintain Cyber Liability Insurance with minimum limits of \$1,000,000 per occurrence and in the aggregate, or such higher limits as SSI may require based on system-wide risk assessment as specified in the Stanley Steemer Manuals. Such policy shall provide coverage for:
 - a. First-Party Breach Response (including forensic investigation, legal fees, notification costs, credit monitoring, and crisis management);
 - b. Third-Party Privacy and Network Security Liability (including regulatory defense, fines to the extent insurable, and claims by affected individuals or businesses);
 - c. Business Interruption and Extra Expense resulting from cyber incidents;
 - d. Cyber Extortion and Ransomware response (including ransom payments and negotiation costs); and
 - e. PCI-DSS Assessments, Fines, and Penalties.
 - ii. **Additional Insured and Policy Requirements.** The cyber liability insurance policy shall:
 - a. Name Stanley Steemer International, Inc. and its affiliates as additional insureds for vicarious liability, contribution, or indemnity claims arising from Franchise Owner's cyber incidents, data breaches, or security failures;
 - b. Be primary and non-contributory to any insurance carried by SSI;
 - c. Include a waiver of subrogation in favor of SSI, except to the extent any loss is caused by SSI's sole negligence or willful misconduct;
 - d. Provide that the insurer shall give SSI at least thirty (30) days' written notice prior to cancellation, non-renewal, or material reduction in coverage;
 - e. Be issued by an insurer with A.M. Best rating of A- VII or better.
 - iii. **Certificate of Insurance.** Franchise Owner shall provide SSI with a certificate of insurance evidencing the required cyber liability coverage upon request.
 - iv. **Compliance Period.** Franchise Owner shall have one hundred eighty (180) days from the execution date of this Agreement to comply with the insurance provisions set forth in this Section 11.C. If SSI modifies the

insurance requirements in this Section 11.C (whether by amendment to this Agreement or update to the Stanley Steemer Manuals), Franchise Owner shall have one hundred eighty (180) days from the effective date of such modification to comply with the revised requirements. Franchise Owner shall make good faith efforts to obtain or modify coverage during any compliance period and shall provide SSI with status updates upon request.

v. **Allocation of Cyber Risk.** Franchise Owner acknowledges that both SSI and Franchise Owner act as independent data controllers with respect to Personal Information processed through the Integrated Technology Systems. Franchise Owner is responsible for endpoint security, including but not limited to: employee credential management, device security (computers, tablets, mobile devices), local network security, physical security of devices and records, employee training on social engineering and phishing threats, data export practices, third-party vendor access to exported data, and timely incident reporting as required under Section 12 and compliance with the acceptable use restrictions set forth in Section 10.D, including restrictions on storage of prohibited data categories.

vi. **Coordination with Franchise Agreement.** To the extent Franchise Owner's Franchise Agreement contains cyber liability insurance requirements, Franchise Owner must comply with both this Section 10.C and the Franchise Agreement requirements. If the requirements differ, Franchise Owner must satisfy the more stringent requirement (higher coverage limits, broader coverage scope, or shorter compliance period).

12. ~~40.~~ Data Protection; Processing and Access.

A. **Personal Information.** For the purposes of this Access Agreement, "Personal Information" shall mean any information in any media or format that:

- i. ~~that~~ can be used alone, or in combination with other information within Franchise Owner's control, to identify, locate or contact an identified or identifiable natural person;
- ii. ~~that~~ relates to or is linked, or reasonably can be linked, in any way to an identified or identifiable natural person; or
- iii. otherwise meets the definition of "personal data" or "personal information" or any similarly defined term under applicable Data Protection Laws (defined below).

B. **Franchise Owner and SSI as Data Controller.** ~~Franchise Owner and SSI acknowledge that Franchise Owner is a data controller and SSI is a data processor. Each party is an independent controller of the Personal Information that Franchise Owner collects from, or is shared with Franchise Owner by, any customer or party other than SSI through Franchise Owner's technology and systems, and that is not entered into the Integrated Technology Systems at any time. This includes, but is not limited to, Personal Information collected directly from customers of Franchise Owner's Stanley Steemer Business or from employees of Franchise Owner's Stanley Steemer Business. When acting as a data controller of Personal Information, Franchise Owner it collects and processes pursuant to this Access Agreement. Each party shall be individually and separately responsible for complying with the obligations that apply to it as a controller under Data Protection Laws. Each party will individually determine the purposes and means of its processing of the Personal Information. Each party represents and warrants that it shall:~~

- i. comply with all applicable federal, state, or local laws, codes or regulations that regulate the processing of Personal Information, including, but not limited to, data protection laws, laws regulating marketing communications and/or electronic communications, laws regulating the collection of Personal Information at the point of sale or online, information security laws, regulations or best practices, Payment Card Industry Data Security Standards, and security breach notification laws, regulations or rules (collectively, "Data Protection Laws"). Franchise Owner shall notify SSI if it determines it can no longer meet its obligations under the Data Protection Laws;
- ii. comply with all standards, specifications, requirements, criteria, and policies, including but not limited to those set forth in the Stanley Steemer Manuals, that have been and are in the future developed and compiled by SSI that relate to Data Protection Laws and the privacy and security of Personal Information, or the

privacy, protection and security of the systems, networks or software of SSI;

- iii. refrain from any action or inaction that could cause either party to breach any Data Protection Laws;
- iv. i. ~~Comply with applicable~~ do and execute, or arrange to be done and executed, each act, document and thing SSI reasonably deems necessary to keep SSI in compliance with the Data Protection Laws in a timely manner.
- v. immediately report to SSI the actual, attempted or suspected theft or loss of, or unauthorized access to, Personal Information (a "Security Incident").
- vi. ii. ~~Obtain~~ obtain all necessary consents and provide all necessary notices regarding the processing of Personal Information.
- vii. iii. ~~Implement~~ implement and maintain appropriate technical and organizational safeguards to protect Personal Information that are no less rigorous than accepted industry standards for information security and ensure that all such safeguards comply with applicable Data Protection Laws.

C. **Franchise Owner as Data Processor.** For any Personal Information that Franchise Owner receives or collects from SSI or processes on SSI's behalf, such as when customers place orders at Franchise Owner's Stanley Steemer Business using the SSI's national customer contact center, public website or through SSI's Integrated Technology Systems ("SSI Personal Information"), SSI and Franchise Owner acknowledge and agree that Franchise Owner is a processor of such data, and Franchise Owner represents, warrants, and agrees that it will:

- C. **Franchise Owner Independence.** Each Franchise Owner is an independently owned and operated business, not an affiliate, agent, joint venturer, partner, or employee of SSI. When SSI transfers customer information to a Franchise Owner for the purpose of fulfilling a service request, the Franchise Owner uses such information on its own behalf, in accordance with its own privacy practices and Applicable Data Protection Laws. Nothing in this Access Agreement or in any other agreement, policy, or document between SSI and a Franchise Owner shall be construed to create an agency, employment, partnership, or joint venture relationship between SSI and any Franchise Owner. SSI's transfer of customer information to Franchise Owner, and Franchise Owner's access to and use of SSI's Integrated Technology Systems and data, does not create an agency or vicarious liability relationship between the parties with respect to the services Franchise Owner provides to its customers. The agency and vicarious liability limitations set forth in Article X, Section C of the Franchise Agreement and Section 6.H of this Access Agreement apply to all data transfers and system access described in this Section 12.

i. collect, use, process, store, retain and disclose such SSI Personal Information only to the extent, and in such a manner, as is necessary for the purposes of operating Franchise Owner's Stanley Steemer Business;

- D. **Sale of Data.** The parties agree that the transfer of Personal Information under this Access Agreement does not constitute a "sale," as defined by applicable Data Protection Laws, because neither party has received or will receive monetary or valuable consideration for the transfer of Personal Information. To the extent that a regulator or a court does deem this type of transfer as a sale, the parties agree to obtain consent prior to any future transfer of Personal Information. To the extent any transfer is deemed a "sale" or "sharing" under Data Protection Laws, Each party agrees to implement any necessary "Do Not Sell" mechanisms or opt-out flows applicable to its operations as required by Data Protection Laws. SSI may specify system-wide standards for such mechanisms through the Stanley Steemer Manuals to ensure uniform compliance.

ii. Franchise Owner will, at its own cost, implement and comply with a comprehensive information security program that is reasonable and appropriate and complies with Data Protection Laws;

- E. **Hierarchy of Data Uses.**

iii. provide to SSI, at SSI's request, all information in its possession necessary to ensure and/or demonstrate SSI's compliance Data Protection Laws;

- i. **Tier 1 – System Operation.** SSI may use all Customer Data and Franchise Owner Operational Data in an identifiable format solely for: (i) Technology System operation, maintenance, and support; (ii) royalty verification and financial audit; (iii) compliance and security monitoring; (iv) fraud detection; (v) enforcement of Brand Standards and this Agreement ; (vi) providing service continuity through the assignment or transfer

of customer accounts and service histories to successor Franchise Owners, company-owned operations, or SSI-designated service providers; and (vii) internal System-wide performance reporting, benchmarking, and leaderboards shared exclusively within the Stanley Steemer System.

~~iv. allow, and cooperate with, reasonable assessments by SSI, or SSI's designated assessor (or a qualified and independent assessor arranged for by the Franchise Owner) to conduct an assessment of the Franchise Owner's policies and technical and organizational measures in support of the obligations under this Section 10 and Data Protection Laws, using an appropriate and accepted control standard or framework and assessment procedure for such assessments, and provide the report of such assessment to SSI upon request;~~

ii. **Tier 2 – Analytics & Improvement.** SSI may use Customer Data and Franchise Owner Operational Data for product development, system-wide analytics, benchmarking, and operational insights, shared with third-parties outside of the Stanley Steemer System, provided such uses employ de-identified and/or aggregated data that cannot reasonably identify individual customers or attribute specific performance results to a single Franchise Owner without additional information.

~~v. delete or return all SSI Personal Information upon termination or expiration of this Agreement or as otherwise instructed by SSI;~~

iii. **Tier 3 – Marketing & Public Communications.** SSI may use Customer Data and Franchise Owner Operational Data in public-facing marketing materials, case studies, or system-wide performance reports only if: (i) the data is de-identified and aggregated such that no individual customer or specific Franchise Owner can be identified; or (ii) Franchise Owner provides prior written consent for specific attribution.

~~vi. if Franchise Owner engages any subcontractors to handle SSI Personal Information (each such subcontractor, a "Subprocessor"), Franchise Owner will notify SSI of the engagement at least fifteen (15) business days in advance, during which time SSI will have a right to object to such engagement in its sole discretion;~~

iv. **De-identification Standard.** For purposes of this Section, "de-identified" means data from which all direct identifiers have been removed and which cannot reasonably be re-identified through available means, consistent with NIST Special Publication 800-188 or successor standards.

~~vii. if Franchise Owner engages any Subprocessor, such engagement shall be governed by a written agreement binding the Subprocessor to comply with terms equivalent to those contained in this Article 10, as it relates to SSI Personal Data, and Franchise Owner shall remain fully liable to SSI for the acts or omissions of its Subprocessors;~~

v. **No Limitation on Tier 1.** Nothing in this Section 12.E shall be construed to limit SSI's rights under subsection (i) for core System operations, which remain a material condition of the franchise grant.

~~viii. promptly notify SSI if it receives a request from an individual regarding SSI Personal Information, including a request to exercise a right under Data Protection Laws, and Franchise Owner shall await instructions from SSI concerning whether, and how, to respond to such a request, and shall assist SSI in fulfilling SSI's obligations to respond to such requests, including at minimum, maintaining the ability to access, modify, remove from processing, or irrevocably delete or destroy the Personal Information of an individual when requested by SSI;~~

vi. **Relationship to License Grant.** The license granted in Section 10.A.ii is subject to and exercised in accordance with the tiered data use restrictions set forth in this Section 12.E.

~~ix. assist SSI in meeting its obligations in relation to the security of SSI Personal Information;~~

~~x. assist SSI in meeting its obligations in relation to the notification of any Security Incident;~~

~~xi. cooperate, and require any Subprocessor to cooperate, with SSI in the investigation, mitigation, and remediation of any such Security Incident;~~

~~xii. provide any necessary information to enable SSI to conduct and document any required data protection assessments; and~~

~~xiii. limit access to SSI Personal Information to only those employees and consultants of Franchise Owner who need to have access to the SSI Personal Information, and will ensure that each such~~

- ~~employee, consultant or other person is bound to a written duty of confidentiality with regard to such SSI Personal Information;~~
- ~~xiv. notify SSI immediately if Franchise Owner determines it can no longer meet its obligations under applicable Data Protection Laws or this Article 10.~~

F. ~~D.~~ Limitations on Use of Personal Information and SSI Personal Information.

- i. Franchise Owner and SSI acknowledge and agree that Franchise Owner shall process SSI Personal Information solely to operate Franchise Owner's Stanley Steemer Business in accordance with the terms of this Access Agreement, and only for the duration of this Access Agreement. ~~SSI Personal Information~~ may include, but is not limited to, information about SSI and Franchise Owner's customers and prospective customers, including such person's names, contact information, address, internet or app activity, and buying habits and history. ~~Without~~
- ii. SSI shall have the right to: (a) take reasonable and appropriate steps to help ensure that Franchise Owner uses such Personal Information in a manner consistent with the SSI's obligations under and as required by applicable Data Protection Laws; and (b) upon reasonable prior written notice, take reasonable and appropriate steps to stop and remediate unauthorized use of Personal Information under and as required by applicable Data Protection Laws.
- iii. In relation to California residents, and without limiting Franchise Owner's obligations under ~~Article~~ Section 10, Franchise Owner shall not:
- a. ~~i.~~ "sell" or "share" (as those terms are defined by applicable Data Protection Laws) ~~SSI Personal Information; or~~
- b. ~~ii.~~ combine ~~SSI Personal Information~~ with Personal Information subject to Section 10(B) except to perform a business purpose as defined in regulations adopted pursuant to Cal. Civ. Code 1798.185(a)(10).

E. ~~Franchise Owner Compliance with Data Protection Laws.~~ ~~Franchise Owner represents, warrants, and agrees that it will at all times, whether acting as a data controller or processor:~~

- ~~i. comply with all applicable federal, state, or local laws, codes or regulations that regulate the processing of Personal Information, including, but not limited to, data protection laws, laws regulating marketing communications and/or electronic communications, laws regulating the collection of Personal Information at the point of sale or online, information security laws, regulations or best practices, Payment Card Industry Data Security Standards, and security breach notification laws, regulations or rules (collectively, "Data Protection Laws");~~
- ~~ii. comply with all standards, specifications, requirements, criteria, and policies, including but not limited to those set forth in the Stanley Steemer Manuals, that have been and are in the future developed and compiled by SSI that relate to Data Protection Laws and the privacy and security of Personal Information, or the privacy, protection and security of the systems, networks or software of SSI;~~
- ~~iii. refrain from any action or inaction that could cause SSI to breach any Data Protection Laws; (iv) do and execute, or arrange to be done and executed, each act, document and thing SSI deems necessary in SSI's sole discretion to keep SSI in compliance with the Data Protection Laws in a timely manner; and Immediately report to SSI the actual, attempted or suspected theft or loss of, or unauthorized access to, Personal Information (a "Security Incident"). For avoidance of doubt, this also includes notification of any such Security Incident containing SSI Personal Information.~~

F. ~~SSI as Data Controller.~~ ~~SSI reserves the right to take reasonable and appropriate steps to help ensure that Franchise Owner processes SSI Personal Information in a manner consistent with SSI obligations under Data Protection Laws, including without limitation, the right upon notice to stop and remediate any unauthorized processing of SSI Personal Information.~~

- G. **SSI Access to and Use of Franchise Owner Personal Information and Operational Data.** ~~SSI will~~ shall have the right to independently access sales information and other operational Customer Data, Franchise Owner Operational Data, and other data produced by or through the Integrated Technology Systems and there are no contractual

~~limitations on SSI's right to access and use that information and data, even where the underlying data is maintained by a third party, subject to the tiered data use restrictions set forth in Section 12.E and SSI's obligations as an independent data controller under Section 12.B. Franchise Owner must~~shall provide SSI access to ~~the information on the Integrated Technology Systemssuch data~~ in the manner specified by SSI and ~~must~~ supply SSI with any and all, including any security codes or credentials necessary to obtain such access. ~~Franchise Owner agrees that SSI will not be liable to Franchise Owner for any claims, losses, or damages arising from or related to SSI's access to or use of the information and other data produced by the Integrated Technology Systems, including but not limited to any errors or omissions in the information and other data obtained by SSI or in the information and other data shared by SSI with third parties (including other Stanley Steemer franchise owners or prospective Stanley Steemer franchise owners). SSI's access to and use of such data shall be governed by this Agreement and applicable Data Protection Laws. Nothing in this Section expands SSI's rights beyond those granted in Section 10 and this Section 12.~~

13. ~~44.~~ **Termination.** In addition to any other express termination right set forth elsewhere in this Access Agreement:

- A. either party may terminate this Access Agreement, effective on written notice to the other party, if the other party materially breaches the terms of this Access Agreement, and such breach:
 - i. is incapable of cure; or
 - ii. being capable of cure, remains uncured thirty (30) days after the non-breaching party provides the breaching party with written notice of such breach. Notwithstanding the foregoing, termination for failure to pay Technology Fees shall be subject to the sixty (60) day cure period specified in Section 13.C(d).
- ~~B. SSI may terminate this Access Agreement or discontinue Franchise Owner's access to specific System Components at any time, with or without cause, upon sixty (60) days written notice to Franchise Owner.~~
- B. **Discontinuation of Individual Components.** SSI's right to discontinue individual System Components under Section 6.I does not constitute termination of this Access Agreement.
- C. **Material Breach and Franchise Agreement Default.** Franchise Owner's breach of the following provisions of this Access Agreement shall constitute a material breach of the Franchise Agreement: (a) Section 6.B (Required Components) if Franchise Owner fails to implement or continuously use Required Components after receiving notice and the applicable cure period under Section 13.A; (b) Section 11 (Franchise Owner Security) or Section 12 (Data Protection; Processing and Access) for any breach involving unauthorized access, disclosure, or misuse of Personal Information or Customer Data; (c) Section 12 (Data Protection; Processing and Access) for violations that expose SSI to regulatory liability or consumer complaints; (d) Section 9 (Technology Fees) if Franchise Owner fails to pay Technology Fees for sixty (60) days after written notice of non-payment; or (e) any other breach that SSI reasonably determines poses a material risk to system integrity, data security, Brand Standards, or SSI's intellectual property rights, provided that SSI has given Franchise Owner written notice specifying the breach, the basis for SSI's determination that the breach poses a material risk, and a reasonable cure period consistent with Section 13.A. All other breaches of this Access Agreement may be remedied through the suspension and cure procedures set forth in Section 14 without constituting default under the Franchise Agreement, unless such breaches continue for more than ninety (90) days following suspension under Section 14, in which case SSI may, in its reasonable discretion, treat such continuing non-compliance as a material breach of the Franchise Agreement.
- D. **Data Transition Upon Termination.**
 - i. **Limited Data Export.** Within thirty (30) days following termination or expiration of this Agreement, and provided Franchise Owner is current on all payment obligations under this Agreement and the Franchise Agreement, SSI shall provide Franchise Owner with a one-time export in CSV format containing the following data elements, to the extent such data exists in SSI's systems and has not been deleted, anonymized, or redacted pursuant to SSI's data retention policies, customer deletion requests, or legal obligations: (i) customer names; (ii) service addresses; (iii) phone numbers; (iv) email addresses; and (v) service dates and service types for customers who received at least one service from Franchise Owner during the twenty-four (24) month period immediately preceding the termination or expiration date ("Transition Data").

- ii. **Exclusions from Transition Data.** Transition Data shall not include: (i) customer payment information, credit card data, or financial account details; (ii) SSI's proprietary customer scoring, segmentation, predictive analytics, or lifetime value calculations; (iii) marketing attribution data, customer acquisition cost data, or lead source information; (iv) any data relating to services performed by other Franchise Owners or SSI company-owned locations; (v) System-wide data compilations, benchmarking data, or aggregated insights; (vi) any element of the Technology System software, algorithms, source code, or database schemas; or (vii) records for customers whose data has been deleted or anonymized pursuant to Data Subject Access Requests or SSI's data retention policies.
- iii. **Data Availability Limitations.** SSI makes no representation or warranty regarding: (i) the completeness or accuracy of Transition Data; (ii) the availability of specific data fields for all customers (certain records may contain incomplete, anonymized, or redacted information due to customer privacy requests, data retention policies, system limitations, or legal requirements); or (iii) SSI's ability to provide data that has been lawfully deleted or anonymized pursuant to Data Subject Access Requests (DSARs), regulatory retention limits, or SSI's data retention policies. Franchise Owner acknowledges that Transition Data represents a one-time static snapshot of data available in SSI's systems as of the export date, and SSI shall have no obligation to update, supplement, correct, or re-export such data.
- iv. **Use Restrictions.** Franchise Owner may use Transition Data solely to: (i) provide service continuity to customers during the transition period; (ii) fulfill Franchise Owner's legal obligations to such customers; and (iii) wind down the Franchised Business in an orderly manner. Franchise Owner shall not use Transition Data to compete with SSI or the System in violation of the Franchise Agreement's post-term covenants or for any purpose prohibited by applicable Data Protection Laws.
- v. **Withholding for Default.** If termination results from Franchise Owner's material breach, or if Franchise Owner is in default on any payment obligations under this Agreement or the Franchise Agreement, including any unpaid audit fees or costs of collection, SSI may withhold Transition Data until Franchise Owner cures all such defaults and reimburses SSI for all amounts due under Section 17 (Franchise Owner Indemnity). If Franchise Owner fails to cure all payment defaults within ninety (90) days of termination, SSI's obligation to provide Transition Data shall expire.
- vi. **Data Export Fee.** Franchise Owner shall pay SSI's then-current reasonable administrative and data processing fee to cover the costs of compiling, formatting, and providing Transition Data. This fee shall be due upon termination and may be deducted from any amounts SSI owes Franchise Owner or added to Franchise Owner's outstanding balance.
- vii. **Not Applicable to Approved Transfers.** This Section 13.D does not apply to approved transfers of the Franchise under Article X of the Franchise Agreement. Approved transferees receive full operational access to customer data through normal System channels as part of the ongoing franchise relationship.
- viii. **Data Retention and Regulatory Limitations.** The availability of Transition Data is subject to SSI's data retention policies in effect at the time of termination. SSI shall have no obligation to retain, reconstruct, or de-anonymize customer data beyond the periods required by applicable law. Franchise Owner acknowledges that the scope of Transition Data may be further limited by:
 - a. **Customer Deletion Requests.** Records deleted or anonymized pursuant to Data Subject Access Requests (DSARs) under CCPA, GDPR, or other Data Protection Laws;
 - b. **Policy-Based Deletion.** Records deleted or anonymized pursuant to SSI's document retention policies, data minimization obligations, or regulatory retention limits;
 - c. **System and Technical Limitations.** Data fields not captured in legacy systems, lost during system migrations, or technically infeasible to extract in the requested format; or
 - d. **Legal Restrictions.** Records subject to litigation holds, regulatory investigations, or other legal restrictions on data transfer

- ix. **Franchise Owner's Post-Export Data Obligations.** Following receipt of Transition Data, Franchise Owner shall:
- a. **DSAR Compliance.** Upon receiving written notice from SSI that a customer has submitted a deletion request, Franchise Owner shall permanently delete such customer's Personal Information within ten (10) business days.
 - b. **Cooperation.** Cooperate with SSI in responding to any DSARs related to customers in the Transition Data.
 - c. **Data Security.** Maintain the Transition Data in accordance with the data security obligations in Section 11 until such time as Franchise Owner is legally permitted to delete such data.
 - d. **Indemnification.** Breach of this Section 13.D.ix shall constitute a material breach subject to the indemnification obligations in Section 17.
- x. **No Waiver of Rights.** Provision of Transition Data does not waive or limit: (i) SSI's rights under the Franchise Agreement's post-term covenants; (ii) SSI's ownership of all customer data and relationships; (iii) Franchise Owner's obligations regarding Confidential Information; or (iv) SSI's rights to continue serving customers included in the Transition Data through other Franchise Owners or company-owned operations.
- E. **Designated Incurable Defaults.** The following conduct shall constitute incurable defaults under this Access Agreement for which SSI may terminate this Access Agreement effective immediately upon written notice to Franchise Owner, without opportunity to cure:
- i. **Unauthorized Disclosure of Customer Data.** Franchise Owner, or any person acting at Franchise Owner's direction or with Franchise Owner's actual knowledge, intentionally discloses, transfers, sells, or makes available Customer Data (as defined in Section 10.A.i) to any competitor of SSI or the Stanley Steemer System, any non-affiliated third party not authorized under this Access Agreement, or any person or entity for purposes unrelated to Franchise Owner's operation of the Stanley Steemer Business, except as expressly permitted under Section 12 or as required by applicable law or valid legal process.
 - ii. **Deliberate Security Circumvention.** Franchise Owner, or any person acting at Franchise Owner's direction or with Franchise Owner's actual knowledge, deliberately circumvents, disables, or bypasses security protocols, access controls, encryption requirements, or data-reporting functions of the Integrated Technology Systems after SSI has provided Franchise Owner with written notice: (a) identifying the specific security requirement; (b) explaining the risk that circumvention poses to system integrity, data security, or customer privacy; and (c) providing Franchise Owner a reasonable opportunity to address any operational concern through authorized channels. For avoidance of doubt, inadvertent misconfiguration, good-faith disputes regarding the appropriateness of a security requirement, or delays in implementing newly-designated security measures during the applicable notice period under Section 18.G shall not constitute deliberate circumvention under this Section 13.E.ii.
 - iii. **Criminal Use of Systems.** Franchise Owner, or any person acting at Franchise Owner's direction or with Franchise Owner's actual knowledge, uses the Integrated Technology Systems to facilitate criminal activity, including but not limited to fraud, identity theft, unauthorized computer access, money laundering, or violations of federal or state computer crime statutes.
 - iv. **Relationship to Franchise Agreement.** For Franchise Owners operating under versions of the Franchise Agreement that include Article XIII, Section C.18 (or its equivalent), the designations in this Section 13.E satisfy the "designated therein" requirement of that provision. For Franchise Owners operating under prior versions of the Franchise Agreement that do not include a comparable cross-default provision, the designations in this Section 13.E constitute independent contractual grounds for immediate termination of this Access Agreement and a material breach of the Franchise Agreement entitling SSI to exercise all remedies available thereunder, including termination, without opportunity to cure. Nothing in this Section 13.E limits

SSI's right to terminate the Franchise Agreement under its own incurable default provisions (including, where applicable, Article XIII, Section C.15) for the same underlying conduct.

- v. **Safe Harbor.** Conduct that does not meet the scienter thresholds in subsections (i) through (iii) above—including negligent data handling, inadvertent security lapses, good-faith delays in adopting new technology requirements, or employee actions taken without Franchise Owner's knowledge or direction—shall not constitute an incurable default under this Section 13.E but may constitute a curable default under Section 13.A or a basis for suspension under Section 14.

14. **12.-Suspension.** SSI may suspend Franchise ~~Owner's~~Owner's access to ~~and utilization of~~ the Integrated Technology Systems ~~if~~ as follows:

- A. **Suspension for Payment Default.** If Franchise Owner fails to pay any ~~fees~~Technology Fees or other amounts due under ~~Section 7 of this Access Agreement, and such failure continues more than~~ when due, SSI may suspend Franchise Owner's access to the Integrated Technology Systems upon ten (10) days after SSI's delivery of written notice thereof of such non-payment. Franchise Owner acknowledges that non-payment of Technology Fees for sixty (60) days past the original due date constitutes a material breach of the Franchise Agreement pursuant to Section 13.C(d), regardless of when SSI provides notice of such non-payment.
- B. **Immediate Suspension Without Notice.** SSI may immediately suspend Franchise ~~Owner's~~Owner's access to ~~and utilization of~~ the Integrated Technology Systems without prior notice ~~for if~~ SSI reasonably determines that continued access poses a material risk to system integrity, data security, legal compliance, or other Franchise Owners, including but not limited to:
- i. ~~A. use~~Use of the Integrated Technology Systems in a way that violates any applicable local, state, federal, or foreign laws or regulations or the terms of this Access Agreement, or regarding data privacy, consumer protection, or criminal activity;
 - ii. ~~B. use~~Use of the Integrated Technology ~~Services~~Systems that results in excessive bounces, SPAM complaints via feedback loops, direct spam complaints, or requests for removal from a mailing list by recipients; ~~or~~
 - iii. ~~C. repeated instances of posting~~Posting or uploading material that infringes or is alleged to infringe on the copyright, trademark, or other intellectual property rights of any person or entity; ~~or~~
 - iv. ~~D. use~~Use of the Integrated Technology Systems that disrupts or threatens the security or integrity of the Integrated Technology Systems, specific System Components, or other ~~users~~Franchise Owners' access to the systems; ~~or~~
 - v. Failure to implement required supporting modules after receiving notice and a reasonable implementation period; or
 - vi. ~~E. use~~Use of the Integrated Technology Systems in a manner that, in SSI's sole discretion, ~~causes harm to others.~~SSI's reasonable judgment, poses an imminent threat to the security, integrity, or data privacy of the Integrated Technology Systems or creates liability exposure for SSI or other Franchise Owners under applicable Data Protection Laws.

Immediate suspension under this subsection (b) is necessary and commercially reasonable because the conduct described poses ongoing harm that cannot be adequately remedied through notice and cure periods, threatens SSI's ability to comply with legal obligations, or creates immediate risk to system security or data integrity affecting all system users. Franchise Owner acknowledges that continued access during a notice period in such circumstances would allow the harmful conduct to continue and potentially cause irreparable damage.

- C. **Notice of Suspension.** When SSI suspends access under subsection (a) or (b) above, SSI shall provide Franchise Owner with written notice of the suspension (which may be provided simultaneously with suspension for immediate suspension events, or within twenty-four (24) hours thereafter). Such notice shall specify: (i) the basis for suspension; (ii) the specific conduct or default requiring cure; (iii) the actions Franchise Owner must take to cure

the default and have access reinstated; and (iv) the deadline for cure, which shall be consistent with cure periods in the Franchise Agreement for corresponding defaults.

D. **Partial Access During Suspension.** When SSI suspends Franchise Owner's access to the Integrated Technology Systems under this Section, SSI shall, where technically feasible and consistent with protecting SSI's interests, maintain Franchise Owner's access to: (i) reporting functions necessary for compliance with the Franchise Agreement; (ii) the limited Transition Data export tool as provided under Section 13.D; and (iii) other read-only functions that do not present security risks or facilitate the conduct giving rise to the suspension. This limited access does not constitute a waiver of the suspension and may be further restricted if Franchise Owner misuses such access or if the security risk increases.

E. **Relationship to Franchise Agreement.** TSAA suspension is a protective interim remedy that does not limit or delay SSI's right to terminate the Franchise Agreement. However, upon Franchise Owner's verified cure of the underlying breach and SSI's acceptance of such cure, SSI shall restore full access to the Integrated Technology Systems within two (2) business days.

F. **Cure and Reinstatement.**

i. **Payment Defaults.** For suspensions under subsection (a), Franchise Owner may cure by paying all past-due amounts plus any accrued interest within the ten (10) day cure period. Upon SSI's receipt of full payment, SSI shall reinstate access within two (2) business days.

ii. **Non-Payment Defaults.** For suspensions under subsection (b), Franchise Owner must cure the underlying default within the cure period specified in SSI's notice (which shall align with cure periods in the Franchise Agreement for similar defaults). Upon SSI's reasonable determination that the default has been cured, SSI shall reinstate access within two (2) business days. If the nature of the default is such that cure requires ongoing compliance (e.g., cessation of prohibited conduct), SSI may condition reinstatement on Franchise Owner's written commitment to comply and may reinstate access subject to enhanced monitoring for a reasonable period.

iii. **Incurable Defaults.** If the conduct triggering suspension constitutes an incurable default under the Franchise Agreement (such as fraud, criminal activity, or willful misconduct), SSI may proceed directly to termination of this Access Agreement and the Franchise Agreement without opportunity for cure or reinstatement.

G. **Effect of Continued Suspension.** Franchise Owner acknowledges that:

i. **Suspension does not excuse Franchise Owner's obligations under this Access Agreement or the Franchise Agreement, including without limitation the obligation to pay Technology Fees, maintain insurance, and protect Confidential Information;**

ii. **If Franchise Owner's access to any Required Component remains suspended for more than thirty (30) consecutive days without cure to SSI's reasonable satisfaction, such continued suspension shall constitute a material breach of the Franchise Agreement entitling SSI to exercise all remedies available under the Franchise Agreement, including termination. For Franchise Owners operating under versions of the Franchise Agreement that include Article XIII.C.20 (or its equivalent), this provision confirms and does not expand the default designated therein. For Franchise Owners operating under prior versions of the Franchise Agreement, this provision constitutes an independent contractual acknowledgment that continued suspension beyond thirty (30) days is a material breach of the franchise relationship; and**

iii. **During any period of suspension, Franchise Owner may be unable to operate the Stanley Steemer Business in compliance with Brand Standards and this may result in additional defaults under the Franchise Agreement.**

H. **No Waiver of Other Rights.** SSI's election to suspend access under this Section 14 does not waive SSI's right to terminate this Access Agreement or the Franchise Agreement for the same default or any other default, and SSI may elect to proceed directly to termination without first suspending access. SSI's decision to suspend rather than

terminate, or to reinstate access after suspension, shall not be construed as a waiver of SSI's right to subsequently terminate for the same or different defaults.

15. ~~13.~~ Disclaimer of Warranties.

FRANCHISE OWNER UNDERSTANDS AND AGREES AS FOLLOWS:

- A. FRANCHISE OWNER'S USE OF THE INTEGRATED TECHNOLOGY SYSTEMS IS AT ITS SOLE RISK. THE INTEGRATED TECHNOLOGY SYSTEMS ARE PROVIDED ON AN "AS IS" AND "AS AVAILABLE" BASIS. SSI EXPRESSLY DISCLAIMS ALL WARRANTIES OF ANY KIND, WHETHER EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NON-INFRINGEMENT.
- B. SSI MAKES NO WARRANTY THAT: (i) THE INTEGRATED TECHNOLOGY SYSTEMS WILL BE UNINTERRUPTED, TIMELY, SECURE, OR ERROR-FREE; (ii) THE RESULTS THAT MAY BE OBTAINED FROM THE USE OF THE INTEGRATED TECHNOLOGY SYSTEMS WILL BE ACCURATE OR RELIABLE; (iii) THE QUALITY OF ANY PRODUCTS, SERVICES, INFORMATION, OR OTHER MATERIAL PURCHASED OR OBTAINED THROUGH THE INTEGRATED TECHNOLOGY SYSTEMS WILL MEET YOUR EXPECTATIONS; AND (iv) ANY ERRORS IN THE UNDERLYING SYSTEMS WILL BE CORRECTED.
- C. SSI DISCLAIMS ANY REPRESENTATIONS OR WARRANTIES THAT USE OF THE INTEGRATED TECHNOLOGY SYSTEMS WILL SATISFY OR ENSURE COMPLIANCE WITH ANY LEGAL OBLIGATIONS OR LAWS OR REGULATIONS. THIS DISCLAIMER APPLIES TO BUT IS NOT LIMITED TO FEDERAL, STATE, AND LOCAL INCOME, PAYROLL, SALES TAX AND OTHER TAX LAWS, THE HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996 ("HIPAA"), THE GRAMM-LEACH-BLILEY ACT OF 1999, THE SARBANES- OXLEY ACT OF 2002, OR OTHER FEDERAL OR STATE STATUTES OR REGULATIONS. FRANCHISE OWNER IS SOLELY RESPONSIBLE FOR ENSURING THAT ITS USE OF THE INTEGRATED TECHNOLOGY SYSTEMS IS IN ACCORDANCE WITH APPLICABLE LAW. FRANCHISE OWNER HAS BEEN ADVISED TO CONSULT WITH TAX, ACCOUNTING, AND/OR LEGAL REPRESENTATIVES OF ITS CHOOSING TO ENSURE THAT ITS USE OF THE INTEGRATED TECHNOLOGY SYSTEMS AND THE CALCULATIONS, RETURNS, REPORTS, AND OTHER RESULTS PRODUCED OR COMPILED BY THE INTEGRATED TECHNOLOGY SYSTEMS COMPLY WITH APPLICABLE LAWS. FRANCHISE OWNER ACKNOWLEDGES AND UNDERSTANDS THAT IT IS RESPONSIBLE FOR AND IS NOT RELYING UPON SSI OR THE INTEGRATED TECHNOLOGY SYSTEMS FOR COMPLIANCE WITH LAWS APPLICABLE TO THE OPERATION OF FRANCHISE OWNER'S STANLEY STEEMER BUSINESS.
- D. **Artificial Intelligence Acknowledgement.** To the extent the Integrated Technology Systems utilize artificial intelligence or machine learning components ("AI Features"), Franchise Owner acknowledges that: (i) AI Features may generate output that is inaccurate, offensive, or non-compliant with Brand Standards; (ii) Franchise Owner is solely responsible for exercising commercially reasonable oversight of output generated by AI Features before use or publication (or, in the case of autonomous or real-time AI Features where prior review is not feasible, Franchise Owner agrees to assume the risk of any inaccuracies generated by such AI Features); and (iii) SSI makes no representation or warranty regarding the accuracy of any content generated by AI Features, and expressly disclaims any liability for actions taken by Franchise Owner (or automated actions taken by the Integrated Technology Systems on Franchise Owner's behalf) in reliance on such content. Franchise Owner's use of or reliance on AI Features, including any third-party claims arising therefrom, shall be subject to the indemnification obligations set forth in Section 17 (Franchise Owner Indemnity) solely to the extent such claims arise from Franchise Owner's independent operational decision to apply an AI recommendation and not from the design, training data, architecture, or underlying logic of SSI's AI systems.
- E. **Preservation of Contractual Covenants.** Nothing in this Section 15 limits or disclaims SSI's contractual covenants set forth elsewhere in this Access Agreement, including SSI's obligation to use commercially reasonable efforts to maintain the availability of Required Components as set forth in Section 5.B. The disclaimers in this

Section apply to warranties only and do not modify any party's express contractual obligations under this Access Agreement.

16. 14.—**Limitation of Liability.** FRANCHISE OWNER EXPRESSLY UNDERSTANDS AND AGREES THAT NEITHER SSI NOR ITS AFFILIATES, CONTRACTORS OR LICENSORS SHALL BE LIABLE FOR ANY DIRECT, INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL OR EXEMPLARY DAMAGES, INCLUDING DAMAGES FOR LOSS OF PROFITS, GOODWILL, USE, DATA, OR OTHER INTANGIBLE LOSSES (EVEN IF SSI HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES), RESULTING FROM: (a) FRANCHISE OWNER'S USE OF OR INABILITY TO USE THE INTEGRATED TECHNOLOGY SYSTEMS; (b) THE COST OF PROCUREMENT OF SUBSTITUTE GOODS AND SERVICES RESULTING FROM ANY GOODS, DATA, INFORMATION OR SERVICES PURCHASED OR OBTAINED OR MESSAGES RECEIVED OR TRANSACTIONS ENTERED INTO THROUGH OR FROM THE INTEGRATED TECHNOLOGY SYSTEMS; (c) UNAUTHORIZED ACCESS TO OR ALTERATION OF FRANCHISE OWNER'S TRANSMISSIONS, DATA OR OTHER USER CONTENT; (d) STATEMENTS OR CONDUCT OF ANY THIRD-PARTY ON THE INTEGRATED TECHNOLOGY SYSTEMS; OR (e) ANY OTHER MATTER RELATING TO THE INTEGRATED TECHNOLOGY SYSTEMS. SSI SHALL NOT BE LIABLE FOR ANY DELAY OR FAILURE IN PERFORMANCE OF THE INTEGRATED TECHNOLOGY SYSTEMS RESULTING FROM A FORCE MAJEURE EVENT, WHICH INCLUDES, BUT IS NOT LIMITED TO, OUTAGES OR FAILURES OF THIRD-PARTY CLOUD HOSTING PROVIDERS, INTERNET SERVICE PROVIDERS, OR TELECOMMUNICATIONS INFRASTRUCTURE NOT WITHIN SSI'S DIRECT CONTROL. NOTWITHSTANDING THE FOREGOING, NOTHING IN THIS SECTION LIMITS SSI'S LIABILITY FOR ITS GROSS NEGLIGENCE, WILLFUL MISCONDUCT, OR VIOLATIONS OF APPLICABLE LAW, AND SSI'S AGGREGATE LIABILITY FOR ALL OTHER CLAIMS SHALL NOT EXCEED AN AMOUNT EQUAL TO TWELVE (12) MONTHS OF TECHNOLOGY FEES PAID BY FRANCHISE OWNER. THE FEE CREDIT REMEDY SET FORTH IN SECTION 5.B.III(A), IF APPLICABLE, IS IN ADDITION TO AND NOT LIMITED BY THE AGGREGATE LIABILITY CAP IN THIS SECTION.
17. 15.—**Franchise Owner Indemnity.** In addition to the Franchise ~~Owner's~~Owner's indemnification obligations under the Franchise Agreement, Franchise Owner shall indemnify and hold harmless ~~the~~ SSI and its officers, directors, members and shareholders, from and against any and all third party claims, suits, losses, liabilities, damages, settlements, costs and expenses, including reasonable attorneys' fees, which are based on, relate to or arise from breach of this Agreement or use of the Integrated Technology ~~Services~~Systems by Franchise Owner or its employees, officers, contractors, representatives and agents, ~~including without limitation,~~ but not limited to:
- A. Franchise ~~Owner's~~Owner's violation of any licenses or sublicenses granted hereunder or any license agreement otherwise applicable to ~~the~~ any element of the Integrated Technology Systems;
 - B. violation of any Data Protection Laws, ~~or any unauthorized access or compromise of Franchise Owner's Systems;~~
 - C. any claims or allegations that SSI is a joint or co-employer of Franchise Owner's employees or otherwise liable under any joint-employer, apparent agency, agency-by-estoppel, or vicarious liability theory arising from or related to Franchise Owner's use of or access to the Integrated Technology Systems;
 - D. any unauthorized access or compromise of Franchise Owner's Systems; provided, however, that Franchise Owner shall have no obligation to indemnify SSI under this subsection (iv) to the extent such claim results directly from SSI's gross negligence or willful misconduct, or from a structural failure of the Integrated Technology Systems not attributable to Franchise Owner. This indemnification obligation shall include, but is not limited to, all direct costs incurred by SSI in responding to a Security Incident originating from the Franchise Owner's Systems or the Franchise Owner's failure to comply with this Agreement, including forensic investigation fees, customer notification costs, and fees for providing credit monitoring services to affected individuals; or
 - E. **Employment Claims.** Any employment-related claims (including wage and hour violations, discrimination, harassment, wrongful termination, or retaliation claims) brought by Franchise Owner's employees that allege SSI exercised control over employment decisions through the Integrated Technology Systems or technology-generated recommendations; provided, however, that this indemnification obligation shall not apply to claims that allege, and are ultimately determined to arise primarily from, defects in the design, training data, or algorithmic logic of SSI's

AI systems rather than from Franchise Owner's independent operational decision to act on a technology-generated recommendation. This indemnification obligation includes all defense costs and expenses incurred by SSI, regardless of the ultimate outcome of such claims. Franchise Owner acknowledges that all employment decisions remain within Franchise Owner's sole discretion as documented throughout this Agreement.

F. **Limitations on Indemnification.** Notwithstanding anything in this Section 17 to the contrary, Franchise Owner's indemnification obligations shall not apply to the extent that the claim, loss, or liability arises directly from SSI's sole and independent negligence unrelated to the franchise relationship, SSI's gross negligence, or SSI's willful misconduct, as finally adjudicated by a court of competent jurisdiction or determined by an arbitrator in accordance with the Franchise Agreement's dispute resolution provisions. In any claim involving alleged concurrent fault of both SSI and Franchise Owner, Franchise Owner's indemnification obligation shall be reduced proportionally to reflect SSI's degree of fault as determined by the adjudicating authority. To the extent any applicable state anti-indemnity statute prohibits or limits indemnification for the indemnitee's own negligence, the indemnification obligations in this Section shall be enforceable only to the maximum extent permitted by such law, and any unenforceable portion shall be severed without affecting the enforceability of the remainder.

G. **SSI Indemnification.** To the extent the Franchise Agreement contains reciprocal indemnification obligations running from SSI to Franchise Owner (including, for Franchise Owners operating under the current version of the Franchise Agreement, Article IX, Section G), such obligations extend to claims arising under this Access Agreement where applicable, and nothing in this Section 17 limits or modifies those obligations. For Franchise Owners operating under versions of the Franchise Agreement that do not contain reciprocal indemnification provisions, SSI shall indemnify Franchise Owner for third-party claims to the extent such claims arise directly from SSI's gross negligence or willful misconduct in the operation or maintenance of the Integrated Technology Systems, or from a data breach originating from systems within SSI's direct operational control where SSI failed to maintain commercially reasonable security measures. SSI's aggregate liability under this subsection shall not exceed the aggregate cap set forth in the Franchise Agreement or, if no such cap exists, two hundred fifty thousand dollars (\$250,000).

18. ~~46.~~ **General.**

- A. **Severability.** If any provision of this Agreement shall be construed to be illegal or invalid, it shall not affect the legality or validity of any other provisions hereof. The illegal or invalid provision shall be deemed deleted as if never incorporated herein, but all other provisions hereof shall continue.
- B. **Amendment.** ~~No~~ Except as otherwise provided in this Agreement, no change or modification ~~into~~ this Agreement shall be valid unless ~~the same be~~ in writing and signed by ~~the parties~~ both parties. Notwithstanding the foregoing, SSI may amend this Agreement and any Incorporated Materials as provided in Section 18.G, and such amendments shall be effective without Franchise Owner's signature upon the conditions set forth therein.
- C. **Interpretation.** Except to the extent governed by the U.S. Trademark Act of 1946, as amended, and unless otherwise provided by applicable state law, this Agreement shall be deemed to have been made and entered into in the State of Ohio, and all rights and obligations of the parties hereto shall be governed by and construed in accordance with the local laws of the State of Ohio without application of its conflicts of laws principles.
- D. **~~Venue~~ Governing Law and Dispute Resolution.** Except to the extent prohibited by applicable state law to the contrary, SSI and Franchise Owner agree that any ~~litigation or legal action or proceeding~~ to enforce or relating to this Agreement and the relationship of the parties hereunder shall be governed by the laws of the State of Ohio and filed in the federal district court for the Southern District of Ohio in Columbus, Ohio, or the Common Pleas Court of Franklin County, Ohio, and SSI and Franchise Owner hereby consent to the jurisdiction of such courts; provided, however, that if Franchise Owner's Franchise Agreement contains a mandatory dispute resolution procedure (such as negotiation, mediation, or arbitration) that is expressly intended to govern disputes arising under "any other agreement" (or words of similar import) between Franchise Owner and SSI, then the procedure set forth in that Franchise Agreement shall exclusively govern any and all disputes arising under this Access Agreement, and the parties' consent to jurisdiction in Ohio courts shall apply only to the enforcement of such procedures or any resulting award.

E. **Entire Agreement; Integration.**

- i. **E. ~~Entire~~ Complete Agreement.** This Agreement contains the entire Access Agreement, together with the Franchise Agreement and the Stanley Steemer Manuals (as may be amended from time to time), constitutes the complete and exclusive statement of the agreement ~~of between~~ the parties ~~and no representation, inducements, promises, or agreement, oral or written (other than the most recent version of SSI's franchise disclosure document provided to Franchise Owner), not included in this Agreement shall be of any force and effect.~~ regarding Franchise Owner's access to and use of the Integrated Technology Systems and all related technology matters, and supersedes all prior and contemporaneous negotiations, discussions, representations, proposals, understandings, and agreements, whether written or oral, with respect to such subject matter.
- ii. **No Oral Modifications.** No amendment, modification, waiver, or termination of this Access Agreement shall be effective unless in writing and signed by both parties, provided that SSI retains the right to modify Required Components, technology specifications, and System Components through amendments to the Stanley Steemer Manuals as expressly provided in this Access Agreement and the Franchise Agreement.
- iii. **Parol Evidence.** The parties acknowledge that they have read this Access Agreement in its entirety, understand its terms, have had the opportunity to consult with advisors of their choosing, and agree that no representations, inducements, promises, or agreements not expressly set forth herein shall be of any force or effect. This Access Agreement may not be contradicted by evidence of prior, contemporaneous, or subsequent oral agreements between the parties. There are no oral agreements between the parties.
- iv. **Relationship to Franchise Agreement.** To the extent any provision of this Access Agreement conflicts with a provision of the Franchise Agreement on matters specifically related to technology systems, data ownership, technology fees, or Required Components, the terms of this Access Agreement shall control as provided in Section 2 (Standalone Definitions) and Section 3.C (Priority for Technology and Privacy Matters). In all other respects, the Franchise Agreement remains in full force and effect, and this Access Agreement supplements (but does not replace) the Franchise Agreement.
- v. **Amendment Independence.** Amendments to this Access Agreement do not constitute amendments to the Franchise Agreement unless expressly stated therein, and vice versa. Each agreement maintains an independent amendment lifecycle.

F. **Waiver.** No failure by SSI or Franchise Owner to exercise any power given to it or to insist upon any strict compliance by the other party of any obligation hereunder, shall affect either party's right concerning such default of any subsequent default. Waiver by SSI or Franchise Owner of any particular default by the other party shall not affect or impair its rights in respect to any subsequent default of the same or a different nature.

G. **Amendments and Modifications.**

- i. **Tiered Notice Requirements.** SSI may modify this Access Agreement and materials referenced or incorporated herein according to the following notice requirements:
 - a. **One Hundred Eighty (180) Days' Notice:** Designation of additional System Components as Required Components, subject to the substantive requirements and conditions set forth in Section 6.B.
 - b. **Ninety (90) Days' Notice:** (1) Amendments to the text of this Access Agreement; (2) material increases to Technology Fees (defined as any increase exceeding the annual adjustment factor specified in Section 9, if applicable); and (3) changes to Incorporated Materials that SSI reasonably determines will require substantial capital expenditure or operational restructuring by Franchise Owner.

- c. **Thirty (30) Days' Notice:** Modifications to Incorporated Materials not subject to subsections (i) or (ii) above, including updates to the Technology Fee Schedule (other than material increases), Elective Component lists, System Component specifications, API Terms of Use, and applicable operating or technical policies published in the Stanley Steemer Manuals or made available through SSI's Franchise Owner portal.
- d. **Shorter Notice or Immediate Implementation:** SSI may implement changes on shorter notice or immediately when reasonably necessary to address urgent data security vulnerabilities, imminent legal or regulatory deadlines, or system integrity crises.
- ii. **System-Wide Application.** Unless otherwise stated, all modifications shall apply uniformly across the Stanley Steemer System and become binding on Franchise Owner upon the effective date specified in the applicable notice.
- iii. **Scope of Amendment Authority.** SSI will exercise its authority to amend the text of this Access Agreement only as necessary to reflect changes to applicable laws, System-level technical architecture, material operational requirements, or Data Protection Laws.
- iv. **Franchise Owner's Acceptance and Remedies.** Franchise Owner's continued access to or use of the Integrated Technology Systems following the effective date of any modification shall constitute acceptance of the modified terms. If Franchise Owner does not accept a modification to this Access Agreement, Franchise Owner's sole and exclusive remedy is to cease using the Integrated Technology Systems and terminate this Access Agreement in accordance with Section 13.A, provided that such termination shall not relieve Franchise Owner of any obligations under the Franchise Agreement.

H. Electronic Signatures & Electronic Records.

- i. **Definitions.** For purposes of this Section 18.H:
 - a. "Technology Documents" means this Agreement, any amendments or modifications hereto, any waivers or consents under this Agreement, and any other documents required to be delivered pursuant to this Agreement.
 - b. "Technology Document Party" means Franchise Owner, any party or signatory to a Technology Document, any natural person signing on behalf of any legal or business entity which is a party to a Technology Document, and any owner of an interest in Franchise Owner (if Franchise Owner is a legal or business entity). Where Franchise Owner is a legal or business entity, all provisions of this Section (including waivers and indemnification obligations in subsection 7) apply to both the entity and the natural person signing this Agreement on behalf of such entity individually.
 - c. "SSI" means Stanley Steemer International, Inc., an Ohio corporation, and its successors and assigns.
- ii. ~~G. Execution in Counterparts & Electronic Execution.~~ This Agreement may be executed in any number of counterparts, each of which shall be ~~as deemed~~ an original, and all of which together shall ~~be construed as a fully executed agreement.~~ Further, the parties hereto agree that counterparts executed and transmitted electronically or via facsimile shall also constitute originals. constitute one and the same instrument. Each party need not sign the same counterpart.
- iii. **Electronic Delivery of Signature Pages.** Delivery of an executed signature page or counterpart of a signature page of any Technology Document in electronic form (including by emailed portable document format (PDF) or any other electronic means) shall be, for all purposes, as valid and effective as the delivery of an original, manually executed signature page or counterpart of such Technology Document.
- iv. **Electronic Signatures—Validity and Enforceability.** Electronic signatures (i.e., an electronic sound, symbol, or process attached to, or associated with, an agreement, contract, or other record and adopted by a person with the intent to sign, authenticate, or accept such agreement, contract, or other record) used to

execute any Technology Document shall have the same legal force and effect, admissibility, validity, and enforceability as manually executed signatures, to the extent and as provided for under applicable law, including:

- a. the Uniform Electronic Transactions Act as enacted in the State of Ohio (Ohio Rev. Code § 1306.01 et seq.);
 - b. the Federal Electronic Signatures in Global and National Commerce Act (15 U.S.C. § 7001 et seq.); and
 - c. any other applicable state laws based on, or similar in effect to, such acts or laws.
- v. **Reliance and Confirmation.** SSI may rely on any electronic signature without further inquiry. SSI may require that a Technology Document Party send an email or other written communication to SSI, in such form and content as instructed by SSI, confirming the execution of such Technology Document by electronic signature. SSI may also require that any such Technology Documents and signatures thereto be confirmed by a separate manually signed original thereof delivered to SSI as instructed by SSI; provided, however, that the failure to request or deliver the same shall not limit the effectiveness of any PDF or other electronically delivered signature page.
- vi. **Agreement Regarding Electronic Signatures.** SSI and Franchise Owner agree that this Agreement and any other Technology Documents may be electronically signed by any and all parties thereto, including through use of electronic signature services such as DocuSign, Adobe Sign, or similar electronic signature platforms. Notwithstanding the foregoing, if requested by SSI, the Technology Document Parties shall re-execute, using a manual signature, any Technology Documents previously executed by electronic signatures.
- vii. **Waiver Regarding Electronic Signatures and Electronic Records.** By providing an electronic signature or by providing any confirmation or documentation described in subsection (5) above, Franchise Owner and any owner, officer, director, or manager of Franchise Owner (if Franchise Owner is a legal or business entity) waive:
- a. any argument, defense, or right to contest the legal effect, admissibility, validity, or enforceability of this Agreement or any other Technology Document based on the lack of paper originals or paper copies, including with respect to any signature pages or counterpart signature pages thereto; and
 - b. any claim against SSI or its affiliates (and their respective successors and assigns), and/or the respective officers, directors, shareholders, employees, representatives, agents, affiliates, and successors and assigns of SSI and its affiliates, for any losses, claims, damages, penalties, liabilities, and related expenses arising from SSI's reliance on or use of electronic signatures, electronic images, electronic records, emailed PDF, or any other electronic means that reproduces an image of an executed signature page, and/or use of any electronic signature service provider that facilitates electronic signatures (including DocuSign, Adobe Sign, or similar platforms), including any losses, claims, damages, penalties, liabilities, and related expenses arising as a result of the failure of a Technology Document Party to use any available security procedures and measures in connection with the execution, delivery, or transmission of any electronic signature or electronic record.
- I. ~~H.~~ **Notices.** All Notices required or permitted under this Agreement will be deemed given: (a) when delivered by hand; (b) ~~two days after electronically confirmed transmission by facsimile or electronically confirmed delivery receipt~~ by electronic mail in accordance with this Section 18.I; (c) three days after confirmed delivery if by certified or registered mail, postage prepaid; or (d) upon delivery by a nationally recognized courier or delivery service. ~~Either Party may specify a different address by notifying the other Party in writing of the different address. The notice address for each Party is~~ Notices to SSI shall be sent to its principal place of business as set forth in the preamble of this Agreement, or to such other address as SSI may designate by written Notice. Notices to Franchise Owner shall be sent to the Franchise Owner's principal place of business as set forth on the execution page of this Agreement and, in all cases, to the Franchise Owner's designated Stanley Steemer-issued email address of record (the "Designated Branded Email Address"). Franchise Owner shall have an email account within the Stanley Steemer domain, as required herein. Delivery by electronic mail to the Designated Branded Email Address shall

constitute effective Notice to Franchise Owner for all purposes under this Agreement, regardless of whether Franchise Owner accesses, reads, or otherwise acknowledges such email. Franchise Owner shall be solely responsible for maintaining access to, and monitoring, the Designated Branded Email Address. Failure to maintain or monitor the Designated Branded Email Address, or failure of any Franchise Owner-managed forwarding or filtering system, shall not affect the validity or effectiveness of any Notice delivered thereto. A Party may change its non-email physical Notice address by giving Notice to the other Party; provided, however, that Franchise Owner may not change or replace the Designated Branded Email Address without the prior written consent of SSI.

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{SIGNATURES ON FOLLOWING PAGE}

THE UNDERSIGNED HAVE READ AND UNDERSTAND THE FOREGOING AGREEMENT AND AGREE THERETO.

STANLEY STEEMER INTERNATIONAL, INC.

By: _____
D. Ryan Jankowski, Vice President Legal Affairs and
Chief Administrative Officer

FRANCHISE OWNER:

By: _____

EXHIBIT H

LIST OF STATE ADMINISTRATORS

California:

Commissioner of Financial Protection and
Innovation
Department of Financial Protection and
Innovation
320 West 4th Street, Suite 750
Los Angeles, ~~California~~ CA 90013-2344
(866) 275-2677
ask.dfpi@dfpi.ca.gov

Connecticut:

Assistant Director
Securities and Business Investment Division
Connecticut Department of Banking
260 Constitution Plaza
Hartford, ~~Connecticut~~ CT 06103-1800
(860) 240-8230

Florida:

Regulatory Consultant
Department of Agriculture and Consumer
Services
Division of Consumer Services
P.O. Box 6700
Tallahassee, ~~Florida~~ FL 32314-6700
(850) 410-3800

Hawaii:

Commissioner of Securities
Business Registration Division
Department of Commerce and Consumer Affairs
P.O. Box 40
Honolulu, ~~Hawaii~~ HI 96810
(808) 586-2744

Illinois:

State of Illinois Attorney General
Franchise Bureau
500 South Second Street
Springfield, ~~Illinois~~ IL 62701-1705
(217) 782-1090

Indiana:

State of Indiana Securities Division
302 West Washington Street, Room E-111
Indianapolis, ~~Indiana~~ IN 46204
(317) 232-6681

Iowa:

Iowa Secretary of State
Business Services
First Floor, Lucas Building
321 East 12th Street
Des Moines, ~~Iowa~~ IA 50319
(515) 281-5204

Kentucky:

State of Kentucky Attorney General
Office of Consumer Protection
1024 Capital Center Drive, Suite 200
Frankfort, ~~Kentucky~~ KY 40601
(502) 696-5389

Maryland:

Office of the Attorney General
Securities Division
200 St. Paul Place
Baltimore, ~~Maryland~~ MD 21202
(410) 576-6360

Michigan:

Michigan Assistant Attorney General
Consumer Protection Division, Franchise
Section
G. Mennen Williams Building, First Floor
525 West Ottawa Street
Lansing, ~~Michigan~~ MI 48933
(517) 373-7117

Minnesota:

Minnesota Department of Commerce
Securities Unit
85 7th Place East, Suite 280
St. Paul, ~~Minnesota~~ MN 55101
(651) 539-1600

Nebraska:

Nebraska Department of Banking and Finance
Bureau of Securities
1526 "K" Street, Suite 300
Lincoln, ~~Nebraska~~ NE 68508-2732
(402) 471-3445

New York:

NYS Department of Law
Investor Protection Bureau
28 Liberty St., 21st Fl.
New York, NY 10005
(212) 416-8222

North Dakota:

North Dakota Insurance & Securities
Department
Franchise Registration
600 East Boulevard Avenue, Dept. 401
State Capitol, Fifth Floor
Bismarck, ~~North Dakota 58505-0510~~ ND 58505
(701) ~~328-4712~~ 328-2910

Oregon:

Department of Consumer and Business Services
Division of Financial Regulation
350 Winter Street NE, Room 410
Salem, ~~Oregon OR~~ 97301-3883
(503) 378-4140

Rhode Island:

Rhode Island Dept. of Business Regulation
Securities Division
1511 Pontiac Avenue, Building 68-2
Cranston, ~~Rhode Island RI~~ 02920
(401) 462-9500

South Dakota:

Division of Insurance
Securities Regulation
124 S. Euclid, 2nd Floor
Pierre, South Dakota 57501
(605) 773-3563

Texas:

Secretary of State
Registrations Unit
James E. Rudder Office Building
1019 Brazos Street
Austin, ~~Texas TX~~ 78701
(512) 475-0775

Utah:

Director
State of Utah Department of Commerce
Division of Consumer Protection
160 East 300 South, 2nd Floor
P.O. Box 146704
Salt Lake City, ~~Utah UT~~ 84114-6704
(801) 530-6601

Virginia:

State Corporation Commission
Division of Securities and Retail Franchising
1300 East Main Street
Ninth Floor
Richmond, ~~Virginia VA~~ 23219

Washington:

Securities Division
~~Washington~~ Department of Financial
Institutions
~~Securities Division~~ State of Washington
P.O. Box 41200
Olympia, ~~Washington 98504~~ WA 98504-1200

Wisconsin:

Franchise Registration
Division of Securities, Suite 300
Department of Financial Institutions
P.O. Box 1768
Madison, ~~Wisconsin WI~~ 53701-1768
(608) 266-0448

EXHIBIT I

LIST OF AGENTS FOR SERVICE OF PROCESS

Arizona:

CT Corporation System
3800 North Central Ave., Suite 460
Phoenix, Arizona 85012

California:

Department of Financial
Protection and Innovation
651 Bannan Street
2101 Arena Boulevard Suite 300
Sacramento, California 95834 CA 95811

CT Corporation System
330 North Brand Blvd., Suite 700
Glendale, California 91203

Colorado:

CT Corporation System
7700 East Arapahoe Rd., Suite 220
Centennial, Colorado 80112

Connecticut:

CT Corporation System
357 E. Center St., Suite 2J
Manchester, Connecticut 06040-4471

Florida:

CT Corporation System
1200 South Pine Island Road
Plantation, Florida 33324

Hawaii:

Commissioner of Securities
Business Registration Division
Department of Commerce and Consumer Affairs
King Kalakaua Building
335 Merchant Street
Honolulu, Hawaii HI 96813

CT Corporation System
900 Fort Street Mall, Suite 1680
Honolulu, Hawaii 96813

Idaho:

CT Corporation System
1555 W. Shoreline Dr., Suite 100
Boise, Idaho 83702

Illinois:

Illinois Secretary of State
213 State Capitol
Springfield, Illinois 62756

CT Corporation System
208 S. LaSalle Street, Suite 814
Chicago, Illinois 60604

Indiana:

Indiana Secretary of State
200 W. Washington Street,-
Room 201
Indianapolis, Indiana IN 46204

CT Corporation System
334 North Senate Ave.
Indianapolis, Indiana 46204-1708

Kansas:

CT Corporation System
112 SW 7th Street, Suite 3C
Topeka, Kansas 66603

Kentucky:

Department of Financial Institutions
Securities Division
500 Metro Street
2SW19 Frankfort, KY 40601-3449
(502) 573-3990

CT Corporation System
306 W. Main Street, Suite 512
Frankfort, Kentucky 40601

Maryland:

Maryland Securities Commissioner
200 St. Paul Place
Baltimore, Maryland MD 21202-2020

The Corporation Trust Incorporated
2405 York Road, Suite 201
Lutherville Timonium, Maryland 21093

Massachusetts:

CT Corporation System
155 Federal Street, Suite 700
Boston, Massachusetts 02110

Michigan:

Corporations, Securities, & Commercial
Licensing Bureau
Securities & Audit Division
PO Box 30018
Lansing, Michigan 48909

CT Corporation System
40600 Ann Arbor Rd. East, Suite 201
Plymouth, Michigan 48170

Minnesota:

Minnesota Department of Commerce
Securities Unit
85 7th Place East, Suite 280
St. Paul, ~~Minnesota~~ MN 55101
(651) 539-1600

CT Corporation System
1010 Dale Street North
Saint Paul, Minnesota 55117

Nebraska:

Nebraska Department of Banking & Finance
Bureau of Securities
Commerce Court
1526 "K" Street, Suite 300
Lincoln, ~~Nebraska~~ NE 68508

CT Corporation System
5601 South 59th St., Suite C
Lincoln, Nebraska 68516

Nevada:

CT Corporation System
701 South Carson St., Suite 200
Carson City, Nevada 89701

New Jersey:

CT Corporation System
820 Bear Tavern Road
West Trenton, New Jersey 08628

New York:

Secretary of State
99 Washington Avenue
Albany, ~~New York~~ NY 12231

CT Corporation System
28 Liberty Street

New York, New York, 10005

North Dakota:

North Dakota ~~Securities~~ Insurance
Commissioner
~~State Capitol — 5th Floor~~
600 East Boulevard Avenue, Dept. 401
Bismarck, ~~North Dakota~~ ND 58505
(701) 328-2910

CT Corporation System
120 West Sweet Avenue
Bismarck, North Dakota 58504

Ohio:

CT Corporation System
4400 Easton Commons Way, Suite 125
Columbus, Ohio 43219

Oklahoma:

CT Corporation System
1833 South Morgan Road
Oklahoma City, Oklahoma 73128

Oregon:

Director of Oregon Department of Consumer
and Business Services
Division of Financial Regulation
350 Winter Street, NE, Room 410
Salem, ~~Oregon~~ OR 97301

CT Corporation System
780 Commercial Street SE, Suite 100
Salem, Oregon 97301

Pennsylvania:

CT Corporation System
600 North 2nd Street, Suite 401
Harrisburg, Pennsylvania 17101

Rhode Island:

Director of Rhode Island Department of
Business Regulation
Department of Business Regulation
Securities Division
Bldg. 68-2
1511 Pontiac Avenue
Cranston, ~~Rhode Island~~ RI 02920-4407

CT Corporation System
450 Veterans Memorial Pkwy., Suite 7A
East Providence, Rhode Island 02914

South Dakota:

Division of Insurance
Securities Regulation
124 S. Euclid, Suite 104
Pierre, South Dakota 57501
(605) 773-3563

CT Corporation System
319 South Coteau Street
Pierre, South Dakota 57501

Texas:

CT Corporation System
1999 Bryan Street, Suite 900
Dallas, Texas 75201

Utah:

CT Corporation System
1108 East South Union Avenue
Midvale, Utah 84047

Virginia:

Clerk of the State Corporation Commission
Commonwealth of Virginia
1300 East Main Street, 1st Floor
Richmond, Virginia VA 23219

CT Corporation
4701 Cox Road, Suite 285
Glen Allen, Virginia 23060

Washington:

Washington Department of Financial
Institutions
Securities Division
150 Israel Road Rd SW
Tumwater, Washington WA 98501

CT Corporation System
711 Capitol Way South, Suite 204
Olympia, Washington 98501

West Virginia:

CT Corporation Systems
5098 Washington St. W, Suite 407
Charleston, West Virginia 25313-1561

Wisconsin:

Wisconsin Department of Financial Institutions
Division of Securities
4822 Madison Yards Way
4th Floor North Tower
Madison, Wisconsin WI 53705

CT Corporation System
301 South Bedford Street, Suite 1
Madison, Wisconsin 53703

EXHIBIT J
STATE ADDENDA

ADDENDUM TO DISCLOSURE DOCUMENT (CALIFORNIA)

1. California Corporations Code, Section 31125, requires Stanley Steemer to give you a disclosure document, approved by the Commissioner of Financial Protection and Innovation, before solicitation of a proposed material modification of an existing franchise.
2. THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT.

3. Item 3 of the disclosure document is hereby modified by adding the following paragraph to the end thereof:

“Except as may be disclosed in this Item 3, neither Stanley Steemer nor any person listed in Item 2 of this Franchise 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. Item 17 of the disclosure document is hereby modified by adding the following paragraphs to the end thereof:

“California Business and Professions Code Sections 20000 through 20043 (the “California Franchise Relations Act”) and California Corporations Code Sections 21000 through 31516 (the “California Franchise Investment Law”), as applicable, provide rights to you concerning termination, transfer, sale of all or substantially all of the assets of an existing franchise, sale of an interest in an existing franchise or nonrenewal of a franchise. If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control.

The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101, et seq.).

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.

Prospective franchisees are encouraged 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 a franchise agreement restricting venue to a forum outside the State of California.

The Franchise Agreement requires application of the laws of Ohio. This provision may not be enforceable under California law.

The Franchise Agreement requires you to sign a general release of claims upon renewal or transfer of the Franchise Agreement. ~~California Corporations Code Section 31512 of the California Franchise Investment Law~~ provides that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of that law or any rule or order thereunder is void. Section 31512 of the California Franchise Investment Law voids a waiver of your rights under the California Franchise Investment Law ~~(California Corporations Code Section 31000-31516). Business and Professions Code, Section 20010 of the California Franchise Relations Act~~ voids a waiver of your rights under the California Franchise Relations Act ~~(Business and Professions Code Sections 20000-20043).~~”

5. The Franchise Agreement contains a provision requiring you to waive your right to punitive or exemplary damages against the franchisor or any of its representatives, limiting your recovery to actual damages. Under California Corporations Code section 31512, these provisions are not enforceable in California for any claims you may have under the California Franchise Investment Law.

- ~~65.~~ 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.
- ~~6.~~ Any provision of a franchise agreement, franchise disclosure document, acknowledgment, questionnaire or other writing, including any exhibits to such documents, that disclaims or denies (i) representations made by the franchisor or its personnel or agents to a prospective franchisee, (ii) reliance by a franchisee on statements made by the franchisor or its personnel or agents, (iii) reliance by a franchisee on the franchise disclosure document provided to the franchisee by the franchisor, including any exhibits to the franchise disclosure document, or (iv) any violations of California Franchise Investment Law by a franchisor or its personnel or agents is void and unenforceable. Any provision in a franchise agreement requiring a franchisee to waive provisions of the California Franchise Relations Act is void and unenforceable.
- ~~7.~~ If a franchisor previously granted a franchise or provided financial assistance to a prospective franchisee or franchisee, the franchisor may not refuse to do the same for similarly situated prospective franchisees or franchisees if the reason for doing so is based solely on characteristics included in Section 51 (b) or (e) of the California Civil Code, which include sex, race, color, religion, ancestry, national origin, disability, medical condition, genetic information, marital status, sexual orientation, citizenship, primary language, or immigration status. A franchisor is not prohibited from granting a franchise as part of a program designed to make franchises available to prospective franchisees lacking the characteristics ordinarily required of franchisees.
- ~~8.~~ If the Commissioner of Financial Protection and Innovation determines a provision in a franchise agreement is contrary to California law, the Commissioner may issue a stop order denying, suspending or revoking franchise registration.
- ~~79.~~ 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.
- ~~810.~~ **Registration of this franchise does not constitute approval, recommendation, or endorsement by the ~~commissioner~~ Commissioner.**

EXHIBIT J
CALIFORNIA

ADDENDUM TO FRANCHISE AGREEMENT (CALIFORNIA)

This Addendum to Franchise Agreement (~~California~~ this “**Addendum**”) is executed contemporaneously with the execution of the Franchise Agreement (the “**Franchise Agreement**”) between Stanley Steemer International, Inc., an Ohio corporation with its principal place of business at 5800 Innovation Drive, Dublin, Ohio 43016 (~~hereinafter referred to as “Stanley Steemer”~~ “**SSI**”) and _____, a(n) _____, with its principal place of business at _____ (~~hereinafter referred to as~~ “**Franchise Owner**”), for the purpose of modifying and ~~amending~~ supplementing the terms of the Franchise Agreement as follows:

1. All capitalized terms ~~herein which are used but~~ not separately defined ~~herein~~ in this Addendum shall have the meanings ascribed to such terms in the Franchise Agreement.
2. In the event of a conflict or inconsistency between the terms of the Franchise Agreement and the terms of this Addendum, the terms of this Addendum shall control.
3. Except as specifically modified or supplemented by this Addendum, all terms of the Franchise Agreement are in full force and effect.
4. Article XVII of the Franchise Agreement is hereby deleted in its entirety and the following substituted therefor:

“ARTICLE XVII: FRANCHISEE STATEMENTS

By signing this Agreement, Franchise Owner agrees with the following:

A. FINANCIAL STATEMENTS. FRANCHISE OWNER HAS PROVIDED STANLEY STEEMER WITH ACCURATE FINANCIAL STATEMENTS WHICH PRESENT A TRUE REPRESENTATION OF HIS, HER OR ITS FINANCIAL CONDITION.

B. BUSINESS ENTITY. IF FRANCHISE OWNER, IS A BUSINESS ENTITY, NO STOCK OR OTHER OWNERSHIP INTEREST OF THE BUSINESS ENTITY MAY BE TRANSFERRED WITHOUT STANLEY STEEMER'S PRIOR APPROVAL IN ACCORDANCE WITH ARTICLE XII. FRANCHISE OWNER AGREES TO PLACE THE FOLLOWING LEGEND ON ALL CERTIFICATES OF STOCK OR OTHER OWNERSHIP INTEREST IN THE BUSINESS ENTITY:

The transfer of this stock [or other certificate of ownership interest] is subject to the terms and conditions of a Franchise Agreement with Stanley Steemer International, Inc.

C. 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.”

D. In addition, to the extent any provision in a franchise agreement, franchise disclosure document, acknowledgment, questionnaire or other related writing, including any exhibits thereto, purports to disclaim or deny any of the following, such provision shall be void and unenforceable:

1. Any representation made by a franchisor or its personnel or agents to a prospective franchisee;

2. Reliance by a franchisee on any representations made to a franchisee by a franchisor or its personnel or agents;
3. Reliance by a franchisee on the franchise disclosure document, including any exhibits thereto, provided to the franchisee by the franchisor or its personnel or agents; or
4. Violations of any provision of California Corporations Code Sections 31000-31516, commonly referred to as the "California Franchise Investment Law" by a franchisor or its personnel or agents.

E. Any provision in a franchise agreement that requires a franchisee to waive the provisions of California Business and Professions Code Section 200000 – 20025, commonly referred to as the "California Franchise Relations Act", is void and unenforceable.

5. ARTICLE XVIII, Section E of the Franchise Agreement is hereby deleted in its entirety and the following substituted therefor:

"E. **Entire Agreement.** This Agreement (including the exhibits attached hereto and incorporated herein by reference), as well as the most recent version of the Stanley Steemer Franchise Disclosure Document provided to Franchise Owner by SSI (the "Franchise Disclosure Document"), the other agreements between Franchise Owner and SSI executed in connection with this Agreement and the Stanley Steemer Manuals, constitutes the entire agreement of Franchise Owner and SSI with respect to Franchise Owner becoming a franchisee to own and operate a Stanley Steemer Business and supersedes all prior oral or written agreements and understandings between Franchise Owner and SSI with respect to Franchise Owner's Stanley Steemer Business.

Notwithstanding the foregoing, nothing in any franchise agreement is intended to disclaim or deny the express representations made in the Franchise Disclosure Document or any representation made by SSI, its franchise sellers, personnel or agents to Franchise Owner in connection with the commencement of the franchise relationship. Except for revisions to the Stanley Steemer Manuals which SSI may make from time to time in its discretion, no modification or amendment of this Agreement shall be effective unless it is in writing and signed by both parties"

6. The Franchise Agreement is hereby modified by adding the following the following to the end of Article XVIII of the Franchise Agreement:

"California Disclosures and Modifications.

- (a) Section 31125 of the California Franchise Investment Law requires Stanley Steemer to give you a disclosure document, approved by the California Department of Financial Protection and Innovation, before a solicitation of a proposed material modification of an existing franchise.
- (b) Relative to the provision for termination upon bankruptcy, this provision may not be enforceable under federal bankruptcy law.
- (c) Sections 20000 through 20043 of the California Franchise Relations Act and/or Sections 31000 through 31516 of the California Franchise Investment Law provide rights to you concerning termination, transfer, sale of all or substantially all of the assets of an existing franchise, sale of an interest in an existing franchise or nonrenewal of a franchise. If this Agreement contains a provision that is inconsistent with the law, the law will control.
- (d) This Agreement requires you to sign a general release of claims upon renewal or transfer of the Agreement. Section 31512 of the California Franchise Investment Law provides that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of that law or any rule or order thereunder is void. Section 31512

of the California Franchise Investment Law voids a waiver of your rights under the California Franchise Investment Law. Section 20010 of the California Franchise Relations Act voids a waiver of your rights under the California Franchise Relations Act.

- (e) This Agreement contains a covenant not to compete that extends beyond the termination of the franchise. This provision may not be enforceable under California law.
 - (f) A provision in a franchise agreement that restricts venue to a forum outside the State of California is void with respect to any claim arising under or relating to a franchise agreement involving a franchise business operated in the State of California. However, a franchisor and a franchise may agree before or after a dispute has arisen to binding arbitration of certain claims, if certain conditions are met.
 - (g) Prospective franchisees are encouraged 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 a franchise agreement restricting venue to a forum outside the State of California.”
7. This Addendum, together with the Franchise Agreement to which it ~~is attached~~relates, constitutes the entire agreement of the parties with respect to the subject matter hereof and may not be further modified or amended except in a written agreement signed by both parties.
8. If any provision of this Addendum or the Franchise Agreement (as modified by this Addendum) is held invalid or unenforceable under California law, that provision shall be deemed modified to the minimum extent necessary to render it enforceable or, if it cannot be so modified, shall be severed from this Addendum or the Franchise Agreement without affecting the validity or enforceability of any other provision of this Addendum or the Franchise Agreements.
9. ~~8.~~ This Addendum may be electronically signed, and signatures transmitted electronically (including as an attached filed ~~(e.g., such as a PDF)~~) shall be acceptable to ~~bind~~bind and binding on the parties.

[remainder of page intentionally blank; signature pages follows.]

IN WITNESS WHEREOF, the parties hereto have signed this Addendum to be effective as of the Effective Date of the Franchise Agreement.

STANLEY STEEMER INTERNATIONAL, INC.

By: _____
D. Ryan Jankowski, Esq., its Vice President of Legal
Affairs and CAO

Date: _____

FRANCHISE OWNER:

[INSERT NAME OF FRANCHISEE ENTITY]

By: _____

Title: _____

Date: _____

EXHIBIT J

HAWAII

ADDENDUM TO DISCLOSURE DOCUMENT ~~(HAWAII)~~

This Addendum to Disclosure Document is required by the State of Hawaii and supplements the Franchise Disclosure Document provided to prospective franchisees in connection with offer and sale of Stanley Steemer franchises in the State of Hawaii.

1. Special Risk(s) to Consider About *This* Franchise:

The page entitled “Special Risks to Consider About *This* Franchise” of this disclosure document is hereby modified to comply with Hawaii law by adding the following disclosure after the stated “Risk Factors”:

“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 REGULATORY AGENCIES OR A FINDING BY THE DIRECTOR OF REGULATORY AGENCIES 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 DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN 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.”

2. Item 2 of the disclosure document is hereby ~~modified by the addition of~~ supplemented by adding the following paragraph to the end thereof:

“No person identified in this Item 2 has within 10 years:

- (a) been found guilty of a felony or held liable in a civil action by final judgment if the civil action involved a fraud, embezzlement, fraudulent conversion, or misappropriation of property; or
- (b) been subject to any currently effective order of the Securities and Exchange Commission or the securities administrator of any state denying registration to or revoking or suspending the registration of such person as a securities broker or dealer or investment advisor or to any currently effective order of any national securities association or national securities exchanges (as defined in the Securities and Exchange Act of 1934) suspending or expelling such person from membership of such association or exchange; or

- (c) been subject to any currently effective order or ruling of the Federal Trade Commission or to any currently effective order relating to business activity as a result of an action brought by any public agency or department.
3. Item 5 of the disclosure document is hereby ~~modified~~supplemented by adding the following ~~language~~paragraph to the end thereof:
- “The proceeds from the initial franchise fee are not segregated but are placed in Stanley Steemer’s general fund for general corporate use, including, in part, the provision of the services promised by Stanley Steemer to each franchise owner under the Franchise Agreement and, in part, to provide Stanley Steemer a profit on its investment in the development of its image, system, and goodwill. The portion of the fees which are attributable to costs of the services provided by Stanley Steemer vary with each franchise owner. No generalizations concerning the cost of services provided franchise owners is possible, and Stanley Steemer has not determined the exact cost of providing these services.”
4. The disclosure document is hereby ~~modified~~supplemented by the addition of the following:
- “Stanley Steemer International, Inc. has effective franchise registrations in the states of Illinois, Michigan, Minnesota, South Dakota, and Wisconsin. Stanley Steemer International, Inc. has effective franchise registration exemption filings in California, Indiana, Maryland, New York, North Dakota, Rhode Island, Virginia, and Washington. Stanley Steemer International, Inc. has a franchise registration application on file in Hawaii. There are no states which have refused, by order or otherwise, to register this franchise, which have revoked or suspended the right to offer this franchise, or in which the filing of this franchise has been withdrawn.”
5. Item 11 of the disclosure document is hereby ~~modified~~supplemented by adding the following ~~language~~paragraph to the end thereof:
- “Franchise owners are not entitled to any refund of fees paid if the obligations to be performed by Stanley Steemer prior to the opening of the franchised business are not complete within the prescribed time.”
6. Item 17 of the disclosure document is hereby ~~modified~~supplemented by adding the following ~~language~~paragraph to the end thereof:
- “These states have statutes which may supersede the Franchise Agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise: ARKANSAS Stat. Section 70-807, CALIFORNIA Bus. & Prof. Code Sections 20000-20043, CONNECTICUT Gen. Stat. Section 42-133e et seq., DELAWARE Code, tit., HAWAII Rev. Stat. Section 482E-1, ILLINOIS Rev. Stat. Chapter 121 1/2 par 1719-1720, INDIANA Stat. Section 23-2-2.7, IOWA Code Sections 523H.1-523H.17, MICHIGAN Stat. Section 19.854(27), MINNESOTA Stat. Section 80C.14, MISSISSIPPI Code Section 75-24-51, MISSOURI [Stat. Section 407.400], NEBRASKA Rev. Stat. Section 87-401, NEW JERSEY Stat. Section 56:10-1, SOUTH DAKOTA Codified Laws Chapter 37-5B, VIRGINIA Code 13.1-557-574-13.1-564, WASHINGTON Code Section 19.100.180, WISCONSIN Stat. Section 135.03. These and other states may have court decisions which may supersede the Franchise Agreement in your relationship with Stanley Steemer International, Inc. including the areas of termination and renewal of your franchise.”
7. The disclosure document is hereby ~~modified~~supplemented by the addition of the following:
- “As of the original issuance date of this disclosure document, there is one Stanley Steemer franchisee operating a **Stanley Steemer** Carpet Cleaner business in Hawaii.”
8. 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.

EXHIBIT J

HAWAII

ADDENDUM TO FRANCHISE AGREEMENT (HAWAII)

This Addendum to Franchise Agreement (~~Hawaii~~ this “**Addendum**”) is executed contemporaneously with the execution of the Franchise Agreement (the “**Franchise Agreement**”) between Stanley Steemer International, Inc., an Ohio corporation with its principal place of business at 5800 Innovation Drive, Dublin, Ohio 43016 (~~hereinafter referred to as “Stanley Steemer”~~ “**SSI**”) and _____, a(n) _____, with its principal place of business at _____ (~~hereinafter referred to as “Franchise Owner”~~), for the purpose of modifying and ~~amending~~ supplementing the terms of the Franchise Agreement as follows:

1. All capitalized terms ~~herein which are~~ used but not separately defined herein in this Addendum shall have the meanings ascribed to such terms in the Franchise Agreement.
2. In the event of a conflict or inconsistency between the terms of the Franchise Agreement and the terms of this Addendum, the terms of this Addendum shall control.
3. Except as specifically modified or supplemented by this Addendum, all terms of the Franchise Agreement are in full force and effect.
4. Article XVII of the Franchise Agreement is hereby deleted in its entirety and the following substituted therefor:

“ARTICLE XVII: FRANCHISEE STATEMENTS

By signing this Agreement, Franchise Owner agrees with the following:

A. FINANCIAL STATEMENTS. FRANCHISE OWNER HAS PROVIDED STANLEY STEEMER WITH ACCURATE FINANCIAL STATEMENTS WHICH PRESENT A TRUE REPRESENTATION OF HIS, HER OR ITS FINANCIAL CONDITION.

B. BUSINESS ENTITY. IF FRANCHISE OWNER, IS A BUSINESS ENTITY, NO STOCK OR OTHER OWNERSHIP INTEREST OF THE BUSINESS ENTITY MAY BE TRANSFERRED WITHOUT STANLEY STEEMER'S PRIOR APPROVAL IN ACCORDANCE WITH ARTICLE XII. FRANCHISE OWNER AGREES TO PLACE THE FOLLOWING LEGEND ON ALL CERTIFICATES OF STOCK OR OTHER OWNERSHIP INTEREST IN THE BUSINESS ENTITY:

The transfer of this stock or other certificate of ownership interest is subject to the terms and conditions of a Franchise Agreement with Stanley Steemer International, Inc.

C. 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.”

5. Article XVIII E of the Franchise Agreement is hereby deleted in its entirety and the following substituted therefor:

E. Entire Agreement. This Agreement and all exhibits to this Agreement constitute the entire agreement between the parties and supersede any and all prior negotiations, understandings,

representations, and agreements. Nothing in this or any related agreement, however, is intended to disclaim the representations we made in the franchise disclosure document that we furnished to you.

6. No provision of the Franchise Agreement or any other agreement or document signed by Franchise Owner and SSI in connection with the franchise granted by SSI to Franchise Owner shall be construed to waive any right of Franchise Owner that cannot be waived under applicable Hawaii franchise laws. Any such purported waiver is void to that extent.
7. Article XVI of the Franchise Agreement provides that arbitration shall be conducted in Columbus, Ohio, and that enforcement proceedings shall be brought in courts in Franklin County, Ohio or the United States Southern District of Ohio. To the extent any provision of Article XVI requiring out-of-state dispute resolution is determined by an arbitrator or court of competent jurisdiction to be unenforceable under applicable Hawaii franchise laws with respect to a particular claim or proceeding, such provision is superseded by applicable law to that extent and shall not be enforced against Franchise Owner with respect to that claim or proceeding.
8. If any provision of this Addendum or the Franchise Agreement (as modified by this Addendum) is held invalid or unenforceable under Hawaii law, that provision shall be deemed modified to the minimum extent necessary to render it enforceable or, if it cannot be so modified, shall be severed from this Addendum or the Franchise Agreement without affecting the validity or enforceability of any other provision of this Addendum or the Franchise Agreements.
9. ~~5.~~ This Addendum, together with the Franchise Agreement to which it ~~is attached~~ relates, constitutes the entire agreement of the parties with respect to the subject matter hereof and may not be further modified or amended except in a written agreement signed by both parties.
10. ~~6.~~ This Addendum may be electronically signed, and signatures transmitted electronically (including as an attached ~~file~~ (e.g., ~~file~~ such as a PDF)) shall be acceptable to ~~bind~~ and binding on the parties.

[remainder of page intentionally blank; signature pages follows.]

IN WITNESS WHEREOF, the parties hereto have executed this Addendum to be effective as of the Effective Date of the Franchise Agreement.

STANLEY STEEMER INTERNATIONAL, INC.

By: _____
D. Ryan Jankowski, Esq., its Vice President of Legal
Affairs and CAO

Date: _____

FRANCHISE OWNER:

INSERT NAME OF FRANCHISEE ENTITY

By: _____

Title: _____

Date: _____

EXHIBIT J

ILLINOIS

ADDENDUM TO DISCLOSURE DOCUMENT-(ILLINOIS)

This Addendum to Disclosure Document is required by the State of Illinois and supplements the Franchise Disclosure Document provided to prospective franchisees in connection with the offer and sale of Stanley Steemer franchises in the State of Illinois.

1. Special Risk(s) to Consider About *This* Franchise:

The page entitled “Special Risks to Consider About *This* Franchise” of this disclosure document is hereby modified to comply with Section 4 of the Illinois Franchise Disclosure Act, which provides that any provision in a franchise agreement that designates jurisdiction or venue in a forum outside of Illinois is void.

2. Item 17 of the disclosure document is hereby modified and supplemented by substituting the following in place of the last two items of the chart therein:

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
v. Choice of forum	None	See State Addenda to Franchise Agreement.
w. Choice of law	Article XVIII, Section C	Illinois law applies. See State Addenda to Franchise Agreement.

and by adding the following paragraph to the end thereof:

“The conditions under which your franchise can be terminated and your rights upon non-renewal may be affected by Illinois law, 815 ILCS 705/1-44.

3. Pursuant to Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction or venue in a forum outside of the State of Illinois is void, provided that a franchise agreement may provide for arbitration in a forum outside of the State of Illinois.
4. Pursuant to 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 any provision of the Act or any other law of Illinois is void.
5. 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.

EXHIBIT J

ILLINOIS

ADDENDUM TO FRANCHISE AGREEMENT (ILLINOIS)

This Addendum to Franchise Agreement (~~Illinois~~ this “**Addendum**”) is executed contemporaneously with the execution of the Franchise Agreement (the “**Franchise Agreement**”) between Stanley Steemer International, Inc., an Ohio corporation with its principal place of business at 5800 Innovation Drive, Dublin, Ohio 43016 (~~hereinafter referred to as “Stanley Steemer “SSI”~~) and _____, a(n) _____, with its principal place of business at _____ (~~hereinafter referred to as “Franchise Owner”~~), for the purpose of modifying and ~~amending~~ supplementing the terms of the Franchise Agreement as follows:

1. All capitalized ~~terms herein which are~~ used but not separately defined ~~herein~~ in this Addendum shall have the meanings ascribed to such terms in the Franchise Agreement.
2. In the event of a conflict or inconsistency between the terms of the Franchise Agreement and the terms of this Addendum, the terms of this Addendum shall control.
3. Except as specifically modified or supplemented by this Addendum, all terms of the Franchise Agreement are in full force and effect.
4. Article XVII of the Franchise Agreement is hereby deleted in its entirety and the following substituted therefor:

“ARTICLE XVII: FRANCHISEE STATEMENTS

By signing this Agreement, Franchise Owner agrees with the following:

A. FINANCIAL STATEMENTS. FRANCHISE OWNER HAS PROVIDED STANLEY STEEMER WITH ACCURATE FINANCIAL STATEMENTS WHICH PRESENT A TRUE REPRESENTATION OF HIS, HER OR ITS FINANCIAL CONDITION.

B. BUSINESS ENTITY. IF FRANCHISE OWNER, IS A BUSINESS ENTITY, NO STOCK OR OTHER OWNERSHIP INTEREST OF THE BUSINESS ENTITY MAY BE TRANSFERRED WITHOUT STANLEY STEEMER'S PRIOR APPROVAL IN ACCORDANCE WITH ARTICLE XII. FRANCHISE OWNER AGREES TO PLACE THE FOLLOWING LEGEND ON ALL CERTIFICATES OF STOCK OR OTHER OWNERSHIP INTEREST IN THE BUSINESS ENTITY:

The transfer of this stock or other certificate of ownership interest is subject to the terms and conditions of a Franchise Agreement with Stanley Steemer International, Inc.

C. 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.”

5. Article XVIII. Section C of the Franchise Agreement is hereby modified by adding the following paragraph at the end thereof:

“If any provisions of this Franchise Agreement are inconsistent with applicable Illinois law, then said Illinois law shall apply and govern the parties hereto.”

6. Article XVIII. Section D of the Franchise Agreement is hereby deleted.
7. Article XVIII. Section E of the Franchise Agreement is hereby deleted and the following substituted therefor:

“This Agreement contains the entire Agreement of the parties and no representations, inducements, promises or agreement, oral or written, not included in this Agreement shall be of any force and effect, except for or other than those contained in the Franchise Disclosure Document (FDD).”

8. No provision of the Franchise Agreement or any other agreement or document signed by Franchise Owner and SSI in connection with the franchise granted by SSI to Franchise Owner shall be construed to waive any right of Franchise Owner that cannot be waived under applicable Illinois franchise laws. Any such purported waiver is void to that extent.
9. Article XVI of the Franchise Agreement provides that arbitration shall be conducted in Columbus, Ohio, and that enforcement proceedings shall be brought in courts in Franklin County, Ohio or the United States Southern District of Ohio. To the extent any provision of Article XVI requiring out-of-state dispute resolution is determined by an arbitrator or court of competent jurisdiction to be unenforceable under applicable Illinois franchise laws with respect to a particular claim or proceeding, such provision is superseded by applicable law to that extent and shall not be enforced against Franchise Owner with respect to that claim or proceeding.
10. If any provision of this Addendum or the Franchise Agreement (as modified by this Addendum) is held invalid or unenforceable under Illinois law, that provision shall be deemed modified to the minimum extent necessary to render it enforceable or, if it cannot be so modified, shall be severed from this Addendum or the Franchise Agreement without affecting the validity or enforceability of any other provision of this Addendum or the Franchise Agreements.
11. ~~8-~~ This Addendum, together with the Franchise Agreement to which it ~~is attached~~ relates, constitutes the entire agreement of the parties with respect to the subject matter hereof and may not be further modified or amended except in a written agreement signed by both parties.
12. ~~9-~~ This Addendum may be electronically signed, and signatures transmitted electronically (including as an attached file (e.g., file such as a PDF)) shall be acceptable to ~~bind~~ bind and binding on the parties.

IN WITNESS WHEREOF, the parties hereto have executed this Addendum to effective as of the Effective Date of the Franchise Agreement.

STANLEY STEEMER INTERNATIONAL, INC.

By: _____
D. Ryan Jankowski, Esq., its Vice President of Legal
Affairs and CAO
Date: _____

**FRANCHISE OWNER:
INSERT NAME OF FRANCHISEE ENTITY**

By: _____
Title: _____
Date: _____

EXHIBIT J

INDIANA

ADDENDUM TO DISCLOSURE DOCUMENT-(INDIANA)

This Addendum to Disclosure Document is required by the State of Indiana and supplements the Franchise Disclosure Document provided to prospective franchisees in connection with the offer and sale of Stanley Steemer franchises in the State of Indiana.

1. Special Risk(s) to Consider About This Franchise:

The page entitled, "Special Risks to Consider About *This* Franchise" of this disclosure document is hereby modified to comply with Indiana law by adding the following disclosure after the stated "Risk Factors":

"INDIANA LAW IS CONTROLLING FOR INDIANA FRANCHISEES."

2. Item 3 of the Franchise Disclosure Document is hereby ~~modified~~ supplemented by adding the following paragraph to the end thereof:

"Neither Stanley Steemer nor any person identified in Item 2 of this Franchise Disclosure Document is involved in any pending arbitration and has, during the 10 year period immediately preceding the date of this Franchise Disclosure Document, been a party to any arbitration proceeding."

3. Item 17 of the Franchise Disclosure Document is hereby modified and supplemented as follows:

- (a) Substitution of rows "r", "v" and "w" of the table in Item 17 with the following:

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
r. Non-competition covenants after the franchise is terminated or expires	Article XV, Section A(12)	Subject to Indiana Code Section 23-2-2.7-1(9), cannot be involved in similar business for 2 years within 25-mile radius of Franchise Owner's Area.
v. Choice of forum	Not applicable	Not applicable
w. Choice of law	Article XVIII, Section C	Except in limited circumstances, Indiana law applies.

and (b) by adding the following paragraph to the end of the table in Item 17:

"With respect to items c. and m. of the table set forth above, you are not required to release any claims against Stanley Steemer arising under Indiana franchise law."

4. 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.

EXHIBIT J

INDIANA

ADDENDUM TO FRANCHISE AGREEMENT (INDIANA)

This Addendum to Franchise Agreement (~~Indiana~~ this “**Addendum**”) is executed contemporaneously with the execution of the Franchise Agreement (the “**Franchise Agreement**”) between Stanley Steemer International, Inc., an Ohio corporation with its principal place of business at 5800 Innovation Drive, Dublin, Ohio 43016 (~~hereinafter referred to as “Stanley Steemer”~~ “**SSI**”) and _____, a(n) _____, with its principal place of business at _____ (~~hereinafter referred to as~~ “**Franchise Owner**”), for the purpose of modifying and ~~amending~~ supplementing the terms of the Franchise Agreement as follows:

1. All capitalized terms ~~herein which are used but~~ not separately defined ~~herein~~ in this Addendum shall have the meanings ascribed to such terms in the Franchise Agreement.
2. In the event of a conflict or inconsistency between the terms of the Franchise Agreement and the terms of this Addendum, the terms of this Addendum shall control.
3. Except as specifically modified and supplemented by this Addendum, all terms of the Franchise Agreement are in full force and effect.
4. Articles XI.A.5. and XII.A.6. and B.7. of the Franchise Agreement are hereby modified by adding the following language to the end thereof:

“provided, however, that you shall not be required to release any claim against Stanley Steemer arising under Indiana franchise law.”
5. Franchisor’s right to enforce Article XV.A.12. of the Franchise Agreement shall be subject to Indiana Code Section 23-2-2.7-1(9).
6. Article XVII of the Franchise Agreement is hereby deleted in its entirety and the following substituted therefor:

“ARTICLE XVII: FRANCHISEE STATEMENTS

By signing this Agreement, Franchise Owner agrees with the following:

A. FINANCIAL STATEMENTS. FRANCHISE OWNER HAS PROVIDED STANLEY STEEMER WITH ACCURATE FINANCIAL STATEMENTS WHICH PRESENT A TRUE REPRESENTATION OF HIS, HER OR ITS FINANCIAL CONDITION.

B. BUSINESS ENTITY. IF FRANCHISE OWNER, IS A BUSINESS ENTITY, NO STOCK OR OTHER OWNERSHIP INTEREST OF THE BUSINESS ENTITY MAY BE TRANSFERRED WITHOUT STANLEY STEEMER'S PRIOR APPROVAL IN ACCORDANCE WITH ARTICLE XII. FRANCHISE OWNER AGREES TO PLACE THE FOLLOWING LEGEND ON ALL CERTIFICATES OF STOCK OR OTHER OWNERSHIP INTEREST IN THE BUSINESS ENTITY:

The transfer of this stock or other certificate of ownership interest is subject to the terms and conditions of a Franchise Agreement with Stanley Steemer International, Inc.

C. 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.”

7. No provision of the Franchise Agreement or any other agreement or document signed by Franchise Owner and SSI in connection with the franchise granted by SSI to Franchise Owner shall be construed to waive any right of Franchise Owner that cannot be waived under applicable Indiana franchise laws. Any such purported waiver is void to that extent.
8. Article XVI of the Franchise Agreement provides that arbitration shall be conducted in Columbus, Ohio, and that enforcement proceedings shall be brought in courts in Franklin County, Ohio or the United States Southern District of Ohio. To the extent any provision of Article XVI requiring out-of-state dispute resolution is determined by an arbitrator or court of competent jurisdiction to be unenforceable under applicable Indiana franchise laws with respect to a particular claim or proceeding, such provision is superseded by applicable law to that extent and shall not be enforced against Franchise Owner with respect to that claim or proceeding.
9. If any provision of this Addendum or the Franchise Agreement (as modified by this Addendum) is held invalid or unenforceable under Indiana law, that provision shall be deemed modified to the minimum extent necessary to render it enforceable or, if it cannot be so modified, shall be severed from this Addendum or the Franchise Agreement without affecting the validity or enforceability of any other provision of this Addendum or the Franchise Agreements.
10. ~~7.~~-This Addendum, together with the Franchise Agreement to which it ~~is attached~~relates, constitutes the entire agreement of the parties with respect to the subject matter hereof and may not be further modified or amended except in a written agreement signed by both parties.
11. ~~8.~~-This Addendum may be electronically signed, and signatures transmitted electronically (including as ~~attached files (e.g., .PDF)~~anattached file such as a PDF) shall be acceptable to ~~bind~~and binding on the parties.

IN WITNESS WHEREOF, the parties hereto have executed this Addendum to be effective as of the Effective Date of the Franchise Agreement.

STANLEY STEEMER INTERNATIONAL, INC.

By: _____
D. Ryan Jankowski, Esq., its Vice President of Legal
Affairs and CAO

Date: _____

FRANCHISE OWNER:

INSERT NAME OF FRANCHISEE ENTITY

By: _____

Title: _____

Date: _____

EXHIBIT J

MARYLAND

ADDENDUM TO DISCLOSURE DOCUMENT ~~(MARYLAND)~~

This Addendum to the Disclosure Document is required by the State of Maryland and supplements the Franchise Disclosure Document provided to prospective franchisees in connection with the offer and sale of Stanley Steemer franchises in the State of Maryland.

1. Item 17 of the disclosure document is ~~modified~~supplemented by adding the following paragraphs to the end thereof:

“The termination of the franchise upon the bankruptcy of the franchisee may not be enforceable under federal bankruptcy law.

A franchisee may bring a lawsuit in the State of Maryland for claims arising under the State of Maryland’s Franchise Registration and Disclosure Law. Any claims arising under the State of Maryland’s Franchise Registration and Disclosure Law must be brought within three years after the grant of the franchise.

The general release referenced in item c., regarding renewal, and item m., regarding transfer, in the charts set out above will not apply to any claims under the Maryland Franchise Registration and Disclosure Law.

The laws of the State of Maryland may supersede the Franchise Agreement, including the areas of termination and renewal of the Franchise.

Under the Franchise Agreement, you must bring any claim or action against Stanley Steemer relating to the Franchise Agreement within one year from the occurrence of the circumstances giving rise to the claim or action. This provision may not apply to claims arising under Maryland Franchise Registration and Disclosure Law.”

2. 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.

EXHIBIT J

MARYLAND

ADDENDUM TO FRANCHISE AGREEMENT (MARYLAND)

This Addendum to Franchise Agreement (~~Maryland~~ this “**Addendum**”) is executed contemporaneously with the execution of the Franchise Agreement (the “**Franchise Agreement**”) between Stanley Steemer International, Inc., an Ohio corporation with its principal place of business at 5800 Innovation Drive, Dublin, Ohio 43016 (~~hereinafter referred to as “Stanley Steemer”~~ “**SSI**”) and _____, a(n) _____, with its principal place of business at _____ (~~hereinafter referred to as~~ “**Franchise Owner**”), for the purpose of modifying and ~~amending~~ supplementing the terms of the Franchise Agreement as follows:

1. All capitalized terms ~~herein which are used but~~ not separately defined ~~herein~~ in this Addendum shall have the meanings ascribed to such terms in the Franchise Agreement.
2. In the event of a conflict or inconsistency between the terms of the Franchise Agreement and the terms of this Addendum, the terms of this Addendum shall control.
3. Except as specifically modified and supplemented by this Addendum, all terms of the Franchise Agreement are in full force and effect.
4. The laws of the State of Maryland may supersede the Franchise Agreement, including the areas of termination and renewal of the Franchise; provided, however, in no event shall SSI be deemed to have waived its position or any provision in the Franchise Agreement regarding the applicability and enforceability of the Federal Arbitration Act to disputes between Franchise Owner and SSI.
5. Any claims arising under the Maryland Franchise Registration and Disclosure Laws must be brought within three (3) years after the grant of the Franchise.
6. Article XVII of the Franchise Agreement is hereby deleted in its entirety and the following substituted therefor:

“ARTICLE XVII: FRANCHISEE STATEMENTS

By signing this Agreement, Franchise Owner agrees with the following:

A. FINANCIAL STATEMENTS. FRANCHISE OWNER HAS PROVIDED STANLEY STEEMER WITH ACCURATE FINANCIAL STATEMENTS WHICH PRESENT A TRUE REPRESENTATION OF HIS, HER OR ITS FINANCIAL CONDITION.

B. BUSINESS ENTITY. IF FRANCHISE OWNER, IS A BUSINESS ENTITY, NO STOCK OR OTHER OWNERSHIP INTEREST OF THE BUSINESS ENTITY MAY BE TRANSFERRED WITHOUT STANLEY STEEMER'S PRIOR APPROVAL IN ACCORDANCE WITH ARTICLE XII. FRANCHISE OWNER AGREES TO PLACE THE FOLLOWING LEGEND ON ALL CERTIFICATES OF STOCK OR OTHER OWNERSHIP INTEREST IN THE BUSINESS ENTITY:

The transfer of this stock or other certificate of ownership interest is subject to the terms and conditions of a Franchise Agreement with Stanley Steemer International, Inc.

C. 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.”

7. The following sentence is added at the end of Article XVIII.E. of the Franchise Agreement titled “Entire Agreement”:

“This provision is not intended to, nor will it, act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.”

8. Article XVIII.D. of the Franchise Agreement titled "Venue" requires venue to be limited to the jurisdiction where SSI maintains its principal place of business. This provision is deleted from all Franchise Agreements for residents of the State of Maryland and/or franchises to be operated in the State of Maryland.
9. No provision of the Franchise Agreement or any other agreement or document signed by Franchise Owner and SSI in connection with the franchise granted by SSI to Franchise Owner shall be construed to waive any right of Franchise Owner that cannot be waived under applicable Maryland franchise laws. Any such purported waiver is void to that extent.
10. Article XVI of the Franchise Agreement provides that arbitration shall be conducted in Columbus, Ohio, and that enforcement proceedings shall be brought in courts in Franklin County, Ohio or the United States Southern District of Ohio. To the extent any provision of Article XVI requiring out-of-state dispute resolution is determined by an arbitrator or court of competent jurisdiction to be unenforceable under applicable Maryland franchise laws with respect to a particular claim or proceeding, such provision is superseded by applicable law to that extent and shall not be enforced against Franchise Owner with respect to that claim or proceeding.
11. ~~9.~~ Any representations requiring you 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.
12. This Addendum, together with the Franchise Agreement to which it relates, constitutes the entire agreement of the parties with respect to the subject matter hereof and may not be further modified or amended except in a written agreement signed by both parties.
13. If any provision of this Addendum or the Franchise Agreement (as modified by this Addendum) is held invalid or unenforceable under Maryland law, that provision shall be deemed modified to the minimum extent necessary to render it enforceable or, if it cannot be so modified, shall be severed from this Addendum or the Franchise Agreement without affecting the validity or enforceability of any other provision of this Addendum or the Franchise Agreements.
14. ~~10.~~ This Addendum may be electronically signed, and signatures transmitted electronically (including as an attached file (e.g., file such as a PDF)) shall be acceptable to ~~bind~~ bind and binding on the parties.

IN WITNESS WHEREOF, the parties hereto have executed this Addendum to be effective as of the Effective Date of the Franchise Agreement.

STANLEY STEEMER INTERNATIONAL, INC.

By: _____
D. Ryan Jankowski, Esq., its Vice President of Legal
Affairs and CAO

Date: _____

FRANCHISE OWNER:

INSERT NAME OF FRANCHISEE ENTITY

By: _____

Title: _____

Date: _____

EXHIBIT J

MINNESOTA

ADDENDUM TO DISCLOSURE DOCUMENT-(MINNESOTA)

This Addendum to Disclosure Document is required by the State of Minnesota and supplements the franchise disclosure document provided to prospective franchisees in connection with the sale and offer of sale of Stanley Steemer franchises in the State of Minnesota.

1. Item 13 of the Disclosure Document is ~~amended by the addition of~~ hereby modified by adding the following ~~language~~paragraph to the end thereof:

“With respect to the franchises governed by Minnesota law, provided franchisee has used the Stanley Steemer Trademarks in accordance with the Franchise Agreement, the franchisor Minnesota considers it to be unfair for a franchisor ~~to not to~~ protect a franchisee’s right to use a franchisor’s trademarks (see Minnesota Statute 80C.12). Stanley Steemer will comply with Minnesota Statute 80C.12, subdivision 1(G), which requires franchisors to protect the franchisee’s right to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify the franchisee from any loss, costs or expenses arising from any claim, suit or demand regarding the use of the name.”.

2. Item 17 of the Franchise Disclosure Document is ~~amended by the addition of~~ hereby modified by adding the following ~~language~~paragraph to the end thereof:

Minnesota Statutes, Section 80C.21 and Minnesota Rule 2860.440(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or the Franchise Agreement(s) can abrogate or reduce any of franchisee’s rights as provided for in Minnesota Statutes, Chapter 80C, or franchisee’s rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction. With respect to the franchises governed by Minnesota law, the franchisor will comply with Minnesota Statute 80C.14, subdivisions 3, 4 and 5, which specify that: (i) except in certain specific cases, a franchisee must be given 90 days notice of termination (with 60 days to cure) and 180 days notice for non-renewal of the Franchise Agreement, and (ii) a franchisor may not unreasonably withhold its consent to the transfer of the franchise.

With respect to the franchisees governed by Minnesota law, we may seek injunctive relief, but may not require you to consent to the injunctive relief or require you to waive any rights provided under Minn. Rule 2860.4400J. Furthermore, the determination as to whether or not a bond will be required of us in seeking injunctive relief will be left to the determination of the court hearing the petition for relief.

Minnesota Rules 2860.4400(D) prohibit a franchisor from requiring a franchisee to assent to a release, general release, assignment, novation, or waiver that would relieve any person from liability imposed by Minnesota Statutes, Sections 80C.01 to 80C.22; provided, part 2860.4400(D) shall not bar the voluntary settlement of disputes.

The general release referenced in items c. and m. in the chart set forth above shall not apply to any claims under Minnesota Statutes, Sections 80C.01 to 80C.22.

Stanley Steemer’s right to enforce provisions in the Franchise Agreement that require a franchisee to bring claims within one year is subject to Minnesota Statutes, Section 80C.17. Subd. 5, which provides a three-year statute of limitations period for claims under Minnesota Statutes 80C.01 to 80C.22.

Minnesota Statute 604.113 limits the amount that Stanley Steemer may charge franchisees who do not have sufficient funds for payment that is due and owing to Stanley Steemer at \$30 per occurrence.”

3. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee or licensee 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.
4. 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.

EXHIBIT J

MINNESOTA

ADDENDUM TO FRANCHISE AGREEMENT-(MINNESOTA)

This Addendum to Franchise Agreement (~~Minnesota~~ this “Addendum”) is executed contemporaneously with the execution of the Franchise Agreement (the “Franchise Agreement”) between Stanley Steemer International, Inc., an Ohio corporation with its principal place of business at 5800 Innovation Drive, Dublin, Ohio 43016 (~~hereinafter referred to as “Stanley Steemer “SSI”~~) and _____, a(n) _____, with its principal place of business at _____ (~~hereinafter referred to as “Franchise Owner”~~), for the purpose of modifying and ~~amending~~supplementing the terms of the Franchise Agreement as follows:

1. All capitalized terms ~~herein which are~~used but not separately defined ~~herein in this~~ shall have the meanings ascribed to such terms in the Franchise Agreement.
2. Except as specifically modified and supplemented by this Addendum, all terms of the Franchise Agreement are in full force and effect.
3. Article II of the Franchise Agreement is amended by the addition of the following language to the end thereof:

“Minnesota Statute 604.113 limits the amount that Stanley Steemer may charge franchisees who do not have sufficient funds for payment that is due and owing to Stanley Steemer at \$30 per occurrence.”

4. Article VIII.F. of the Franchise Agreement is amended by the addition of the following language to the end thereof:

“With respect to the franchises governed by Minnesota law, Minnesota considers it unfair for a franchisor not to protect a franchisee’s right to use a franchisor’s trademark. As such, notwithstanding anything to the contrary herein, and provided Franchise Owner has used the Stanley Steemer Trademarks in accordance with the Franchise Agreement, the franchisor will comply with Minnesota Statute 80C.12, subdivision 1(g), which requires franchisors to protect the franchisee’s right to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name.”

5. Article XI.A.5, Article XII.A.6 and Article XII.B.7. of the Franchise Agreement are hereby modified by adding the following to the end thereof:

“Minnesota Rules 2860.4400(D) prohibit a franchisor from requiring a franchisee to assent to a general release, assignment, novation, or waiver that would relieve any person from liability imposed by Minnesota Statutes, Section 80.C.01 to 80C.22. The above-referenced general release shall not apply to any claims under Minnesota Statutes, Sections 80C.01 to 80C.22.”

6. Article XVI.A. of the Franchise Agreement is hereby modified by adding the following to the end thereof:
7. “With respect to franchises governed by Minnesota law, Stanley Steemer may seek injunctive relief, but Stanley Steemer may not require you to require you to consent to injunctive relief or waive any rights provided under Minn. Rule 2860.4400J. Furthermore, the determination as to whether or not a bond will be required of Stanley Steemer in seeking injunctive relief will be left to the determination of the court hearing the petition for relief.”
8. Article XVIII.C. and D. of the Franchise Agreement are amended by the addition of the following language:

“Pursuant to Minnesota Statute Section 80C.21, this section shall not in any way abrogate or reduce any rights of the Franchise Owner as provided for in Minnesota statutes 1984, Chapter 80C, including the right any procedure, forum or remedies provided for by the laws of the state of Minnesota.”

9. Article XVIII.C. and D. of the Franchise Agreement are amended by the addition of the following language to the end thereof:

“Minnesota Statutes, Section 80C.21 and Minnesota Rule 2860.440(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of jury trial, or requiring the Franchise Owner to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or the Franchise Agreement(s) can abrogate or reduce any of the Franchise Owner’s rights as provided for in Minnesota Statutes, Chapter 80C, or Franchise Owner’s rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.”

10. Article XII and Article XIII of the Franchise Agreement are amended by the addition of the following language:

“With respect to the franchises governed by Minnesota law, the franchisor will comply with Minnesota Statute 80C.14, subdivisions 3, 4 and 5, which specify that (i) except in certain specific cases, a franchisee must be given 90 days notice of termination (with 60 days to cure) and 180 days notice for non-renewal of the franchise agreement, and (ii) a franchisor may not unreasonably withhold its consent to the transfer of the franchise.

11. Article XVI, Section B of the Franchise Agreement is amended by the adding the following language to the end thereof:

“Franchisor’s right to enforce provisions in this Agreement that require a franchisee to bring claims within one year is subject to Minnesota Statutes, Section 80C.17. Subd. 5, which provides a three-year statute of limitations period for claims under Minnesota Statutes 80C.01 to 80C.22.”

12. Article XVII of the Franchise Agreement is hereby delete in its entirety and the following substituted therefor:

“ARTICLE XVII: FRANCHISEE STATEMENTS

By signing this Agreement, Franchise Owner agrees with the following:

A. FINANCIAL STATEMENTS. FRANCHISE OWNER HAS PROVIDED STANLEY STEEMER WITH ACCURATE FINANCIAL STATEMENTS WHICH PRESENT A TRUE REPRESENTATION OF HIS, HER OR ITS FINANCIAL CONDITION.

B. BUSINESS ENTITY. IF FRANCHISE OWNER, IS A BUSINESS ENTITY, NO STOCK OR OTHER OWNERSHIP INTEREST OF THE BUSINESS ENTITY MAY BE TRANSFERRED WITHOUT STANLEY STEEMER'S PRIOR APPROVAL IN ACCORDANCE WITH ARTICLE XII. FRANCHISE OWNER AGREES TO PLACE THE FOLLOWING LEGEND ON ALL CERTIFICATES OF STOCK OR OTHER OWNERSHIP INTEREST IN THE BUSINESS ENTITY:

The transfer of this stock or other certificate of ownership interest is subject to the terms and conditions of a Franchise Agreement with Stanley Steemer International, Inc.

C. Minnesota Franchise Act Disclosure. 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.

13. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee or licensee 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.”
14. ~~To~~In the extent this Addendum shall be deemed to be inconsistent with any terms or conditions of said event of any conflict or inconsistency between the terms of the Franchise Agreement and the terms of this Addendum, the terms of this Addendum shall govern control.
15. If any provision of this Addendum or the Franchise Agreement (as modified by this Addendum) is held invalid or unenforceable under Minnesota law, that provision shall be deemed modified to the minimum extent necessary to render it enforceable or, if it cannot be so modified, shall be severed from this Addendum or the Franchise Agreement without affecting the validity or enforceability of any other provision of this Addendum or the Franchise Agreements.
16. This Addendum, together with the Franchise Agreement to which it ~~is attached~~relates, constitutes the entire agreement of the parties with respect to the subject matter hereof and may not be further modified or amended except in a written agreement signed by both parties.
17. This Addendum may be electronically signed, and signatures transmitted electronically (including as an attached files (e.g., PDF) file such as a PD)F shall be acceptable to ~~bind~~and binding on the parties.

[remainder of page intentionally blank; signature pages follows.]

IN WITNESS WHEREOF, the parties hereto have executed this Addendum to be effective as of the Effective Date of the Franchise Agreement.

STANLEY STEEMER INTERNATIONAL, INC.

By: _____
D. Ryan Jankowski, Esq., its Vice President of Legal
Affairs and Chief Administrative Officer

Date: _____

FRANCHISE OWNER:

INSERT NAME OF FRANCHISEE ENTITY

By: _____

Title: _____

Date: _____

EXHIBIT J

NEW YORK

ADDENDUM TO DISCLOSURE DOCUMENT (NEW YORK)

This Addendum to Disclosure Document is required by the State of New York and supplements the Franchise Disclosure Document provided to prospective franchisees in connection with the offer and sale of Stanley Steemer franchise in the State of New York.

1. Special Risks to Consider About this Franchise:

The page titled "Special Risks to Consider About *This Franchise*" of this disclosure document is modified to comply with New York law by adding the following disclosures after the stated risk(s):

"INFORMATION COMPARING FRANCHISORS IS AVAILABLE. 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 THIS 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. Item 3 of the disclosure document is hereby ~~modified~~supplemented by adding the following ~~language~~paragraph to the end thereof:

"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 ten-year period immediately preceding the application for registration in the State of New York, 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. Item 4 of the disclosure document is hereby ~~modified~~supplemented by adding the following ~~language~~paragraph to the end thereof:

“Neither Stanley Steemer, nor any of its predecessors, affiliates, officers or general partners has during the 10-year period immediately before the date of this disclosure document, (i) filed as debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; (ii) obtained a discharge of its debt under the U.S. Bankruptcy Code; or (iii) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the U.S. Bankruptcy Code during or within 1 year after the officer or general partner of Stanley Steemer held this position in the company or partnership.”

4. Item 5 of the disclosure document is hereby ~~modified~~supplemented by adding the following ~~language~~paragraph to the end thereof:

“The proceeds from the initial franchise fee are not segregated but are placed in Stanley Steemer’s general fund for general corporate use, including, in part, the provision of the services promised by Stanley Steemer to each franchise owner under the Franchise Agreement and, in part, to provide Stanley Steemer a profit on its investment in the development of its image, system, and goodwill. The portion of the fees which are attributable to costs of the services provided by Stanley Steemer vary with each franchise owner. No generalizations concerning the cost of services provided franchise owners is possible, and Stanley Steemer has not determined the exact cost of providing these services.”

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

“You may terminate the agreement upon any ground available by law.”

6. The first table in Item 17 is modified by adding the following language to the end of the Summary section of Item 17(j) titled, “Assignment of contract by franchisor”:

“However, no assignment by Stanley Steemer will be made except to an assignee who in good faith and judgment of Stanley Steemer, is willing and financially able to assume Stanley Steemer’s obligations under the Franchise Agreement.”

7. The first table in Item 17 is modified by adding the following language to the end of the Summary section of Item 17(c) titled, “Requirements for franchisee to renew or extend”, and Item 17(m) titled, “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 the General Business Law of the State of New York, Article 33, and the regulations issued thereunder 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.”

8. The first table in Item 17 is modified by adding the following language to the end of the Summary sections of Item 17(v), titled, “Choice of forum”, and Item 17(w), “Choice of law”:

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

9. 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.

10. Any sale made must be in compliance with § 683(8) of the Franchise Sale Act (N.Y. Gen. Bus. L. § 680 *et seq.*), which describes the time period in a Franchise Disclosure Document (offering prospectus) must be provided to a prospective franchisee before a sale may be made. New York law requires a franchisor to provide the Franchise Disclosure Document at the earlier of the first personal meeting ten (10) business days before the execution of the franchise or other agreement, or the payment of any consideration that relates to the franchise relationship.

EXHIBIT J

NEW YORK

ADDENDUM TO FRANCHISE AGREEMENT (NEW YORK)

This Addendum to Franchise Agreement (~~New York~~ this “Addendum”) is executed contemporaneously with the execution of the Franchise Agreement (the “Franchise Agreement”) between Stanley Steemer International, Inc., an Ohio corporation with its principal place of business at 5800 Innovation Drive, Dublin, Ohio 43016 (~~hereinafter referred to as “Stanley Steemer “SSI”~~) and _____, a(n) _____, with its principal place of business at _____ (~~hereinafter referred to as~~ **“Franchise Owner”**), for the purpose of modifying and ~~amending~~ supplementing the terms of the Franchise Agreement as follows:

1. All capitalized terms ~~herein which are used but~~ not separately defined ~~herein~~ in this Addendum shall have the meanings ascribed to such terms in the Franchise Agreement.
2. In the event of a conflict or inconsistency between the terms of the Franchise Agreement and the terms of this Addendum, the terms of this Addendum shall control.
3. Except as specifically modified and supplemented by this Addendum, all terms of the Franchise Agreement are in full force and effect.
4. Article XI.A.5, Article XII.A.6 and Article XII.B.7. of the Franchise Agreement are hereby modified by adding the following to the end thereof:

“Provided, however, that all rights 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.”

5. Article XII.I. of the Franchise Agreement is hereby modified by adding the following after the first sentence of Article XII.I:

“However, no assignment will be made except to an assignee who in good faith and judgment of Stanley Steemer is willing and financially able to assume Stanley Steemer’s obligations under the Franchise Agreement.”

6. The following is added to the end of the Article XIV of the Franchise Agreement:

“Additionally, you shall be permitted to terminate this Agreement upon any grounds permitted by law.”

7. Article XVIII.C. of the Franchise Agreement is hereby modified by adding the following to the end thereof:

“The foregoing choice of law should not be considered as a waiver of any right conferred upon you by the General Business Law of the State of New York, Article 33.”

8. Article XVII of the Franchise Agreement is hereby delete in its entirety and the following substituted therefor:

“ARTICLE XVII: FRANCHISEE STATEMENTS

By signing this Agreement, Franchise Owner agrees with the following:

A. FINANCIAL STATEMENTS. FRANCHISE OWNER HAS PROVIDED STANLEY STEEMER WITH ACCURATE FINANCIAL STATEMENTS WHICH PRESENT A TRUE REPRESENTATION OF HIS, HER OR ITS FINANCIAL CONDITION.

B. BUSINESS ENTITY. IF FRANCHISE OWNER, IS A BUSINESS ENTITY, NO STOCK OR OTHER OWNERSHIP INTEREST OF THE BUSINESS ENTITY MAY BE TRANSFERRED WITHOUT STANLEY STEEMER'S PRIOR APPROVAL IN ACCORDANCE WITH ARTICLE XII. FRANCHISE OWNER AGREES TO PLACE THE FOLLOWING LEGEND ON ALL CERTIFICATES OF STOCK OR OTHER OWNERSHIP INTEREST IN THE BUSINESS ENTITY:
The transfer of this stock or other certificate of ownership interest is subject to the terms and conditions of a Franchise Agreement with Stanley Steemer International, Inc.

C. 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."

9. Article XVI of the Franchise Agreement provides that arbitration shall be conducted in Columbus, Ohio, and that enforcement proceedings shall be brought in courts in Franklin County, Ohio or the United States Southern District of Ohio. To the extent any provision of Article XVI requiring out-of-state dispute resolution is determined by an arbitrator or court of competent jurisdiction to be unenforceable under applicable New York franchise laws with respect to a particular claim or proceeding, such provision is superseded by applicable law to that extent and shall not be enforced against Franchise Owner with respect to that claim or proceeding.
10. If any provision of this Addendum or the Franchise Agreement (as modified by this Addendum) is held invalid or unenforceable under New York law, that provision shall be deemed modified to the minimum extent necessary to render it enforceable or, if it cannot be so modified, shall be severed from this Addendum or the Franchise Agreement without affecting the validity or enforceability of any other provision of this Addendum or the Franchise Agreements.
11. ~~9-~~This Addendum, together with the Franchise Agreement to which it ~~is attached~~ relates, constitutes the entire agreement of the parties with respect to the subject matter hereof and may not be further modified or amended except in a written agreement signed by both parties.
12. ~~10-~~This Addendum may be electronically signed, and signatures transmitted electronically (including as an attached files (e.g., file such as a PDF)) shall be acceptable to bind and binding on the parties.

[Remainder of page intentionally blank; signature pages follow.]

IN WITNESS WHEREOF, the parties hereto have executed this Addendum to be effective as of the Effective Date of the Franchise Agreement.

STANLEY STEEMER INTERNATIONAL, INC.

By: _____
D. Ryan Jankowski, Esq., its Vice President of Legal
Affairs and CAO

Date: _____

FRANCHISE OWNER:

INSERT NAME OF FRANCHISEE ENTITY

By: _____

Title: _____

Date: _____

EXHIBIT J

NORTH DAKOTA

ADDENDUM TO DISCLOSURE DOCUMENT (NORTH DAKOTA)

This Addendum to Disclosure Document is required by the State of North Dakota and supplements the Franchise Disclosure Document provided to prospective franchisees in connection with the offer and sale of Stanley Steemer franchises in the State of North Dakota.

~~The following provisions will supersede anything to the contrary in the Franchise Disclosure Document and will apply to all franchises offered and sold under the laws of the State of North Dakota:~~

1. The laws of the State of North Dakota supersede any provisions of the Franchise Agreement or Ohio law if such provisions are in conflict with North Dakota law. The Franchise Agreement will be governed by North Dakota law, rather than Ohio law, as stated in Article XVIII.C. of the Franchise Agreement.
2. Any provision in the Franchise Agreement which designates jurisdiction or venue or requires the Franchise Owner to agree to jurisdiction or venue, in a forum outside of North Dakota, is deleted from Franchise Agreements issued in the State of North Dakota.
3. No release language set forth in the Franchise Agreement shall relieve the franchisor or any other person, directly or indirectly, from liability imposed by the laws concerning franchising of the State of North Dakota.
4. Covenants restricting competition in the State of North Dakota may be subject to Section 9-08-06 of the North Dakota Century Code.
5. Any provision in the Franchise Agreement which requires the Franchise Owner to waive its right to a trial by jury is deleted from the Franchise Agreement.
6. Any provision in the Franchise Agreement which requires the Franchise Owner to consent to liquidated damages is deleted from the Franchise Agreement.
7. Any provision in the Franchise Agreement which requires the Franchise Owner to consent to a waiver of exemplary and punitive damages is deleted from the Franchise Agreement.
8. Any provision in the Franchise Agreement which requires the Franchise Owner to consent to a limitation of claims is deleted from the Franchise Agreement. The statute of limitations under the laws concerning franchising of the State of North Dakota will apply.
9. 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.

EXHIBIT J

ADDENDUM TO FRANCHISE AGREEMENT (NORTH DAKOTA)

ADDENDUM TO FRANCHISE AGREEMENT

This Addendum to Franchise Agreement (~~North Dakota~~ this "Addendum") is executed contemporaneously with the execution of the Franchise Agreement (the "Franchise Agreement") between Stanley Steemer International, Inc., an Ohio corporation with its principal place of business at 5800 Innovation Drive, Dublin, Ohio 43016 (~~hereinafter referred to as "Stanley Steemer" "SSI"~~), and _____, a(n) _____, with its principal place of business at _____ (~~hereinafter referred to as "Franchise Owner"~~), for the purpose of modifying and ~~amending~~ supplementing the terms of the Franchise Agreement as follows:

1. All capitalized terms ~~herein which are used but~~ not separately defined ~~herein~~ in this Addendum shall have the ~~meanings meaning~~ ascribed to such terms in the Franchise Agreement.
2. Except as specifically modified or supplemented by this Addendum, all terms of the Franchise Agreement are in full force and effect.
3. ~~The laws of the State of North Dakota supersede any provisions of the Franchise Agreement or Ohio law if such provisions are in conflict with North Dakota law. The Franchise Agreement will be governed by North Dakota law, rather than Ohio law, as stated in Article XVIII.C. of the Franchise Agreement. The laws of the State of North Dakota supersede any provisions of the Franchise Agreement or Ohio law, if those provisions are in conflict with, or inconsistent with, North Dakota law; provided, however, in no event shall SSI be deemed to have waived its position or any provision in the Franchise Agreement regarding the applicability and enforceability of the Federal Arbitration Act to disputes between Franchise Owner and SSI.~~
4. Any provision in the Franchise Agreement which designates jurisdiction or venue or requires the Franchise Owner to agree to jurisdiction or venue, ~~in a forum outside of North Dakota, is deleted from Franchise Agreements issued in the State of North Dakota Agreement.~~
5. No release language set forth in the Franchise Agreement will relieve Stanley Steemer or any other person, directly or indirectly, from liability imposed by ~~the laws concerning franchising of the State of North Dakota franchise laws.~~
6. Article XV.A.12 of the Franchise Agreement is hereby modified by adding the following sentence to the end thereof:

"Covenants restricting competition in the State of North Dakota and covenants restricting solicitation of customers of the Stanley Steemer Business may be subject to Section 9-08-06 of the North Dakota Century Code."
7. Any provision in the Franchise Agreement which requires the Franchise Owner to waive its right to a trial by jury is deleted from the Franchise Agreement.
8. Any provision in the Franchise Agreement which requires the Franchise Owner to consent to liquidated damages is deleted from the Franchise Agreement.
9. Any provision in the Franchise Agreement which requires the Franchise Owner to consent to a waiver of exemplary and punitive damages is deleted from the Franchise Agreement.
10. No provision of the Franchise Agreement or any other agreement or document signed by Franchise Owner and SSI in connection with the franchise granted by SSI to Franchise Owner shall be construed to

waive any right of Franchise Owner that cannot be waived under applicable North Dakota franchise laws. Any such purported waiver is void to that extent.

11. Article XVI of the Franchise Agreement provides that arbitration shall be conducted in Columbus, Ohio, and that enforcement proceedings shall be brought in courts in Franklin County, Ohio or the United States Southern District of Ohio. To the extent any provision of Article XVI requiring out-of-state dispute resolution is determined by an arbitrator or court of competent jurisdiction to be unenforceable under applicable North Dakota franchise laws with respect to a particular claim or proceeding, such provision is superseded by applicable law to that extent and shall not be enforced against Franchise Owner with respect to that claim or proceeding.
12. ~~10.~~ Any provision in the Franchise Agreement which requires the Franchise Owner to consent to a limitation of claims is deleted from the Franchise Agreement. The statute of limitations under the laws concerning franchising of the State of North Dakota will apply.
13. ~~11.~~ Article XVII of the Franchise Agreement is hereby deleted in its entirety and replaced with the following:

“ARTICLE XVII: FRANCHISEE STATEMENTS

By signing this Agreement, Franchise Owner agrees with the following:

A. FINANCIAL STATEMENTS. FRANCHISE OWNER HAS PROVIDED STANLEY STEEMER WITH ACCURATE FINANCIAL STATEMENTS WHICH PRESENT A TRUE REPRESENTATION OF HIS, HER OR ITS FINANCIAL CONDITION.

B. BUSINESS ENTITY. IF FRANCHISE OWNER, IS A BUSINESS ENTITY, NO STOCK OR OTHER OWNERSHIP INTEREST OF THE BUSINESS ENTITY MAY BE TRANSFERRED WITHOUT STANLEY STEEMER'S PRIOR APPROVAL IN ACCORDANCE WITH ARTICLE XII. FRANCHISE OWNER AGREES TO PLACE THE FOLLOWING LEGEND ON ALL CERTIFICATES OF STOCK OR OTHER OWNERSHIP INTEREST IN THE BUSINESS ENTITY:

The transfer of this stock or other certificate of ownership interest is subject to the terms and conditions of a Franchise Agreement with Stanley Steemer International, Inc.

C. 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.”

14. ~~12.~~ In the event of a conflict or inconsistency between the terms of the Franchise Agreement and the terms of this Addendum, the terms of this Addendum shall control.
15. ~~13.~~ This Addendum, together with the Franchise Agreement to which it ~~is attached~~ relates, constitutes the entire agreement of the parties with respect to the subject matter hereof and may not be further modified or amended except in a written agreement signed by both parties.
16. ~~14.~~ This Addendum may be electronically signed, and signatures transmitted electronically (including as an attached file (e.g., file such as a PDF)) shall be acceptable ~~to bind~~ and binding on the parties.
17. If any provision of this Addendum or the Franchise Agreement (as modified by this Addendum) is held invalid or unenforceable under North Dakota law, that provision shall be deemed modified to the minimum extent necessary to render it enforceable or, if it cannot be so modified, shall be severed from

this Addendum or the Franchise Agreement without affecting the validity or enforceability of any other provision of this Addendum or the Franchise Agreements.

IN WITNESS WHEREOF, the parties hereto have executed this Addendum to be effective as of the Effective Date of the Franchise Agreement.

STANLEY STEEMER INTERNATIONAL, INC.

By: _____
D. Ryan Jankowski, Esq., its Vice President of Legal
Affairs and CAO

Date: _____

FRANCHISE OWNER:

INSERT NAME OF FRANCHISEE ENTITY

By: _____

Title: _____

Date: _____

EXHIBIT J

RHODE ISLAND

ADDENDUM TO DISCLOSURE DOCUMENT ~~(RHODE ISLAND)~~

This Addendum to Disclosure Document is required by the State of Rhode Island and supplements the Franchise Disclosure Document provided to prospective franchisees in connection with the offer and sale of Stanley Steemer franchises in the State of Rhode Island.

1. The first chart of Item 17 (Franchise Agreement) of the disclosure document is hereby modified by adding the following to the end of the "Summary" column for items "v." and "w.":

"Provided, however, that Section 19-28.1-14 of the Rhode Island Franchise Investment Act provides that a provision in a franchise agreement restricting jurisdiction or venue to a forum outside of the State of Rhode Island or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under the Rhode Island Franchise Investment Act."

2. 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.

EXHIBIT J

RHODE ISLAND

ADDENDUM TO FRANCHISE AGREEMENT (RHODE ISLAND)

This Addendum to Franchise Agreement (~~Rhode Island~~ this “**Addendum**”) is executed contemporaneously with the execution of the Franchise Agreement (the “**Franchise Agreement**”) between Stanley Steemer International, Inc., an Ohio corporation with its principal place of business at 5800 Innovation Drive, Dublin, Ohio 43016 (~~hereinafter referred to as “Stanley Steemer”~~ “**SSI**”) and _____, a(n) _____, with its principal place of business at _____ (~~hereinafter referred to as “Franchise Owner”~~), for the purpose of modifying and ~~amending~~ supplementing the terms of the Franchise Agreement as follows:

1. All capitalized terms ~~herein which are used but~~ not separately defined herein shall have the meanings ascribed to such terms in the Franchise Agreement.
2. In the event of a conflict or inconsistency between the terms of the Franchise Agreement and the terms of this Addendum, the terms of this Addendum shall control.
3. Except as specifically modified or supplemented by this Addendum, all terms of the Franchise Agreement are in full force and effect.
4. Sections XVIII.C and XVIII.D of the Franchise Agreement are hereby modified by adding the following to the end of each section thereof:

“Section 19-28.1-14 of the Rhode Island Franchise Investment Act provides that a provision in a franchise agreement restricting jurisdiction or venue to a forum outside of the State of Rhode Island or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under the Rhode Island Franchise Investment Act.”

5. Article XVII of the Franchise Agreement is hereby deleted in its entirety and the following substituted therefor:

“ARTICLE XVII: FRANCHISEE STATEMENTS

By signing this Agreement, Franchise Owner agrees with the following:

A. FINANCIAL STATEMENTS. FRANCHISE OWNER HAS PROVIDED STANLEY STEEMER WITH ACCURATE FINANCIAL STATEMENTS WHICH PRESENT A TRUE REPRESENTATION OF HIS, HER OR ITS FINANCIAL CONDITION.

B. BUSINESS ENTITY. IF FRANCHISE OWNER, IS A BUSINESS ENTITY, NO STOCK OR OTHER OWNERSHIP INTEREST OF THE BUSINESS ENTITY MAY BE TRANSFERRED WITHOUT STANLEY STEEMER'S PRIOR APPROVAL IN ACCORDANCE WITH ARTICLE XII. FRANCHISE OWNER AGREES TO PLACE THE FOLLOWING LEGEND ON ALL CERTIFICATES OF STOCK OR OTHER OWNERSHIP INTEREST IN THE BUSINESS ENTITY:

The transfer of this stock or other certificate of ownership interest is subject to the terms and conditions of a Franchise Agreement with Stanley Steemer International, Inc.

C. 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.”

6. No provision of the Franchise Agreement or any other agreement or document signed by Franchise Owner and SSI in connection with the franchise granted by SSI to Franchise Owner shall be construed to waive any right of Franchise Owner that cannot be waived under applicable Rhode Island franchise laws. Any such purported waiver is void to that extent.
7. Article XVI of the Franchise Agreement provides that arbitration shall be conducted in Columbus, Ohio, and that enforcement proceedings shall be brought in courts in Franklin County, Ohio or the United States Southern District of Ohio. To the extent any provision of Article XVI requiring out-of-state dispute resolution is determined by an arbitrator or court of competent jurisdiction to be unenforceable under applicable Rhode Island franchise laws with respect to a particular claim or proceeding, such provision is superseded by applicable law to that extent and shall not be enforced against Franchise Owner with respect to that claim or proceeding.
8. If any provision of this Addendum or the Franchise Agreement (as modified by this Addendum) is held invalid or unenforceable under Rhode Island law, that provision shall be deemed modified to the minimum extent necessary to render it enforceable or, if it cannot be so modified, shall be severed from this Addendum or the Franchise Agreement without affecting the validity or enforceability of any other provision of this Addendum or the Franchise Agreements.
9. ~~6.~~ This Addendum, together with the Franchise Agreement to which it ~~is attached~~ relates, constitutes the entire agreement of the parties with respect to the subject matter hereof and may not be further modified or amended except in a written agreement signed by both parties.
10. ~~7.~~ This Addendum may be electronically signed, and signatures transmitted electronically (including as an attached ~~file~~ file (e.g., file such as a PDF)) shall be acceptable to ~~bind~~ bind and binding on the parties.

[remainder of page intentionally blank; signature page follows.]

IN WITNESS WHEREOF, the parties hereto have executed this Addendum to be effective as of the Effective Date of the Franchise Agreement.

STANLEY STEEMER INTERNATIONAL, INC.

By: _____
D. Ryan Jankowski, Esq., its Vice President of Legal
Affairs and CAO

Date: _____

FRANCHISE OWNER:

INSERT NAME OF FRANCHISEE ENTITY

By: _____

Title: _____

Date: _____

EXHIBIT J

SOUTH DAKOTA

ADDENDUM TO DISCLOSURE DOCUMENT (SOUTH DAKOTA)

This Addendum to Disclosure Document is required by the State of South Dakota and supplements the Franchise Disclosure Document provided to prospective franchisees in connection with the offer and sale of Stanley Steemer franchises in the State of South Dakota.

~~The following provisions will supersede anything to the contrary in the Franchise Disclosure Document and will apply to all franchises offered and sold under the laws of the State of South Dakota:~~

1. Item 17 of the Franchise Disclosure Document is hereby ~~amended by the addition of~~ supplementing the following ~~language~~ paragraphs to the end thereof:

“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.

The law regarding franchise registration, employment, covenants not 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 laws of the State of Ohio.”

Except to the extent prohibited by applicable state law to the contrary, Stanley Steemer and Franchise Owner agree that any mediation or arbitration commenced pursuant to Article XVI.A of the Franchise Agreement shall be at the JAMS Resolution Center in Chicago, Illinois, and any litigation or other legal action to enforce or relating to this Agreement and the relationship of the parties hereunder shall be filed in the federal district court for the Southern District of Ohio in Columbus, Ohio, or the Common Pleas Court of Franklin County, Ohio, and Stanley Steemer and Franchise Owner hereby consent to the jurisdiction of such courts. Any provision which designates jurisdiction or venue or requires Franchise Owner to agree to jurisdiction or venue in a forum outside of South Dakota is void with respect to any cause of action which is otherwise enforceable in South Dakota.”

2. 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.

EXHIBIT J

SOUTH DAKOTA

ADDENDUM TO FRANCHISE AGREEMENT (SOUTH DAKOTA)

This Addendum to Franchise Agreement (~~South Dakota~~ **this “Addendum”**) is executed contemporaneously with the execution of the Franchise Agreement (~~the “Franchise Agreement”~~) between Stanley Steemer International, Inc., an Ohio corporation with its principal place of business at 5800 Innovation Drive, Dublin, Ohio 43016 (~~hereinafter referred to as “Stanley Steemer”~~ **“SSI”**) and _____, a(n) _____, with its principal place of business at _____ (~~hereinafter referred to as “Franchise Owner”~~), for the purpose of modifying and ~~amending~~ **supplementing** the terms of the Franchise Agreement as follows:

1. All capitalized terms ~~herein which are used but~~ not separately defined ~~herein~~ **in this Addendum** shall have the meanings ascribed to such terms in the Franchise Agreement.
2. In the event of a conflict ~~or inconsistency~~ between the terms of the Franchise Agreement and the terms of this Addendum, the terms of this Addendum shall control.
3. Except as specifically modified ~~or supplemented~~ by this Addendum, all terms of the Franchise Agreement are in full force and effect.
4. Article XV.A.12. of the Franchise Agreement is hereby modified by adding the following sentence to the end thereof:

“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.”

5. Article XVIII. E. of the Franchise Agreement is hereby amended to read as follows:

“This Agreement contains the entire agreement of the parties and no representation, inducements, promises, or agreement, oral or written (other than the most recent version of Stanley Steemer’s Franchise Disclosure Document provided to Franchise Owner), not included in this Agreement shall be of any force and effect. Pursuant to SDCL 37-5B-26(8) Stanley Steemer may not require Franchise Owner to disclaim or waive reliance on any representations in the Franchise Disclosure Document exhibits and/or amendments thereto.”

6. Article XVIII. C. of the Franchise Agreement is hereby amended to read as follows:

“The law regarding franchise registration, employment, covenants not 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 laws of the State of Ohio.”

7. Article XVI of the Franchise Agreement is hereby amended to add a new Section, “F” to the end thereof:

“Notwithstanding anything in this Article XVI or XVIII.D to the contrary, any provision which designates jurisdiction or venue or requires Franchise Owner to agree to jurisdiction or venue in a forum outside of South Dakota is void with respect to any cause of action which is otherwise enforceable in South Dakota.”

8. Article XVII of the Franchise Agreement is hereby deleted in its entirety and the following substituted therefor:

“ARTICLE XVII: FRANCHISEE STATEMENTS

By signing this Agreement, Franchise Owner agrees with the following:

A. FINANCIAL STATEMENTS. FRANCHISE OWNER HAS PROVIDED STANLEY STEEMER WITH ACCURATE FINANCIAL STATEMENTS WHICH PRESENT A TRUE REPRESENTATION OF HIS, HER OR ITS FINANCIAL CONDITION.

B. BUSINESS ENTITY. IF FRANCHISE OWNER, IS A BUSINESS ENTITY, NO STOCK OR OTHER OWNERSHIP INTEREST OF THE BUSINESS ENTITY MAY BE TRANSFERRED WITHOUT STANLEY STEEMER'S PRIOR APPROVAL IN ACCORDANCE WITH ARTICLE XII. FRANCHISE OWNER AGREES TO PLACE THE FOLLOWING LEGEND ON ALL CERTIFICATES OF STOCK OR OTHER OWNERSHIP INTEREST IN THE BUSINESS ENTITY:

The transfer of this stock or other certificate of ownership interest is subject to the terms and conditions of a Franchise Agreement with Stanley Steemer International, Inc.

C. 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.”

9. No provision of the Franchise Agreement or any other agreement or document signed by Franchise Owner and SSI in connection with the franchise granted by SSI to Franchise Owner shall be construed to waive any right of Franchise Owner that cannot be waived under applicable South Dakota franchise laws. Any such purported waiver is void to that extent.
10. Article XVI of the Franchise Agreement provides that arbitration shall be conducted in Columbus, Ohio, and that enforcement proceedings shall be brought in courts in Franklin County, Ohio or the United States Southern District of Ohio. To the extent any provision of Article XVI requiring out-of-state dispute resolution is determined by an arbitrator or court of competent jurisdiction to be unenforceable under applicable South Dakota franchise laws with respect to a particular claim or proceeding, such provision is superseded by applicable law to that extent and shall not be enforced against Franchise Owner with respect to that claim or proceeding.
11. If any provision of this Addendum or the Franchise Agreement (as modified by this Addendum) is held invalid or unenforceable under South Dakota law, that provision shall be deemed modified to the minimum extent necessary to render it enforceable or, if it cannot be so modified, shall be severed from this Addendum or the Franchise Agreement without affecting the validity or enforceability of any other provision of this Addendum or the Franchise Agreements.
12. 9. This Addendum, together with the Franchise Agreement to which it is attached, relates, constitutes the entire agreement of the parties with respect to the subject matter hereof and may not be further modified or amended except in a written agreement signed by both parties.
1013. This Addendum may be electronically signed, and signatures transmitted electronically (including as an attached file (e.g., file such as a PDF)) shall be acceptable to bind and binding on the parties.

IN WITNESS WHEREOF, the parties hereto have executed this Addendum to be effective as of the Effective Date of the Franchise Agreement.

STANLEY STEEMER INTERNATIONAL, INC.

By: _____

D. Ryan Jankowski, Esq., its Vice President of Legal
Affairs and CAO

Date: _____

FRANCHISE OWNER:

INSERT NAME OF FRANCHISEE ENTITY

By: _____

Title: _____

Date: _____

EXHIBIT J

VIRGINIA

ADDENDUM TO DISCLOSURE DOCUMENT ~~(VIRGINIA)~~

This Addendum to Disclosure Document is required by the State of Virginia and supplements the Franchise Disclosure Document provided to prospective franchisees in connection with the offer and sale of Stanley Steemer franchises in the State of Virginia.

1. ~~1-~~Item 17 of the franchise disclosure document is hereby ~~modified~~supplemented by adding the following paragraph to the end

“Virginia has a statute which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise: VIRGINIA Code 13.1-557-574-13.1-564. This state may have court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to use undue influence to induce a franchisee to surrender any right given to a franchisee under the franchise. If any provision of the Franchise Agreement involves the use of undue influence by the franchisor to induce a franchisee to surrender any rights given to a franchisee under the franchise, that provision may not be enforceable.”

2. 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.

EXHIBIT J

VIRGINIA

ADDENDUM TO FRANCHISE AGREEMENT-(VIRGINIA)

This Addendum to Franchise Agreement (~~Virginia~~ this “**Addendum**”) is executed contemporaneously with the execution of the Franchise Agreement (the “**Franchise Agreement**”) between Stanley Steemer International, Inc., an Ohio corporation with its principal place of business at 5800 Innovation Drive, Dublin, Ohio 43016 (~~hereinafter referred to as “Stanley Steemer”~~ “**SSI**”) and _____, a(n) _____, with its principal place of business at _____ (~~hereinafter referred to as “Franchise Owner”~~), for the purpose of modifying and ~~amending~~ supplementing the terms of the Franchise Agreement as follows:

1. All capitalized terms ~~herein which are used but~~ not separately defined ~~herein~~ in this Addendum shall have the meanings ascribed to such terms in the Franchise Agreement.
2. Except as specifically modified or supplemented by this Addendum, all terms of the Franchise Agreement are in full force and effect.
3. Article XVII of the Franchise Agreement is hereby deleted in its entirety and the following substituted therefor:

“ARTICLE XVII: FRANCHISEE STATEMENTS

By signing this Agreement, Franchise Owner agrees with the following:

A. FINANCIAL STATEMENTS. FRANCHISE OWNER HAS PROVIDED STANLEY STEEMER WITH ACCURATE FINANCIAL STATEMENTS WHICH PRESENT A TRUE REPRESENTATION OF HIS, HER OR ITS FINANCIAL CONDITION.

B. BUSINESS ENTITY. IF FRANCHISE OWNER, IS A BUSINESS ENTITY, NO STOCK OR OTHER OWNERSHIP INTEREST OF THE BUSINESS ENTITY MAY BE TRANSFERRED WITHOUT STANLEY STEEMER'S PRIOR APPROVAL IN ACCORDANCE WITH ARTICLE XII. FRANCHISE OWNER AGREES TO PLACE THE FOLLOWING LEGEND ON ALL CERTIFICATES OF STOCK OR OTHER OWNERSHIP INTEREST IN THE BUSINESS ENTITY:

The transfer of this stock or other certificate of ownership interest is subject to the terms and conditions of a Franchise Agreement with Stanley Steemer International, Inc.

C. 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.”

4. Article XVIII.C. and D. of the Franchise Agreement are amended by the addition of the following language:

“This paragraph shall not in any way abrogate or reduce any rights of the Franchise Owner as provided for in Virginia Franchise Disclosure Law, including the right to submit matters to the jurisdiction of the courts of Virginia.” Virginia Code (13.1557-574)”

5. No provision of the Franchise Agreement or any other agreement or document signed by Franchise Owner and SSI in connection with the franchise granted by SSI to Franchise Owner shall be construed to waive

any right of Franchise Owner that cannot be waived under applicable Virginia franchise laws. Any such purported waiver is void to that extent.

6. Article XVI of the Franchise Agreement provides that arbitration shall be conducted in Columbus, Ohio, and that enforcement proceedings shall be brought in courts in Franklin County, Ohio or the United States Southern District of Ohio. To the extent any provision of Article XVI requiring out-of-state dispute resolution is determined by an arbitrator or court of competent jurisdiction to be unenforceable under applicable Virginia franchise laws with respect to a particular claim or proceeding, such provision is superseded by applicable law to that extent and shall not be enforced against Franchise Owner with respect to that claim or proceeding.
7. If any provision of this Addendum or the Franchise Agreement (as modified by this Addendum) is held invalid or unenforceable under Virginia law, that provision shall be deemed modified to the minimum extent necessary to render it enforceable or, if it cannot be so modified, shall be severed from this Addendum or the Franchise Agreement without affecting the validity or enforceability of any other provision of this Addendum or the Franchise Agreements.
8. ~~5. To~~In the extent this Addendum shall be deemed to be inconsistent with any terms or conditions of said event of a conflict or inconsistency between the terms of the Franchise Agreement and the terms of this Addendum, the terms of this Addendum shall govern control.
9. ~~6.~~This Addendum, together with the Franchise Agreement to which it is attached relates, constitutes the entire agreement of the parties with respect to the subject matter hereof and may not be further modified or amended except in a written agreement signed by both parties.
10. ~~7.~~This Addendum may be electronically signed, and signatures transmitted electronically (including as an attached files (e.g., file such as a PDF)) shall be acceptable to bind and binding on the parties.

IN WITNESS WHEREOF, the parties hereto have executed this Addendum to be effective as of the Effective Date of the Franchise Agreement.

STANLEY STEEMER INTERNATIONAL, INC.

By: _____
D. Ryan Jankowski, Esq., its Vice President of Legal
Affairs and CAO

Date: _____

FRANCHISE OWNER:

INSERT NAME OF FRANCHISEE ENTITY

By: _____

Title: _____

Date: _____

EXHIBIT J

WISCONSIN

ADDENDUM TO DISCLOSURE DOCUMENT (~~WISCONSIN~~)

This Addendum to Disclosure Document is required by the State of Wisconsin and supplements the Franchise Disclosure Document provided to prospective franchisees in connection with the offer and sale of Stanley Steemer franchises in the State of Wisconsin.

1. 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.

EXHIBIT J

WISCONSIN

ADDENDUM TO FRANCHISE AGREEMENT (WISCONSIN)

This Addendum to Franchise Agreement (~~Wisconsin~~ **this “Addendum”**) is executed contemporaneously with the execution of the Franchise Agreement (**the “Franchise Agreement”**) between Stanley Steemer International, Inc., an Ohio corporation with its principal place of business at 5800 Innovation Drive, Dublin, Ohio 43016 (~~hereinafter referred to as “Stanley Steemer”~~ **“SSI”**) and _____, a(n) _____, with its principal place of business at _____ (~~hereinafter referred to as “Franchise Owner”~~), for the purpose of modifying and ~~amending~~ **supplementing** the terms of the Franchise Agreement as follows:

1. All capitalized terms ~~herein which are used~~ but not separately defined herein shall have the meanings ascribed to such terms in the Franchise Agreement.
2. In the event of a conflict ~~or inconsistency~~ between the terms of the Franchise Agreement and the terms of this Addendum, the terms of this Addendum shall control.
3. Except as specifically modified ~~or supplemented~~ by this Addendum, all terms of the Franchise Agreement are in full force and effect.
4. Article XVII of the Franchise Agreement is hereby deleted in its entirety and the following substituted therefor:

“ARTICLE XVII: FRANCHISEE STATEMENTS

By signing this Agreement, Franchise Owner agrees with the following:

A. FINANCIAL STATEMENTS. FRANCHISE OWNER HAS PROVIDED STANLEY STEEMER WITH ACCURATE FINANCIAL STATEMENTS WHICH PRESENT A TRUE REPRESENTATION OF HIS, HER OR ITS FINANCIAL CONDITION.

B. BUSINESS ENTITY. IF FRANCHISE OWNER, IS A BUSINESS ENTITY, NO STOCK OR OTHER OWNERSHIP INTEREST OF THE BUSINESS ENTITY MAY BE TRANSFERRED WITHOUT STANLEY STEEMER'S PRIOR APPROVAL IN ACCORDANCE WITH ARTICLE XII. FRANCHISE OWNER AGREES TO PLACE THE FOLLOWING LEGEND ON ALL CERTIFICATES OF STOCK OR OTHER OWNERSHIP INTEREST IN THE BUSINESS ENTITY:

The transfer of this stock or other certificate of ownership interest is subject to the terms and conditions of a Franchise Agreement with Stanley Steemer International, Inc.

C. 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.”

5. If any provision of this Addendum or the Franchise Agreement (as modified by this Addendum) is held invalid or unenforceable under Wisconsin law, that provision shall be deemed modified to the minimum extent necessary to render it enforceable or, if it cannot be so modified, shall be severed from

this Addendum or the Franchise Agreement without affecting the validity or enforceability of any other provision of this Addendum or the Franchise Agreements.

6. No provision of the Franchise Agreement or any other agreement or document signed by Franchise Owner and SSI in connection with the franchise granted by SSI to Franchise Owner shall be construed to waive any right of Franchise Owner that cannot be waived under applicable Wisconsin franchise laws. Any such purported waiver is void to that extent.
7. Article XVI of the Franchise Agreement provides that arbitration shall be conducted in Columbus, Ohio, and that enforcement proceedings shall be brought in courts in Franklin County, Ohio or the United States Southern District of Ohio. To the extent any provision of Article XVI requiring out-of-state dispute resolution is determined by an arbitrator or court of competent jurisdiction to be unenforceable under applicable Wisconsin franchise laws with respect to a particular claim or proceeding, such provision is superseded by applicable law to that extent and shall not be enforced against Franchise Owner with respect to that claim or proceeding.
8. ~~5.~~ This Addendum, together with the Franchise Agreement to which it ~~is attached~~ relates, constitutes the entire agreement of the parties with respect to the subject matter hereof and may not be further modified or amended except in a written agreement signed by both parties.
9. ~~6.~~ This Addendum may be electronically signed, and signatures transmitted electronically (including as an attached ~~file~~ (e.g., file such as a PDF)) shall be acceptable to ~~bind~~ bind and binding on the parties.
- 10.

[remainder of page intentionally blank; signature pages follows.]

IN WITNESS WHEREOF, the parties hereto have signed this Addendum to be effective as of the Effective Date of the Franchise Agreement.

STANLEY STEEMER INTERNATIONAL, INC.

By: _____
D. Ryan Jankowski, Esq., its Vice President of Legal
Affairs and CAO

Date: _____

FRANCHISE OWNER:

INSERT NAME OF FRANCHISEE ENTITY

By: _____

Title: _____

Date: _____

STANLEY STEEMER INTERNATIONAL, INC.
GUARANTEE, AND INDEMNIFICATION, AND ACKNOWLEDGMENT AGREEMENT

1. **Unconditional Guarantee.** As an inducement to Stanley Steemer International, Inc. (~~referred to in this Guarantee, Indemnification, and Acknowledgement as “we,” “us,” “our” or “Stanley Steemer SSI”~~) to execute the ~~Franchise Agreement between~~ and enter into a Stanley Steemer and _____, a(n) _____ (~~referred to in this Agreement as~~ franchise agreement with _____, a(n) _____ (“**Franchisee**”), the undersigned, whether one or more than one (“**you,” “your,” or “Franchisee”**”) dated _____, 20__ (the “**Agreement**”), ~~the undersigned~~), hereby enters into this Guarantee and Indemnification Agreement (this “**Guarantee**”), and jointly and severally, hereby unconditionally guarantee to us and our successors and assigns that all ~~of your~~ obligations under the ~~Agreement and any extensions, renewals, amendments, and modifications thereof~~ Franchise Agreement, and Franchisee’s obligations under the ~~Franchise Agreement~~, will be punctually paid and performed.

As used herein, the term “**Franchise Agreement**” means the Stanley Steemer franchise agreement by and between Franchisee and SSI, dated _____, together with any extensions, renewals, amendments, and modifications thereof and all related ancillary agreements and exhibits required by SSI.

2. **Waiver of Presentment.** Upon our demand, the undersigned will immediately make each payment and perform each obligation required of you or Franchisee under the Franchise Agreement. The undersigned hereby waive(s) any right to require us to: {
- a. ~~a)~~ proceed against ~~you~~ Franchisee, the undersigned, or any other guarantor of the obligations under the Franchise Agreement, if any (“**Guarantor(s)**”), for any payment required under the Franchise Agreement; {
 - b. ~~b)~~ proceed against or exhaust any security from you, Franchisee or other Guarantor(s); or {
 - c. ~~c)~~ pursue or exhaust any remedy, including any legal or equitable relief, against you—, Franchisee or other Guarantor(s).

All choices relating to the enforcement of the Franchise Agreement will be made in our unfettered discretion. Without affecting the obligations of the undersigned and our rights under this Guarantee, we may, without notice to the undersigned, (i) extend, modify, or release any indebtedness or obligation ~~of yours, or under the Franchise Agreement~~, (ii) settle, adjust, or compromise any claims against ~~you~~ Franchisee, any of the undersigned, or other Guarantor(s), (iii) wave or delay the exercise of our rights or remedies under the Franchise Agreement and (iv) apply payments by Franchisee, the undersigned or other Guarantor(s) to any of Franchisee’s monetary obligations and indebtedness to us, in the amount determined by us. The undersigned waive notice of amendment, modification or renewal of the Franchise Agreement and notice of demand for payment by you, and agree to be bound by any and all such amendments and ~~changes~~ modifications to the Agreement, and any renewal thereof.

3. **Indemnification.** The undersigned hereby agree to defend, indemnify, and hold us harmless against any and all losses, damages, liabilities, costs, and expenses (including, but not limited to, reasonable attorneys’ fees, accountants’ fees, fees for other required professional, expert or specialized services, reasonable costs of investigation, court costs, and mediation or arbitration fees and expenses) resulting from, consisting of, or arising out of or in connection with any failure by you, Franchisee or other Guarantor(s) to pay or perform any of ~~your~~ their respective obligations under the Franchise Agreement, ~~any amendment thereto, or any other agreement you executed referred to therein~~, as well as our enforcement of this Guarantee.
4. **Financial Disclosures.** The undersigned agrees to provide us with ~~such personal~~ financial statements ~~and other information as we may request, all of which the~~, in a form acceptable to us:
- a. annually, within ninety (90) days of the end of each calendar year;

- b. upon any material adverse change in their financial condition; and
- c. at any other time upon our request.

The undersigned ~~represent and warrant~~ represents and warrants that all such financial statements and other information provided will be true, correct, and complete; in all material respects. The failure to provide such information as required herein or the submission of any information that is materially false or misleading shall constitute a default under this Guarantee.

5. **Term and Survival.** ~~This Guarantee, Indemnification, and Acknowledgment~~ will terminate upon the termination or expiration of the Franchise Agreement, or any extensions, renewals, amendments, and modifications thereof, except that all obligations and liabilities of the undersigned and Franchisee which arose from events which occurred on or before the effective date of such termination or expiration will remain in full force and effect until satisfied or discharged by the undersigned, ~~and all~~ or Franchisee, including any obligations of yours or Franchisee's arising from covenants which by their terms continue in force after the expiration or termination of the Franchise Agreement ~~will remain in force according to their terms~~. Upon the death of an individual guarantor signing this Guarantee, the estate ~~of~~, personal representative, and legal representatives of such guarantor will be bound by this Guarantee, but only for defaults and obligations hereunder existing at the time of death; and the obligations of the other guarantors signing below will continue in full force and effect.

6. **Governing Law.** ~~This Guarantee, Indemnification, and Acknowledgment~~ will be interpreted and construed under the laws of the State of Ohio, notwithstanding any Ohio choice of law rule to the contrary. If, however, any provision of this ~~Agreement~~ Guarantee would not be enforceable under the laws of the State of Ohio, and if the franchised business is located outside of the State of Ohio and such provision would be enforceable under the laws of the state in which the franchised business is located, then such provision will be interpreted and construed under the laws of that state. Nothing in this Guarantee, ~~Indemnification, and Acknowledgment~~ is intended by the parties to subject ~~this~~ the Franchise Agreement to any franchise, business opportunity, or similar statute, rule, or regulation of the State of Ohio to which it would not otherwise be subject.

~~Any and all notices required or permitted under this Guarantee must be in writing and must be personally delivered, sent by certified mail, or sent by any other means (including, without limitation, overnight courier service such as UPS, FedEx or a similar service), which affords the sender evidence of delivery or attempted delivery to the following addresses unless and until a different address has been designated by written notice to the other party:~~

7. **Jurisdiction, Venue, and Dispute Resolution.**

- a. The undersigned irrevocably agrees that any action, suit, or proceeding arising out of or relating to this Guarantee shall be instituted exclusively in any state or federal court located in Franklin County, Ohio. The undersigned hereby waives any objection which they may have to the laying of venue of any such action, suit, or proceeding and irrevocably submits to the jurisdiction of any such court.
- b. Notwithstanding the foregoing, SSI may, at its sole election, require that any dispute arising under or relating to this Guarantee be resolved by binding arbitration in accordance with the dispute resolution provisions of the Franchise Agreement, which are incorporated herein by reference.
- c. If a dispute under this Guarantee arises out of or is related to facts or circumstances that are also the subject of a dispute resolution proceeding under the Franchise Agreement or of any promissory note executed by Franchisee in SSI's favor, SSI may, at its option, require that the claims under this Guarantee be consolidated into and resolved within such proceeding.

8. **WAIVER OF JURY TRIAL.** EACH OF THE UNDERSIGNED KNOWINGLY, VOLUNTARILY, AND INTENTIONALLY WAIVES THE RIGHT TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED HEREON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS GUARANTEE, THE FRANCHISE AGREEMENT, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF STANLEY STEEMER OR THE UNDERSIGNED.

9. Notices.

- a. **Form and Delivery.** Any notice, demand, or other communication required or permitted under this Guarantee (each, a "Notice") must be in writing and must be delivered by one of the following methods: (i) personal delivery; (ii) certified or registered mail, return receipt requested, postage prepaid; (iii) nationally recognized overnight courier service (e.g., UPS, FedEx, or similar service) with tracking and evidence of delivery; or (iv) email transmission to the email address set forth below (or such other email address as the recipient may designate by Notice given in accordance with this Section).
- b. **Deemed Receipt.** A Notice shall be deemed given and effective: (i) if personally delivered, on the date of delivery; (ii) if sent by certified or registered mail, on the earlier of actual receipt or five (5) business days after deposit in the United States mail; (iii) if sent by overnight courier, on the next business day following deposit with the courier; or (iv) if sent by email, on the next business day following the date of transmission, provided the sender does not receive an automated non-delivery or failure notification within twenty-four (24) hours of transmission. Refusal to accept delivery or inability to deliver because of a changed address for which no Notice was given shall be deemed receipt on the date of such refusal or attempted delivery.

c. **Addresses.**

Notices to SSI:

Stanley Steemer International, Inc.
Attn: Legal Department
5800 Innovation Drive, Dublin, Ohio 43016

Notices to Stanley Steemer:

E-Mail: legalops@steemer.com

Notices to Guarantor(s):

Attn E-Mail:

Any notice by a method that affords the sender evidence of delivery or attempted delivery will be deemed to have been given at the date and time of receipt or attempted delivery.

~~This Guarantee, Indemnification and Acknowledgement may be electronically signed, and signatures transmitted electronically (including as attached files (e.g., .PDF)) shall be acceptable to bind the undersigned.~~

10. **Electronic Signatures and Counterparts.** This Guarantee may be executed in any number of counterparts, each of which shall be deemed an original and together shall be construed as a fully executed agreement. The parties agree that this Guarantee may be electronically signed and that electronic signatures (i.e., an electronic sound, symbol, or process attached to, or associated with, a contract or other record and adopted by a person with the intent to sign the record) shall have the same legal force and effect, validity, and enforceability as manually executed signatures under the federal Electronic Signatures in Global and National Commerce Act (ESIGN Act) and the Uniform Electronic Transactions Act (UETA). Delivery of an executed counterpart of a signature page by facsimile, .pdf, or other electronic means (including signatures transmitted via DocuSign, Adobe Sign, or similar electronic signature platforms) shall be as effective as delivery of a manually executed counterpart. The undersigned waive any argument, defense, or right to contest the legal effect, validity, or enforceability of this Guarantee based on the use of electronic signatures or electronic records.

| **IN WITNESS WHEREOF**, each of the undersigned has signed this Guarantee as of the date of the Franchise Agreement.

GUARANTORS

EXHIBIT L

STANLEY STEEMER INTERNATIONAL, INC. GENERAL RELEASE OF ALL CLAIMS

This GENERAL RELEASE OF ALL CLAIMS (this "Release") is made effective as of [Date], by [Franchise Entity Legal Name], a(n) [State and Entity Type], and [Owner Name(s)], individually and as the principal owner(s) of the entity (collectively, the "Releasors"), in favor of Stanley Steemer International, Inc., an Ohio corporation, and its past and present shareholders, officers, directors, employees, agents, affiliates, successors, and assigns (collectively, the "Released Parties").

RECITALS

WHEREAS, Releasors and the Released Parties are parties to a franchise relationship governed by a certain Franchise Agreement dated [Franchise Agreement Date] (the "Franchise Agreement"); and

WHEREAS, this Release is being executed in consideration for [the extension of credit by SSI pursuant to that certain Promissory Note] [the renewal of the Franchise Agreement and the grant of a successor franchise term] [SSI's consent to the transfer of the Franchise Agreement from the Releasors to [Name of Buyer]] (the "Consideration").

NOW, THEREFORE, for and in consideration of the foregoing, the mutual promises herein contained, the Consideration, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Releasors agree as follows:

1. This ~~General Release of All Claims~~ ("General Release") is made effective this _____ day of _____, 20____. As a requirement of and in consideration for the willingness on the part of Stanley Steemer International, Inc. ("Stanley Steemer"), to _____ renew, terminate, consent to the transfer of the Franchise Agreement, dated _____, _____ for the operation of a Stanley Steemer carpet cleaning, air duct cleaning and water mitigation and restoration business ("Franchise Agreement") as requested by the undersigned, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned, individually and collectively, hereby unconditionally RELEASES and DISCHARGES Stanley Steemer, any person acting by, through, under or on behalf of Stanley Steemer, its past and present shareholders, officers, members, partners, directors, employees, agents, parent, subsidiaries and corporate affiliates, their successors and assigns, in their corporate and individual capacities, Releasors, on behalf of themselves and their heirs, executors, administrators, successors, and assigns, hereby unconditionally and irrevocably release, acquit, and forever discharge the Released Parties from any and all liabilities, claims, damages, demands, costs, indebtedness, expenses, debts, indemnities, compensation, suits, controversies, covenants, ~~contracts, demands, actions and~~ causes of action, suits, damages, debts, accounts, and expenses (including attorneys' fees and costs) of any kind or nature whatsoever, whether developed or undeveloped, known or unknown, suspected or unsuspected, fixed or contingent, regarding or arising out of the Franchise Agreement, any prior or existing franchise agreements, or any other prior or existing agreements or documents executed by any of the undersigned either for the benefit of and/or with Stanley Steemer (or any corporate affiliate or predecessor of Stanley Steemer), the franchise relationship, or any other prior or existing business relationship between any of the undersigned and Stanley Steemer (or any corporate affiliate or predecessor of Stanley Steemer) which the undersigned or any of them individually or collectively has asserted, may have asserted or could have asserted against Stanley Steemer (or any of the ~~forementioned~~ which Releasors now have, have ever had, or may hereafter have against any of the Released Parties arising out of or in any way related parties) ~~at~~ to any matter from the beginning of time up to and including the effective date of this General Release, including specifically, without limitation, claims under the Sherman and Clayton Acts and the anti-trust laws or regulations of the United States, and limiting the foregoing, claims arising from contract, written or oral communications, alleged misstatements of fact, indebtedness of any kind or nature, and acts of negligence whether active or passive.
2. ~~This General~~ Scope of Release. The claims released herein include, without limitation, any and all claims related to: (a) the Franchise Agreement and any other agreements between the parties; (b) the franchise relationship; (c) any

financial performance representations or earnings claims; (d) claims for breach of contract, breach of any implied covenant of good faith and fair dealing, or tortious interference; (e) any claims arising under any federal, state, or local statute, regulation, or ordinance, including without limitation, any franchise, business opportunity, "little FTC," antitrust, or securities laws; and (f) any and all claims arising out of or related to any promissory note, credit agreement, or other financing instrument between the parties, including any claims of usury, unconscionability, or violation of applicable lending or consumer-protection laws. This Release shall survive the assignment, expiration or termination of any of the franchise agreements, ~~including the Franchise Agreement,~~ or other agreements ~~executed by any of the undersigned either for the benefit of and/or with Stanley Steemer (or any corporate affiliate or predecessor of Stanley Steemer).~~ This General Release is not intended as a waiver of those rights of the undersigned which cannot be waived under applicable state franchise laws. The undersigned acknowledges and agrees entered into by and between the Released Parties and the Releasors. The Releasors acknowledge and agree that certain of its obligations as provided in ~~Articles V, VII, XI, Article XIII, Article XIV and Article XV, XVI, XVII and XVIII~~ of the of the Franchise Agreement, in addition to those other obligations of the ~~undersigned~~ Releasors which specifically or by their nature survive termination of the Franchise Agreement, shall continue after the transfer, expiration or termination of ~~the Franchise Agreement.~~ ~~This General Release may be electronically signed, and signatures transmitted electronically (including as attached files (e.g., .PDF)) shall be acceptable to bind the undersigned.~~ This General Release does not apply to claims by the undersigned that arise under (1) the California Franchise Investment Law, California Corporations Code 31000, and the rules adopted thereunder, or (2) the Washington Franchise Investment Protection Act, RCW 19.100, and the rules adopted thereunder.

FRANCHISEE OWNER(S):

FRANCHISEE:

Name: _____

Name of Entity or Sole Proprietor

Name: _____

By: _____

Title: _____

3. **Waiver of Unknown Claims & California Civil Code § 1542.** Releasors acknowledge that they may hereafter discover claims or facts in addition to or different from those which they now know or believe to exist with respect to the subject matter of this Release, but that it is their intention to fully and finally settle all claims released herein, whether known or unknown. In furtherance of this intention, **RELEASORS ARE AWARE OF AND HEREBY EXPRESSLY WAIVE ALL RIGHTS UNDER CALIFORNIA CIVIL CODE SECTION 1542, WHICH STATES: "A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY."**
4. **No Admission of Liability.** The execution and acceptance of this Release shall not be deemed to be an admission of any liability or wrongdoing by any of the Released Parties.
5. **Representation of Counsel.** Releasors represent and warrant that they have had the opportunity to be represented by independent legal counsel of their own choosing in connection with the negotiation and execution of this Release, that they have read this Release in its entirety, and that they fully understand its terms and are executing it voluntarily.
6. **Reservation of Non-Waivable Rights.** Notwithstanding anything to the contrary herein, this Release is not intended to, and shall not be construed as, a waiver of any right or claim which, by the express terms of an applicable state or federal franchise law, cannot be waived.

7. Miscellaneous.

- a. **Governing Law and Venue.** This Release shall be governed by the laws of the State of Ohio. Any litigation relating to this Release shall be filed in the state or federal courts located in Franklin County, Ohio.
- b. **Entire Agreement.** This Release constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior discussions and agreements.
- c. **Severability.** If any provision of this Release is found to be unenforceable, the remaining provisions shall continue in full force and effect.
- d. **Electronic Signatures and Counterparts.** This Release may be executed in any number of counterparts, each of which shall be deemed an original and together shall be construed as a fully executed agreement. The parties agree that this Release may be electronically signed and that electronic signatures (i.e., an electronic sound, symbol, or process attached to, or associated with, a contract or other record and adopted by a person with the intent to sign the record) shall have the same legal force and effect, validity, and enforceability as manually executed signatures under the federal Electronic Signatures in Global and National Commerce Act (ESIGN Act) and the Uniform Electronic Transactions Act (UETA). Delivery of an executed counterpart of a signature page by facsimile, .pdf, or other electronic means (including signatures transmitted via DocuSign, Adobe Sign, or similar electronic signature platforms) shall be as effective as delivery of a manually executed counterpart. The Releasors waive[s] any argument, defense, or right to contest the legal effect, validity, or enforceability of this Release based on the use of electronic signatures or electronic records.

IN WITNESS WHEREOF, the Releasors have executed this General Release of All Claims as of the date first written above.

RELEASORS:

[Franchisee Entity]

[Franchise Owner Name], [Franchise Owner Title]

and

[Franchise Owner Name]

Individually and as Principal [Equity Interest Type] of [Seller Entity]

EXHIBIT M

STANLEY STEEMER INTERNATIONAL, INC. STRATEGIC ACCOUNT PROGRAM PARTICIPATION AGREEMENT

THIS STRATEGIC ACCOUNT PROGRAM PARTICIPATION AGREEMENT (this “Agreement”) is made effective as of [Effective Date] (the “Effective Date”) by and between Stanley Steemer International, Inc., an Ohio corporation with its principal place of business located at 5800 Innovation Drive, Dublin, Ohio 43016 (“SSI”) and [Franchise Owner Legal Entity], a(n) [Entity Domicile] [Entity Type] with its principal place of business located at [Franchise Owner Address] (“Franchise Owner”).

RECITALS

WHEREAS, SSI has granted Franchise Owner the franchise and right to operate a Stanley Steemer Business pursuant to the terms of a certain Franchise Agreement dated [Franchise Agreement Date] (the “Franchise Agreement”); and

WHEREAS, Franchise Owner has entered into a Technology Systems Access Agreement with SSI dated [TSAA Date] (the “TSAA”) governing access to the Integrated Technology Systems (as defined in the TSAA); and

WHEREAS, SSI has established a strategic account program for providing services to customers of Stanley Steemer businesses with locations in multiple states or territories or for providing services to other classes of customers that SSI may identify from time to time (the “Strategic Account Program”); Qualifying franchise owners may choose to participate in the Strategic Account Program, but they are not required to participate.

WHEREAS, the Franchise Agreement establishes the general framework for the Strategic Account Program.

WHEREAS, Franchise owners who choose to participate in the Strategic Account Program are required to sign this Agreement, which sets out the general terms and conditions of the Strategic Account Program. This Agreement supplements but does not modify the Franchise Agreement or the TSAA.

WHEREAS, under the Strategic Account Program, SSI may offer a variety of individual account programs (each a “Strategic Account” and if more than one, “Strategic Accounts”). Franchise owners may choose which of the Strategic Accounts, if any, they would like to participate in.

WHEREAS, the specific terms and conditions for each Strategic Account differ and will be detailed in an Account Addendum that participating franchise owners must sign. Each Account Addendum is a supplement to this Agreement. The general terms and conditions of this Agreement continue to apply throughout the term of each Account Addendum.

WHEREAS, each Account Addendum signed by a franchise owner and SSI on and after the Effective Date will be considered part of this Agreement and will be subject to the terms and conditions of this Agreement, without needing to amend, modify or update this Agreement. Each Account Addendum is incorporated herein by reference.

WHEREAS, this Agreement supersedes all prior arrangements between SSI and Franchise Owner relating to national account programs or other strategic account programs, if any, as more particularly set forth herein.

WHEREAS, Franchise Owner desires to participate in the Strategic Account Program, and SSI desires to grant Franchise Owner the right to participate in the Strategic Account Program in accordance with and subject to the terms of this Agreement and any Account Addenda Franchise Owner and SSI execute.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing, the mutual covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, agree as follows:

SECTION 1: DEFINITIONS

Unless expressly defined in this Agreement, all capitalized terms shall have the meanings ascribed to them in the Franchise Agreement or, if not defined therein, in the TSAA, as applicable. In the event of a conflict between a defined term in the Franchise Agreement and the TSAA, the Franchise Agreement definition shall control except with respect to technology systems and data governance matters, for which the TSAA definition shall control. The following terms shall have the meanings set forth below when used in this Agreement:

- “Account Addendum” or if more than one, “Account Addenda” means the schedule(s) attached to this Agreement, and any subsequent Account Addendum, in the form prescribed by SSI, setting forth the terms and conditions for each Specific Account offered under the Strategic Account Program, including without limitation, provisions pertaining to a Franchise Owner’s qualifications, Account Customer, Account Services, Account Territory, Account SLAs, Account Pricing, Pass-Through Charges, and other Strategic Account requirements.
- “Account Customer” means the multi-territory customer (or such other type or class of customer determined by SSI in its sole discretion) that is a participant in the Strategic Account Program and with which SSI has negotiated a master contract or service arrangement.
- “Account Customer Requirements” means background check, drug testing, credentialing, security clearance, site-access, uniform, equipment, training, or other personnel compliance requirements imposed by an Account Customer as conditions of Franchise Owner’s performance of Account Services at the Account Customer’s facilities or locations, as identified in the applicable Account Addendum.
- “Account Pricing” means the amounts the Account Customer has agreed to pay for the Account Services provided at the Account Customer’s facilities or locations, as identified in the applicable Account Addendum, as well as other matters relating to pricing, billing and payments to Franchise Owner.
- “Account Services” means the specific cleaning, restoration, mitigation or other services to be performed by Franchise Owner under an Account Addendum, as described therein.
- “Account SLA” means the service level requirements for a specific Account Customer as set forth in the applicable Account Addendum, which may include response times, completion deadlines, quality standards, reporting obligations, and other performance metrics.
- “Account Territory” means the geographic area within which Franchise Owner will perform Account Services, as specified in the applicable Account Addendum, which may encompass all or part of Franchise Owner’s Area (as defined in the Franchise Agreement).
- “Pass-Through Charges” means fees, costs, expenses, or charges established by an Account Customer or required by the terms of SSI’s master contract with the Account Customer that are passed through to Franchise Owner at cost without markup by SSI.
- “Program Resumption” means Franchise Owner’s voluntary election to resume active participation in the Strategic Account Program or in a Strategic Account from which Franchise Owner has previously withdrawn, in accordance with Section 4.C of this Agreement.
- “Program Withdrawal” means Franchise Owner’s voluntary election to cease active participation in the Strategic Account Program or a specific Account Addendum in accordance with Section 12 of this Agreement.
- “Program Withdrawal Effective Date” means the date on which a Program Withdrawal becomes effective, being thirty (30) days after Franchise Owner’s written notice of withdrawal, or such earlier date as provided in Section 3.C.
- “Strategic Account Program” has the meaning set forth in the Recitals above.
- “Strategic Account” or if more than one “Strategic Accounts” has the meaning set forth in the Recitals above.

SECTION 2: VOLUNTARY PARTICIPATION; ENROLLMENT

- A. Election to Participate. Franchise Owner's participation in the Strategic Account Program or in a Strategic Account, and to enter into this Agreement and any Account Addenda is entirely voluntary. Franchise Owner has independently elected to participate and enter into this Agreement and any Account Addenda and may decline any individual Strategic Account or Account Addendum without default under this Agreement or the Franchise Agreement. Nothing in the Franchise Agreement, the TSAA, the Stanley Steemer Manuals (as defined in the Franchise Agreement), or any other agreement between SSI and Franchise Owner, shall be deemed to require Franchise Owner to enter into this Agreement or any Account Addenda, or to participate in the Strategic Account Program or any Strategic Account. Franchise Owner must meet SSI's requirements to participate in the Strategic Account Program and any Strategic Account and at all times shall continue to meet such requirements, until the termination or expiration of this Agreement or the applicable Account Addendum.
- B. Enrollment in Individual Account Programs. Participation in a Strategic Account requires execution of an Account Addendum by SSI and Franchise Owner. SSI shall offer participation in each Strategic Account to all similarly situated franchisees in good standing with SSI on commercially equivalent terms, consistent with the terms of the Franchise Agreement. Franchise Owner's execution of this Agreement does not obligate Franchise Owner to execute any Account Addendum. Each Account Addendum is a separate participation election. Franchise Owner must meet SSI's requirements to participate in the Strategic Account and shall continue to meet such requirements until the termination or expiration of an applicable Account Addendum.
- C. Contact Center Bridge. Where an Account Addendum requires participation in SSI's National Customer Contact Center Services as a condition of enrollment in the applicable Strategic Account, that requirement arises from and is governed by the Account Addendum and not from the Contact Center Services Agreement between the parties (the "CCSA"). Franchise Owner must have an effective CCSA in place to participate in such Strategic Account. Franchise Owner's decision to enter into a CCSA is itself voluntary and within Franchise Owner's sole discretion.
- D. Supersession of Prior Arrangements. This Agreement supersedes and replaces all prior agreements, understandings, arrangements, commitments, representations, and courses of dealing between SSI and Franchise Owner relating to national accounts, strategic accounts, multi-territory customer programs, or similar arrangements, whether written, oral, or implied, including any terms or conditions established by prior course of performance, course of dealing, or trade usage (collectively, "Prior National Account Arrangements"). Upon the Effective Date, the Prior National Account Arrangements shall be deemed terminated and of no further force and effect except those terms which expressly or by their nature survive termination. No Prior National Account Arrangement shall have any further force or effect, and the rights and obligations of the parties with respect to the Strategic Account Program and Strategic Account shall be governed exclusively by this Agreement, the applicable Account Addenda, the Franchise Agreement, and the TSAA. For the avoidance of doubt, this Section does not supersede or affect: (i) the Franchise Agreement; (ii) the TSAA; (iii) the CCSA; or (iv) any accrued payment obligation for services rendered prior to the Effective Date. Pending service obligations under Prior National Account Arrangements shall be completed in accordance with their existing terms.
- E. No Obligation to Offer. SSI has no obligation to offer the Strategic Account Program or any Strategic Account to owners of a Stanley Steemer franchise, including Franchise Owner, and the existence of this Agreement does not create any expectation of program availability. SSI shall have the right to establish, modify, and discontinue the Strategic Account Program and any Strategic Account in accordance with the Franchise Agreement, this Agreement and the applicable Account Addendum, if any.

SECTION 3: ACCOUNT ADDENDA

- A. Form. Each Account Addendum shall be in the form prescribed by SSI and shall specify, at a minimum: (i) the Account Customer identification; (ii) the Account Services to be performed; (iii) the Account Territory; (iv) the applicable Account SLAs; (v) Account Pricing, billing mechanics, and Pass-Through Charges; (vi) insurance requirements, if above the baseline requirements of the Franchise Agreement; (vii) Contact Center

participation requirement, if any; (viii) Account Customer Requirements, if any; (ix) equipment and certification prerequisites, if any; (x) Account Customer branding or presentation requirements; (xi) Account Customer indemnification obligations, if any, as described in Section 10.F; and (xii) the term of the Account Addendum.

- B. Execution. An Account Addendum becomes effective upon execution by SSI and Franchise Owner and remains effective for the term specified therein, subject to earlier termination in accordance with the Franchise Agreement, Section 13 of this Agreement or Program Withdrawal in accordance with Section 12.
- C. Modification by SSI. SSI may modify an Account Addendum upon thirty (30) days' written notice to Franchise Owner where modifications are required by the Account Customer or by modifications to SSI's master contract with the Account Customer or its affiliate. If such modification materially and adversely changes the economics (including Account Pricing and Pass-Through Charges) Account Services or requirements related thereto, or the scope of the Account Addendum previously executed by the parties, Franchise Owner may elect Program Withdrawal within fifteen (15) days of receiving notice of the modification(s) from SSI. Such Program Withdrawal shall be effective as of the modification date, without penalty and without the thirty-day notice period otherwise applicable under Section 12.A of this Agreement.
- D. Scope Limitation. Franchise Owner's obligations under each Account Addendum are limited to the Account Services, Account SLAs, and Account Territory and other obligations specified therein. Nothing in this Agreement or any Account Addendum creates an open-ended service commitment by Franchise Owner to an Account Customer, and Franchise Owner shall not be required to perform services beyond those expressly set forth in the applicable Account Addendum.

SECTION 4: EFFECT OF NON-PARTICIPATION

- A. Franchise Owner's Choice; Termination or Suspension. Franchise Owner may decline to execute an Account Addendum for any Strategic Account, or may withdraw from an active Account Addendum in accordance with Section 12 of this Agreement, in each case without default under this Agreement or the Franchise Agreement.

If Franchise Owner (1) is in default of its obligations under this Agreement or a currently effective Account Addendum, beyond any applicable cure period, if any, as determined by SSI in its commercially reasonable discretion; (2) is not actively participating in the Strategic Account Program or a Strategic Account and meeting the standards and other specifications applicable to the Strategic Account Program and Strategic Account, as determined by SSI in its commercially reasonable discretion; or (3) is in default of its Franchise Agreement beyond any applicable cure period, if any, then SSI may, in its discretion, terminate or suspend Franchise Owner's right to participate in the Strategic Account Program or a Strategic Account, and may terminate or suspend one or more of Franchise Owner's active Account Addenda. Franchise Owner acknowledges and agrees that SSI must be able to take any of the actions described above to fulfill its obligations to the Account Customer within Franchise Owner's Area (as defined in the Franchise Agreement). Accordingly, the consequences to Franchise Owner and the rights of SSI described in this Section 4 are necessary and appropriate.

- B. Exclusivity Waiver During Non-Participation. If SSI terminates or suspends Franchise Owner's right to participate in the Strategic Account Program or a Specific Account, or terminates or suspends one or more of Franchise Owner's active Account Addenda, or if Franchise Owner declines to participate in, or withdraws from, a Strategic Account, Franchise Owner waives any exclusive territorial right under its Franchise Agreement, but only with respect to such Account Services and such Account Customers within Franchise Owner's Area that are the subject of such termination or suspension or Franchise Owner's rights, and only for so long as Franchise Owner is not actively participating in that Strategic Account. During the period of non-participation, SSI may authorize another franchisee, company-owned location, or third-party service provider to perform the Account Services associated with that Strategic Account within Franchise Owner's Area.
- C. Right to Resume Participation. Provided Franchise Owner is a franchisee in good standing with SSI, Franchise Owner may resume participation in any Strategic Account from which it has previously withdrawn ("Program

Resumption”) (but not those Strategic Accounts or Account Addenda where Franchise Owner’s rights were terminated or suspended by SSI), at any time by providing written notice to SSI of its election to resume and demonstrating Franchise Owner’s ability to provide the Account Services and comply with the operational requirements of the applicable Account Addendum, including, without limitation, any Account SLAs, Account Customer Requirements, equipment and certification prerequisites, insurance requirements, and Contact Center participation requirements then in effect. SSI shall not impose penalties, re-enrollment fees, waiting periods, or other conditions on Program Resumption beyond compliance with the then-current operational requirements applicable to all participating franchisees in the applicable Strategic Account. Upon Program Resumption becoming effective, the exclusivity waiver under Section 4.B terminates with respect to the applicable Strategic Account. To the extent applicable, SSI shall use commercially reasonable efforts to transition Account Services back to Franchise Owner within a reasonable period, taking into account the operational needs of the Account Customer and any existing commitments to a replacement provider.

- D. Notwithstanding anything in this Section 4 to the contrary, Franchise Owner acknowledges that SSI may be unable to grant Franchise Owner the right to resume participation in a Strategic Account if (1) SSI agreed to allow other franchisee(s) to provide such Account Services to such Account Customers for a certain period of time, not yet expired at the time Franchise Owner’s notice of Program Resumption is provided to SSI, (2) the Account Customer requests the franchisee or company-owned location providing Account Services to the Account Customer continue to provide such services, or (3) such other legitimate business reasons that make it impossible or impracticable, as determined by SSI in its commercially reason discretion, to return such Account Services and Account Customers to Franchise Owner without material adverse affect on other franchisees or company owned locations. Effective Date of Resumption. Program Resumption becomes effective upon the later of: (i) SSI’s written confirmation that Franchise Owner has satisfied and is able to continue to satisfy any and all applicable operational requirements; or (ii) the date on which SSI can operationally transition Account Services back to Franchise Owner without material disruption to the Account Customer, which transition shall not be unreasonably delayed by SSI. SSI shall provide Franchise Owner with a good-faith estimate of the transition timeline within fifteen (15) days of receiving Franchise Owner’s Program Resumption notice.
- E. No Compensation During Non-Participation. During any period of non-participation in the Strategic Account Program or any Strategic Account, or under any Account Addendum, Franchise Owner shall not be entitled to any compensation, reimbursement, claim of lost profits, lost opportunities, or diminution in exclusivity arising from Account Services performed by others, including SSI or an affiliate of SSI, within Franchise Owner’s Area. Consistent with applicable terms of the Franchise Agreement, revenues generated within Franchise Owner’s Area under a Strategic Account in which Franchise Owner is not actively participating or is otherwise prohibited by SSI from participating, shall not reduce Franchise Owner’s Minimum Activity Requirements obligations (as that term is defined in the Franchise Agreement).
- F. Franchise Law Savings Clause. To the extent applicable state franchise law limits SSI’s ability to authorize service by other Stanley Steemer franchisees or company-owned Stanley Steemer businesses within Franchise Owner’s Area without Franchise Owner’s consent, Franchise Owner’s notice to SSI (which may include email notification or other forms of electronic communication, including any online platform made available by SSI to communicate with franchise owners) of its desire to not participate in a Strategic Account shall be deemed Franchise Owner’s consent to permit other Stanley Steemer franchisees or company-owned Stanley Steemer businesses to provide all applicable services under the Strategic Account to Franchise Owner’s Account Customer. In addition, to the extent applicable state franchise law prohibits or limits SSI’s ability to suspend or terminate Franchise Owner’s rights with respect to such Account Customers, this Section 4 shall be interpreted to preserve the minimum statutory rights required under applicable franchise law.

Franchise Owner acknowledges that nothing in this Section 4 constitutes a permanent or irrevocable waiver of any territorial protection in Franchise Owner’s Franchise Agreement, and Franchise Owner’s right to waive participation in a Strategic Account and to request Program Resumption under this Section 4.C is sufficient to establish that any period of non-participation in a Strategic Account —and any corresponding exclusivity waiver by Franchise Owner - was determined voluntarily and solely by Franchise Owner, —

SECTION 5: SERVICE STANDARDS AND PERFORMANCE

- A. Systemwide Standards. SSI may establish systemwide service standards, reporting requirements, billing protocols, branding requirements, and other specifications applicable to the Strategic Account Program and Strategic Account, consistent with the Franchise Agreement. Such standards govern only Account Services and do not extend to Franchise Owner's general business operations outside the scope of this Agreement and the applicable Account Addenda.
- B. Account-Level Standards. Account-specific performance requirements are set forth in each Account Addendum. Franchise Owner shall perform Account Services in accordance with the applicable Account SLAs, the Stanley Steemer System, and the Stanley Steemer Manuals.
- C. Account Customer Requirements. Certain Account Customers impose personnel compliance requirements as conditions of site access or service delivery at their facilities, including background checks, drug testing, credentialing, security clearances, uniform standards, and specialized training (collectively, "Account Customer Requirements"). Account Customer Requirements applicable to each Strategic Account shall be identified in the applicable Account Addendum.

Account Customer Requirements originate from the Account Customer's own facility access policies, security protocols, or contractual conditions—not from SSI. SSI's identification of Account Customer Requirements in an Account Addendum constitutes disclosure of the Account Customer's conditions, not the imposition of employment-related requirements by SSI. Franchise Owner independently determines how to satisfy Account Customer Requirements within its own business operations, including which personnel to assign to Account Services, how to administer any required screening or credentialing processes, and the employment consequences, if any, of personnel who do not satisfy Account Customer Requirements. SSI has no role in and no authority over Account Customer Requirements or Franchise Owner's implementation of such Account Customer Requirements.

For the avoidance of doubt: (i) Account Customer Requirements do not constitute SSI's exercise of control over Franchise Owner's hiring, firing, training, supervision, scheduling, compensation, or other employment practices; (ii) Franchise Owner's obligation to satisfy Account Customer Requirements arises from the Account Customer's conditions of service, not from SSI's direction of Franchise Owner's personnel decisions; and (iii) this provision applies to and shall be interpreted consistently with the Interpretive Principle set forth in the Franchise Agreement.

- D. Performance Monitoring. Performance against Account SLAs may be monitored through the Integrated Technology Systems in accordance with the TSAA. SSI shall provide Franchise Owner with access to performance data for each Account Addendum through the Integrated Technology Systems.
- E. Remedies for SLA Failures. If Franchise Owner fails to meet Account SLAs, SSI shall provide written notice identifying the specific failure and a cure period of not less than fifteen (15) days (or such longer period as the applicable Account Addendum specifies). Repeated or uncured Account SLA failures may result in termination of the individual Account Addendum in accordance with Section 13.B. Account-level SLA failures do not constitute a default under this Agreement or the Franchise Agreement unless Franchise Owner has experienced material SLA failures across three (3) or more Account Addenda within any twelve (12) month period, in which case SSI may treat such pattern as a material breach of this Agreement.
- F. Employment Practices. Nothing in this Section 5, including Account SLAs, Account Customer Requirements, service standards, reporting requirements, or operational specifications, shall be interpreted as granting SSI any right or obligation to control Franchise Owner's employment practices, staffing decisions, scheduling, wages, benefits, or day-to-day management of personnel. Franchise Owner retains sole and exclusive authority over all employment and personnel decisions in connection with Account Services. This section applies to and shall be interpreted consistently with the Interpretive Principle set forth in Article X, Section A of the Franchise Agreement. SSI's establishment of performance standards for Account Services and SSI's disclosure of Account Customer Requirements constitute the setting of quality and Brand Standards by a franchisor and the transmission of a customer's conditions of service, respectively—not the exercise of control over Franchise Owner's business operations or employment practices.

SECTION 6: INDEPENDENT CONTRACTOR; NO AGENCY; EMPLOYMENT INDEPENDENCE

- A. Independent Contractor. Franchise Owner is an independent contractor performing Account Services as its own independently owned and operated business. SSI does not act as the employer, joint employer, co-employer, or agent of Franchise Owner or Franchise Owner's personnel. Franchise Owner does not act as the agent, representative, joint venturer, partner, or employee of SSI. The relationship between the parties is governed by the Franchise Agreement, which is incorporated herein by reference.
- B. No Agency. Neither party is the agent of the other for any purpose. Neither party has authority to bind the other to any obligation, commitment, or representation. Franchise Owner's performance of Account Services for Account Customers does not create actual or apparent agency between SSI and Franchise Owner. SSI's negotiation of master contracts with Account Customers is conducted by SSI in its own capacity as franchisor and system administrator—not as Franchise Owner's agent—and does not confer upon SSI authority to bind Franchise Owner to terms beyond those set forth and agreed to by Franchise Owner in the applicable Account Addendum. This provision is consistent with and supplemental to Article X, Section C of the Franchise Agreement.
- C. Employment Independence. Franchise Owner is the sole and exclusive employer of all personnel performing Account Services. Franchise Owner retains exclusive control over hiring, firing, training, supervising, scheduling, compensating, disciplining, evaluating, and managing all such personnel. SSI has no authority over, employment or contractual relationship with, or responsibility for any of Franchise Owner's personnel, regardless of whether such personnel perform Account Services under one or more Account Addenda.
- D. Brand Presentation. Franchise Owner's use of the Stanley Steemer Trademarks (as defined in the Franchise Agreement) in connection with Account Services is pursuant to the trademark license granted in the Franchise Agreement and does not create an agency relationship, make Franchise Owner SSI's representative, or establish a basis for vicarious liability. This provision is consistent with Article X, Section C.2 of the Franchise Agreement.
- E. Account Customer Interactions. Franchise Owner interacts with Account Customers and performs Account Services as an independent business. SSI's negotiation of master contracts with Account Customers, SSI's establishment of systemwide standards for Strategic Account Programs, and SSI's coordination of service delivery across the Stanley Steemer System do not make Franchise Owner SSI's agent in performing Account Services, and do not make SSI vicariously liable for the acts, omissions, negligence, or misconduct of Franchise Owner or Franchise Owner's personnel in performing Account Services.
- F. Consistency with Franchise Agreement and TSAA. The provisions of this Section 6 are consistent with and supplemental to applicable terms of the Franchise Agreement and the TSAA. To the extent any applicable federal, state, or local law applies any test for employment status, independent contractor classification, agency, or vicarious liability (including any ABC test, economic realities test, right-to-control test, or similar multi-factor test) that could affect the characterization of the relationship between SSI and Franchise Owner in the Strategic Account Program context, the parties intend that this Agreement shall be interpreted and performed in a manner that preserves the independent contractor relationship, negates any agency characterization, and maintains each party's independent liability for its own acts and omissions, to the maximum extent permitted by applicable law. In the event of any conflict between this Section 6 and any provision of the Franchise Agreement, the Franchise Agreement shall control.

SECTION 7: PRICING AND PAYMENT

- A. No Program Fee. SSI does not charge a management fee, program fee, or administrative fee for Franchise Owner's participation in Strategic Account Programs under this Agreement as of the Effective Date.
- B. Pass-Through Charges. Certain Account Addenda may include Pass-Through Charges established by the Account Customer or required by the terms of SSI's master contract with the Account Customer. Pass-Through Charges are passed on to Franchise Owner at cost without markup by SSI. The specific Pass-Through Charges applicable to each Account Addendum shall be identified therein.

- C. Future Administration Fee. SSI reserves the right to implement a program administration fee of up to One-Hundred and no/100 Dollars (\$100.00) applicable to each Strategic Account upon ninety (90) days' written notice to Franchise Owner. If SSI implements such a fee, Franchise Owner may elect Program Withdrawal from any affected Account Addendum within thirty (30) days of receiving notice of such fee without penalty.
- D. Billing Mechanics. The billing method for each Strategic Account (including whether billing is direct to the Account Customer, SSI-intermediated, or otherwise) shall be specified in the applicable Account Addendum.
- E. Gross Sales and Minimum Activity Requirements. All revenue earned by Franchise Owner from Account Services is included in Franchise Owner's Gross Sales (as defined in the Franchise Agreement) and counts toward Franchise Owner's Minimum Activity Requirements obligations under the Franchise Agreement.

SECTION 8: CONFIDENTIALITY

- A. Confidential Information. Account-specific pricing, Account SLAs, Account Customer information, the terms of individual Account Addenda, and the terms of SSI's master contracts with Account Customers constitute Confidential Information under the Franchise Agreement.
- B. Non-Disclosure. Franchise Owner shall not disclose account-specific terms, pricing, SLAs, or other Confidential Information to other franchisees, competitors, or third parties except as required by law or as necessary to perform Account Services (including disclosure to Franchise Owner's employees on a need-to-know basis who are bound by confidentiality obligations). Franchise Owner shall ensure that its employees and agents who receive Confidential Information in connection with Account Services are informed of and comply with the confidentiality obligations of the Franchise Agreement.
- C. Survival. Confidentiality obligations under this Section 8 and the Franchise Agreement survive Program Withdrawal, Program Resumption, termination of any Account Addendum, and termination of this Agreement.

SECTION 9: DATA GOVERNANCE

- A. TSAA Governs. Data generated through Account Services performed using the Integrated Technology Systems is governed by the TSAA. This Agreement does not create a separate data governance regime o, and in the event of any conflict between this Section 9 and the TSAA with respect to data classification, ownership, privacy, or governance, the TSAA shall control.
- B. Operational Data. Data generated through Account Services constitutes Franchise Owner Operational Data as classified under the Franchise Agreement and the TSAA.
- C. Aggregated Data. SSI may aggregate and anonymize Account Services performance data across the Stanley Steemer franchise system for benchmarking, reporting to Account Customers, and system improvement purposes. Such aggregated and de-identified data constitutes System Data as classified under the Franchise Agreement and the TSAA, and is subject to the de-identification requirements of the TSAA.

SECTION 10: INDEMNIFICATION AND LIABILITY

- A. Franchise Owner Indemnification. Franchise Owner shall indemnify, defend, and hold harmless SSI and its parent, members, directors, officers, employees, agents, and service providers from all losses, damages, liabilities, costs, and expenses (including reasonable attorneys' fees and court costs) arising out of or in connection with:
 - 1. Franchise Owner's performance of Account Services, including the quality, timeliness, safety, and customer satisfaction of services performed by Franchise Owner's personnel;

2. Franchise Owner's employment practices in connection with Account Services, including any claim by Franchise Owner's employees or by any person claiming to be an employee of Franchise Owner;
3. any agency, apparent agency, vicarious liability, joint-employer, co-employer, or respondeat superior claim arising from Franchise Owner's acts or omissions, including Franchise Owner's failure to maintain the independent contractor and independent business identity boundaries established in Section 6 of this Agreement, Article X of the Franchise Agreement, and Section 6.H of the TSAA; and
4. any breach by Franchise Owner of this Agreement or any Account Addendum.

This Section 10.A supplements and does not duplicate or limit Franchise Owner's indemnification obligations under Article IX, Section F of the Franchise Agreement or Section 17 of the TSAA.

- B. SSI Indemnification. SSI shall indemnify, defend, and hold harmless Franchise Owner from all losses, damages, liabilities, costs, and expenses (including reasonable attorneys' fees and court costs) arising out of or in connection with:

1. SSI's gross negligence or willful misconduct in administering the Strategic Account Program and any Strategic Account, including the negotiation, management, or coordination of master contracts with Account Customers;
2. any agency, apparent agency, vicarious liability, joint-employer, co-employer, or respondeat superior claim arising from SSI's acts or omissions, including SSI's failure to maintain the independent relationship boundaries established in Section 6 of this Agreement, Article X of the Franchise Agreement, and Section 6.H of the TSAA;
3. claims arising from terms SSI negotiated with Account Customers that expose Franchise Owner to liability beyond the scope of Account Services set forth in the applicable Account Addendum, to the extent such exposure was not disclosed to Franchise Owner in the Account Addendum; and
4. any breach by SSI of its material obligations under this Agreement.

This Section 10.B supplements and does not limit SSI's indemnification obligations under Article IX, Section G of the Franchise Agreement or Section 17.G of the TSAA, which extend to claims arising under this Agreement where applicable.

- C. Mutual Agency and Vicarious Liability Indemnification. Each party shall indemnify, defend, and hold harmless the other party from all losses, damages, liabilities, costs, and expenses (including reasonable attorneys' fees and court costs) arising from any agency, apparent agency, vicarious liability, joint-employer, co-employer, or respondeat superior claim to the extent such claim arises from the indemnifying party's failure to maintain the independent relationship boundaries established in Section 6 of this Agreement, Article X of the Franchise Agreement, and Section 6.H of the TSAA.

- D. Limitation of Liability. EXCEPT FOR A PARTY'S INDEMNIFICATION OBLIGATIONS UNDER THIS SECTION 10 AND EXCEPT IN THE CASE OF GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL, PUNITIVE, OR EXEMPLARY DAMAGES (INCLUDING LOST PROFITS, LOSS OF BUSINESS, OR LOSS OF GOODWILL), REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, OR OTHERWISE, EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

- E. Indemnification Procedures. The indemnification procedures set forth in Article IX of the Franchise Agreement, including notice requirements, defense obligations, and settlement procedures, are incorporated herein by reference and shall apply to all indemnification claims under this Section 10.

- F. Account Customer Indemnification. Certain Account Customers require, as a condition of SSI's master contract, that the service provider performing Account Services indemnify the Account Customer directly. Where an Account Addendum identifies such a requirement, Franchise Owner's execution of the Account Addendum constitutes Franchise Owner's agreement to provide indemnification to the Account Customer on the terms set forth in the Account Addendum. The scope, limitations, and conditions of any such indemnification obligation shall be specified in the applicable Account Addendum. SSI shall not include Account Customer indemnification obligations in an Account Addendum that are materially broader than the indemnification obligations Franchise Owner assumes under Section 10.A of this Agreement without specifically identifying the additional scope in the Account Addendum. Franchise Owner's decision whether to accept an Account Addendum containing an Account Customer indemnification obligation is voluntary, and Franchise Owner's declination of such an Account Addendum does not constitute a default under this Agreement.

SECTION 11: INSURANCE

- A. Baseline Coverage. The insurance requirements set forth in the Franchise Agreement apply to Franchise Owner's performance of Account Services. Franchise Owner shall maintain all insurance coverages required by the Franchise Agreement throughout Franchise Owner's participation in any Strategic Account Program.
- B. Account-Specific Requirements. An Account Addendum may specify insurance requirements above the baseline requirements of the Franchise Agreement, including increased coverage limits, specialized endorsements, or additional coverages required by the Account Customer. Franchise Owner shall procure such additional coverage prior to commencing Account Services under the applicable Account Addendum and shall maintain such coverage throughout Franchise Owner's participation in the applicable Strategic Account Program.
- C. Additional Insured. SSI shall be named as an additional insured on Franchise Owner's commercial general liability policy for Account Services. Where required by the applicable Account Addendum, Franchise Owner shall also name the Account Customer as an additional insured.
- D. Cyber Insurance. To the extent Account Services involve access to or processing of data through the Integrated Technology Systems, the cyber liability insurance requirements of TSAA Section 11.C apply.

SECTION 12: PROGRAM WITHDRAWAL AND RESUMPTION

- A. Voluntary Withdrawal from a Strategic Account. Franchise Owner may withdraw from any Account Addendum by providing thirty (30) days' written notice to SSI. Program Withdrawal does not constitute a default under this Agreement, the Franchise Agreement, or the TSAA, and shall not be considered in any evaluation of Franchise Owner's compliance with the Franchise Agreement.
- B. Transition Obligations. Upon Program Withdrawal, Franchise Owner shall: (i) complete in-progress Account Services to the extent commercially reasonable and in accordance with the applicable Account SLAs; (ii) cooperate with SSI and any replacement provider for an orderly transition of Account Services within the Account Territory; and (iii) return account-specific materials and Confidential Information in accordance with Section 8.
- C. Territorial Consequence of Withdrawal. Upon the Program Withdrawal effective date, the exclusivity waiver provisions of Section 4.B take effect with respect to the applicable, the Strategic Account. The waiver continues only for so long as Franchise Owner is not actively participating in the Strategic Account and terminates upon Program Resumption in accordance with Section 4.C.

- D. Program Resumption. Franchise Owner's right to resume participation in the Strategic Account Program and/or a Strategic Account from which it has withdrawn is governed by Sections 4.C and 4.D of this Agreement. SSI encourages Program Resumption and shall not impose unreasonable obstacles to re-entry beyond the operational requirements applicable to all participating franchisees. Notwithstanding the foregoing, Franchise Owner hereby agrees that the reasons set forth in Section 4 of this Addendum to not allow Franchise Owner to resume participation in a Strategic Account or an Account Addendum are not unreasonable obstacles for purposes of this Section 12.
- E. Independent Pursuit of Account Customer Relationships. Program Withdrawal does not prohibit Franchise Owner from independently pursuing a business relationship with an Account Customer outside the Strategic Account Program framework. However, Franchise Owner shall not: (i) use or disclose Confidential Information obtained through the Strategic Account Program in connection with any independent pursuit of an Account Customer relationship; (ii) represent to any Account Customer that Franchise Owner is acting under, in connection with, or on behalf of SSI's master contract or Strategic Account Program; or (iii) use SSI's Account Customer-specific pricing, SLAs, or program terms in any independent solicitation or service arrangement. Franchise Owner's obligations under this Section 12.E survive Program Withdrawal and termination of this Agreement.
- F. Wholesale Framework Exit. If Franchise Owner elects to cease all Strategic Account Program participation may withdraw from all of its active Account Addenda in accordance with Section 12.A. Upon withdrawal from all such Account Addenda, this Agreement shall not terminate, but rather remains in effect for a period co-terminous with the Franchise Agreement pursuant to Section 13.A of this Agreement..

Upon withdrawal from all active Account Addenda of the Franchise Owner, this Agreement remains in effect but has shall have no active Account Addenda. Franchise Owner may re-enroll in future Strategic Accounts by executing SSI's then-current Strategic Account Program Agreement, which shall supersede this Agreement in its entirety, and by executing new Account Addenda in accordance with Section 3, or resume participation in prior programs in accordance with Section 4.C.

If SSI terminated or suspended Franchise Owner's right to participate in the Strategic Account Program, a specific Strategic Account or an active Account Addendum (referred to in this paragraph collectively as the "Program"), Franchise Owner may request in writing that SSI reinstate Franchise Owner's participation in the Program. Provided Franchise Owner is in good standing with SSI at the time of such request, and SSI determines, in its sole but commercially reasonable discretion, that Franchise Owner is, and will continue to be, able to meet the requirements of the Program, SSI shall provide Franchise Owner written notice that Franchise Owner may again participate in such Program, subject to execution of applicable Account Addenda and the then-current form of this Agreement. SSI shall respond to Franchise Owner's written request within thirty (30) business days of receipt of the same. Failure by SSI to respond shall be deemed SSI's withholding of the consent requested by Franchise Owner.

SECTION 13: TERM AND TERMINATION

- A. Term. This Agreement shall be co-terminous with the Franchise Agreement. This Agreement automatically terminates upon expiration or termination of the Franchise Agreement without further action by either party.
- B. Account Addendum Termination by SSI. SSI may terminate an individual Account Addendum for: (i) material Account SLA failure after notice and cure in accordance with Section 5.E; or (ii) material breach of the Account Addendum after thirty (30) days' written notice and opportunity to cure. Termination of an individual Account Addendum does not terminate this Agreement or any other Account Addendum. For the avoidance of doubt, SSI-initiated termination of an Account Addendum under this Section 13.B does not preclude Franchise Owner from seeking Program Resumption at a later date in accordance with Section 4.C, provided that any conditions that gave rise to termination have been remedied.

- C. Account Addendum Termination by External Event. Individual Account Addenda terminate automatically if SSI's master contract with the Account Customer terminates or expires without renewal. SSI shall provide Franchise Owner with prompt written notice of such termination.
- D. Cross-Default. Material default under the Franchise Agreement or the TSAA constitutes a default under this Agreement. Material default under this Agreement (including a pattern of material SLA failures as described in Section 5.E) does not automatically constitute a default under the Franchise Agreement unless the underlying conduct independently constitutes a breach of the Franchise Agreement. Default under an individual Account Addendum is isolated to that Account Addendum and does not constitute a default under this Agreement except as provided in Section 5.E (pattern of failures across three or more Account Addenda).
- E. Effect of Termination. Upon termination or expiration of this Agreement, the following provisions shall survive: Section 6 (Independent Contractor; No Agency; Employment Independence), Section 8 (Confidentiality), Section 9 (Data Governance, to the extent governed by the TSAA), Section 10 (Indemnification and Liability), Section 12.E (Independent Pursuit of Account Customer Relationships), and Section 14 (General Provisions). Franchise Owner's transition obligations under Section 12.B apply to any Account Addenda in effect at the time of termination.

SECTION 14: GENERAL PROVISIONS

- A. Relationship to Franchise Agreement and TSAA. This Agreement supplements but does not modify the Franchise Agreement or the TSAA. In the event of any conflict between this Agreement and the Franchise Agreement, the Franchise Agreement shall control. In the event of any conflict between this Agreement and the TSAA with respect to technology systems, data governance, or privacy matters, the TSAA shall control. This Agreement governs only the Strategic Account participation relationship and does not expand or limit the rights and obligations of the parties under the Franchise Agreement or the TSAA.
- B. Severability. If any provision of this Agreement shall be construed to be illegal, invalid, or unenforceable, it shall not affect the legality, validity, or enforceability of any other provision hereof. The illegal, invalid, or unenforceable provision shall be deemed modified to the minimum extent necessary to make it legal, valid, and enforceable, and if it cannot be so modified, it shall be deemed deleted as if never incorporated herein, but all other provisions shall continue in full force and effect.
- C. Force Majeure. Neither party shall be liable for any failure or delay in performance under this Agreement (other than payment obligations) to the extent caused by events beyond such party's reasonable control, including but not limited to acts of God, fire, flood, earthquake, epidemic, pandemic, war, terrorism, civil unrest, government orders, labor disputes not involving the affected party's employees, internet or telecommunications failures, and power or utility failures (each, a "Force Majeure Event"). The affected party shall provide prompt written notice describing the Force Majeure Event and its expected duration, and shall use commercially reasonable efforts to mitigate and resume performance. Article XVIII, Section N of the Franchise Agreement is incorporated herein by reference to the extent applicable.
- D. Notices. All notices required or permitted under this Agreement shall be delivered in accordance with the notice provisions of the Franchise Agreement, which are incorporated herein by reference.
- E. No Third-Party Beneficiaries. This Agreement is intended for the sole and exclusive benefit of the parties hereto and their permitted successors and assigns. Nothing in this Agreement shall create or be deemed to create any rights in any third party, including any employees, customers, vendors, or creditors of either party. Account Customers are not third-party beneficiaries of this Agreement or any Account Addendum.
- F. Assignment. This Agreement may not be assigned, transferred, or encumbered by Franchise Owner without SSI's prior written consent, except in connection with an approved transfer of the Franchise Agreement in accordance with the transfer provisions thereof. Any approved transfer of the Franchise Agreement shall not automatically transfer this Agreement; the transferee must independently elect to enter into a Strategic Account Participation Agreement.

- G. Survival. As set forth in Section 13.E.
- H. Counterparts and Electronic Signatures. This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. The parties agree that this Agreement may be executed by electronic signature, and that electronic signatures shall have the same legal effect, validity, and enforceability as original ink signatures under the Ohio Uniform Electronic Transactions Act (ORC § 1306.01 et seq.) and the federal Electronic Signatures in Global and National Commerce Act (15 U.S.C. § 7001 et seq.).
- I. Governing Law. Except to the extent governed by the U.S. Trademark Act of 1946, as amended, and unless otherwise provided by applicable state law, this Agreement shall be deemed to have been made and entered into in the State of Ohio, and all rights and obligations of the parties hereto shall be governed by and construed in accordance with the laws of the State of Ohio without application of its conflicts of laws principles.
- J. Dispute Resolution. All disputes arising out of or relating to this Agreement or any Account Addendum shall be resolved in accordance with the Dispute Resolution provisions of the Franchise Agreement, which are incorporated herein by reference. Disputes under this Agreement shall be treated under the Franchise Agreement as disputes “arising out of or related to” the Franchise Agreement and “any other agreement between Franchise Owner and SSI.”
- K. Entire Agreement. This Agreement and the Account Addenda constitute the entire agreement of the parties with respect to Strategic Account participation. Without limiting Section 2.D, no prior agreement, understanding, or course of dealing relating to national accounts, strategic accounts, or multi-territory customer programs shall survive execution of this Agreement except as expressly preserved herein.
- L. Amendment. No change or modification to this Agreement shall be valid unless in writing and signed by both parties. Notwithstanding the foregoing, SSI may modify systemwide standards, operational procedures, and specifications applicable to Strategic Account Programs in accordance with Section 5.A of this Agreement and the Stanley Steemer Manuals without Franchise Owner’s signature.

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{SIGNATURES ON FOLLOWING PAGE}

IN WITNESS WHEREOF, the parties hereto have executed this Strategic Account Participation Agreement as of the Effective Date first written above.

STANLEY STEEMER INTERNATIONAL, INC.

By:

**D. Ryan Jankowski, Vice President Legal Affairs and
Chief Administrative Officer**

FRANCHISE OWNER:

By:

EXHIBIT A
FORM OF ACCOUNT ADDENDUM

[To be completed in Session 2]

EXHIBIT N

SBA ADDENDUM TO THE FRANCHISE AGREEMENT

This SBA Addendum to the Franchise Agreement (this "Addendum") is attached to and made a part of the Franchise Agreement, by and between Stanley Steemer International, Inc. ("SSI") and _____, a(n) (state of formation) (type of business entity) ("Franchise Owner"), effective as of _____, (the "Franchise Agreement"), for the purpose of modifying and amending the terms of the Franchise Agreement. For such purpose, SSI and Franchise Owner agree as follows:

1. Franchise Owner is applying for financing(s) from a lender in which funding will be provided with the assistance of the U.S. Small Business Administration ("SBA").
2. All capitalized terms herein which are not separately defined herein shall have the meanings ascribed to such terms in the Franchise Agreement.
3. In the event of a conflict between the terms of the Franchise Agreement and the terms of this Addendum, the terms of this Addendum shall control.
4. Except as specifically modified by this Addendum, all terms of the Franchise Agreement are in full force and effect.
5. Notwithstanding anything in the Franchise Agreement, or any other any agreement between SSI and Franchise Owner, to the contrary:

A. If SSI has an option to purchase or a right of first refusal (ROFR) with respect to a partial interest in Franchise Owner's business or a partial interest in the Franchise Owner business entity, SSI may exercise such option or ROFR only if the proposed transferee is not a current owner of Franchise Owner or a family member of a current owner of Franchise Owner.

B. If SSI's consent is required for any transfer (full or partial) of the Franchise Owner's business or an ownership interest in the Franchise Owner business entity, SSI will not unreasonably withhold such consent. In an event of an approved transfer of the Franchise Owner's business or ownership interests in the Franchise Owner business entity, in full or in part, Franchise Owner will not be liable for the actions of the transferee franchisee after transfer.

C. For other than regularly scheduled payments and payments otherwise authorized in the Franchise Agreement or such other applicable agreement between SSI and Franchise Owner, SSI does not have the authority to unilaterally share, commingle, or withdraw funds from Franchise Owner's bank account.

D. Franchise Owner shall have the right to meaningful oversight over the operations of its business.

Meaningful oversight means involvement in the decisions concerning the operation of the franchised business, including the authority to: (a) approve its annual budget; (b) have control over bank accounts; (c) have oversight over the employees operating the franchised business (who must be employees of Franchise Owner); and (d) approve capital expenditures or operating expenses over a significant dollar threshold.

Provisions in the Franchise Agreement, if any, that requires a franchisee to to comply with quality, marketing, and operations standards issued by SSI and which govern Franchise Owner's use of the SSI's system of operations shall not be interpreted or

construed to mean that Franchise Owner does not have meaningful oversight over the operations of the franchised business.

H. If SSI has the option to purchase the business personal assets upon default or termination of the Franchise Agreement and SSI and Franchise Owner are unable to agree on the value of the assets, the value will be determined by an appraiser chosen by both parties.

I. SSI does not and will not directly control (hire, fire or schedule) Franchise Owner's employees.

6. This Addendum shall automatically terminate when the SBA no longer has any interest in any SBA-assisted financing provided to Franchise Owner.

7. This Addendum, together with the Franchise Agreement to which it is attached, constitutes the entire agreement of the parties with respect to the subject matter hereof and may not be further modified or amended except in a written agreement signed by both parties.

8. SSI and Franchise Owner acknowledges that submission of false information to the SBA, or the withholding of material information from the SBA, can result in criminal prosecution under 18 U.S.C. 1001, 15 U.S.C. § 645(a) and other provisions, including liability for treble damages under the False Claims Act, 31 U.S.C. §§ 3729-3733.

IN WITNESS WHEREOF, the parties hereto have signed this Addendum to be effective as of the effective date of the Franchise Agreement.

FRANCHISE OWNER:

Franchise Owner Entity Name,
State of formation and entity type

By: _____

Printed Name: _____

Its: _____

Date: _____

SSI:

Stanley Steemer International, Inc.,
an Ohio corporation

By: _____

Printed Name: _____

Its: _____

Date: _____

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	Pending (Exempt)
Hawaii	Pending
Illinois	Pending (Exempt)
Indiana	Pending (Exempt)
Maryland	Pending (Exempt)
Michigan	Pending
Minnesota	Pending
New York	Pending (Exempt)
North Dakota	Pending (Exempt)
Rhode Island	Pending (Exempt)
South Dakota	Pending
Virginia	Pending (Exempt)
Washington	Pending (Exempt)
Wisconsin	Pending

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 O
RECEIPT

Copy 1

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 Stanley Steemer International, Inc. offers you a franchise, Stanley Steemer International, Inc. 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 any affiliate in connection with the proposed franchise sale.

If Stanley Steemer International, Inc. 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 your state agency, if one is listed in Exhibit H of this disclosure document.

The franchisor is Stanley Steemer International, Inc., located at 5800 Innovation Drive, Dublin, Ohio 43016. It's telephone number is (614) 764-2007.

Issuance date: March ~~27, 2025~~31, 2026, as amended April 6, 2026.

The franchise sellers for this offering are Stanley Steemer International, Inc., Philip P. Ryser, its Executive Vice President and General Counsel; D. Ryan Jankowski, its Vice President of Legal Affairs and Chief Administrative Officer; and Wesley C. Bates, its Chief Executive Officer, each having principal business offices at 5800 Innovation Drive, Dublin, Ohio 43016 and a telephone number of (614) 764-2007.

I received a disclosure document with an issuance date of March ~~27, 2025~~31, 2026, as amended April 6, 2026 that included the following exhibits:

- A. Audited Financial Statements for Stanley Steemer International, Inc. and Subsidiary
- B. List of Franchisees and Company-owned Branch Locations
- C. Stanley Steemer International, Inc. Franchise Agreement and State Addenda
- D. Optional Franchise Agreement language
- E. Cognovit Promissory Note
- F. Option to Purchase Agreement
- G. Technology Systems Access Agreement
- H. List of State Administrators
- I. List of Agents for Service of Process
- J. State Addenda
- K. Guarantee, and Indemnification and Acknowledgment Agreement
- L. General Release of All Claims
- M. Strategic Account Participation Agreement
- N. SBA Addendum
- O. ~~M.~~ Receipt Pages

Date: _____
Signature of Prospective Franchisee,
Individually or as an Officer or Partner of:

Name Printed: _____

Please sign and date this Receipt as of the date you received the disclosure document. Please return the signed, dated Receipt to Stanley Steemer International, Inc., 5800 Innovation Drive, Dublin, Ohio 43016.

EXHIBIT O
RECEIPT

Copy 2

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 Stanley Steemer International, Inc. offers you a franchise, Stanley Steemer International, Inc. 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 any affiliate in connection with the proposed franchise sale.

If Stanley Steemer International, Inc. 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 your state agency, if one is listed in Exhibit H of this disclosure document.

The franchisor is Stanley Steemer International, Inc., located at 5800 Innovation Drive, Dublin, Ohio 43016. It's telephone number is (614) 764-2007.

Issuance date: March ~~27, 2025~~31, 2026, as amended April 6, 2026.

The franchise sellers for this offering are Stanley Steemer International, Inc., Philip P. Ryser, its Executive Vice President and General Counsel; D. Ryan Jankowski, its Vice President of Legal Affairs and Chief Administrative Officer; and Wesley C. Bates, its Chief Executive Officer, each having principal business offices at 5800 Innovation Drive, Dublin, Ohio 43016 and a telephone number of (614) 764-2007.

I received a disclosure document with an issuance date of March ~~27, 2025~~31, 2026, as amended April 6, 2026 that included the following exhibits:

- A. Audited Financial Statements for Stanley Steemer International, Inc. and Subsidiary
- B. List of Franchisees and Company-owned Branch Locations
- C. Stanley Steemer International, Inc. Franchise Agreement and State Addenda
- D. Optional Franchise Agreement language
- E. Cognovit Promissory Note
- F. Option to Purchase Agreement
- G. Technology Systems Access Agreement
- H. List of State Administrators
- I. List of Agents for Service of Process
- J. State Addenda
- K. Guarantee, and Indemnification and Acknowledgment Agreement
- L. General Release of All Claims
- M. Strategic Account Participation Agreement
- N. SBA Addendum
- O. ~~M.~~ Receipt Pages

Date: _____
Signature of Prospective Franchisee,
Individually or as an Officer or Partner of:

Name Printed: _____

Please sign and date this Receipt as of the date you received the disclosure document. Please return the signed, dated Receipt to Stanley Steemer International, Inc., 5800 Innovation Drive, Dublin, Ohio 43016.