

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.

ADDITIONAL DISCLOSURES FOR THE STATE OF MINNESOTA

1. Minn. Stat. §80C.21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in this Disclosure Document or Franchise Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.
2. NSF checks are governed by Minnesota Statute 604.113, which puts a cap of \$30 on service charges.
3. With respect to franchises governed by Minnesota law, the franchisor will comply with Minn. Stat. §80C.214, Subds. 3, 4, and 5 which require, except in certain specified cases, that we give you 90 days' notice of termination (with 60 days to cure) and 180 days' notice of non-renewal of the Franchise Agreement.
4. We will protect your right to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify you from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name, to the extent required by Minn. Stat. §80C.12, Subd. 1(g).
5. To the extent governed by Minn. Rule 2860.4400J, you shall not be deemed to have waived any rights under Minnesota law. You shall not be deemed to have consented to us obtaining injunctive relief, although we may seek injunctive relief. A Court or the arbitrators shall determine whether to require a bond as a condition of injunctive relief. The Limitation of Actions section must comply with Minnesota Statutes, Section 80C.17, Subd. 5.
6. Minnesota Rule 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.
7. No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including, fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed with the franchise.

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

Group Ranked by Operating Territory – Measurement Period									
Group Ranked by Average Revenue	# of Operating Franchisees	# of Operating Territories	Average Operating Territory/ Operating Franchisee	Average Revenue/ Operating Territory	Median Revenue/ Operating Territory	Highest Revenue/ Operating Territory	Lowest Revenue/ Operating Territory	% of Operating Territories that Met or Exceeded Average Revenue / Operating Territory	# Operating Territories that Met or Exceeded Average Revenue/ Operating Territory
Top 5%	3	19	6.3	\$879,860	\$513,800	\$1,816,741	\$309,041	33%	1
1st Quartile	16	80	5.0	\$597,017	\$486,942	\$1,816,741	\$222,683	31%	5
2nd Quartile	16	67	4.2	\$361,522	\$276,715	\$1,121,615	\$148,537	44%	7
3rd Quartile	16	51	3.2	\$285,510	\$243,512	\$684,397	\$154,337	38%	6
4th Quartile	15	43	2.9	\$181,416	\$169,358	\$555,987	\$32,717	40%	6
Bottom 5%	3	6	2.0	\$112,261	\$85,097	\$218,970	\$32,717	33%	1
Total	63	241	3.8	\$301,686	\$253,205	\$1,816,741	\$32,717	44%	28

Notes to Part Two:

1. The figures in these tables reflect the actual results reported by the Operating Franchisee. “Revenue” means the total dollar amount of all sales generated through the redbox+ Dumpster Business for a given period, including, but not limited to, payment for any services or products sold, whether for cash or credit, in services in kind, from barter and/or exchange, payment for any services or products sold, or otherwise, less any sales tax or bona fide refunds to customers for non-salvageable item. “Revenue” does not include (i) bona fide refunds to customers, (ii) sales tax collected, (iii) sales of used equipment not in the ordinary course of business, or (iv) sales of prepaid cards or similar products (but the redemption of any such card or product will be included as “Revenue”). The figures in these tables reflect the actual results reported by the Operating Franchisees.
2. “Number of Operating Franchisees”, reflects the number of Operating Franchisees in each measured group ranking out of the total 63 Operating Franchisees.

PART THREE: FISCAL 2025 KPI REPORTING

Summary KPIs for 2025 - 49 Reporting Franchises					
	Average	Median	High	Low	<u># of Reporting Franchisees that Met or Exceeded the Average</u>
Total Income per Rental	\$651.27	\$608.60	<u>\$2,635.01</u>	<u>\$413.41</u>	<u>17</u>
Monthly Turns by Owned Container	1.80x	1.78x			

Notes to Part Three:

1. “Monthly Turns by Owned Container” is defined as the total number of rentals in a month divided by the total number of containers operated by the Reporting Franchisee.
2. “Total Income Per Rental” is defined as the rental rate plus additional revenue, including excess tonnage fees, additional day fees, and other related fees charged to a customer to rent a single redbox+ container for a defined length of time based on a maximum amount of tonnage.
3. We calculated “Average Total Revenue Per Rental” by taking the sum of the Reporting Franchisees’ Average Total Revenue Per Rental for each month reported and dividing by the number of reporting periods.
4. The Median represents the middle number of which ½ of the included values exceeded and ½ did not.

PART FOUR: VARIABLE EXPENSES AS A PERCENTAGE OF SALES, AND AMOUNT OF FIXED EXPENSES FOR REPORTING FRANCHISEES

Breakdown of 2025 Variable Expenses as % of Sales and 2025 Fixed Expenses in \$ Volume - 49 Reporting Franchisees		
Variable Expenses	Average	Median
COS - Disposal/Landfill	26.6%	25.7%
COS - Fuel	5.6%	5.4%
Fixed Expenses		
Payroll Expense	\$278,889	\$245,464
<i>Payroll Expense/Truck</i>	<i>\$75,900</i>	<i>\$76,565</i>
Insurance Expense	\$63,414	\$58,374
<i>Insurance Expense/Truck</i>	<i>\$18,634</i>	<i>\$16,347</i>

Notes to Part Four:

1. “COS - Disposal/Landfill” includes all costs charged for the disposal of construction and demolition debris placed in the redbox+ containers for transportation and disposal.

IN WITNESS WHEREOF, the parties hereto have signed and delivered this Agreement on the date stated on the first page hereof.

FRANCHISOR:

FRANCHISEE:

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

OWNERS

[NAME], Individually

[NAME], Individually

ADDENDUM TO THE FRANCHISE AGREEMENT FOR USE IN ILLINOIS

This is an addendum to the Franchise Agreement (“Addendum”), which is being executed concurrently with this Addendum, between Franchisor and Franchisee.

~~Notwithstanding anything to the contrary in the Franchise Agreement, in the event of a conflict between the terms of this Addendum and the terms of the Franchise Agreement, the terms of this Addendum shall control and supersede the Franchise Agreement. Any terms not defined herein shall have the same meanings as in the Franchise Agreement and any references to sections and paragraphs refer to the sections and paragraphs of the Franchise Agreement unless stated otherwise.~~

All of the Franchisor’s financial obligations are absolutely and unconditionally guaranteed by BFG Holdco, Inc. An executed Guarantee of Performance is included with the financial statements (see Item 21) attached to the Franchise Disclosure Document.

~~In recognition of the requirements of the Illinois Franchise Disclosure Act of 1987, (Ill. Comp. Stat. §§ 705/1 to 705/44), the parties to the RedBox+ International LLC Franchise Agreement (the “Agreement”) agree as follows:~~

~~1. **Background**~~

~~We and you are parties to that certain Agreement that has been executed on the Effective Date concurrently with the execution of this Addendum. This Addendum is annexed to and forms part of the Agreement. This Addendum is being executed because (a) the offer or sale of the franchise for the franchise you will operate under the Agreement (“Franchise”) was made in the State of Illinois and you will operate the Franchise in the State of Illinois and/or (b) you are a resident of the State of Illinois.~~

~~2. **Dispute Resolution Procedures**~~

~~Section 15.F.3 entitled “Selection of Venue” is superseded and replaced by the following:~~

~~Subject to Section 15.G, you agree that all actions arising under this Agreement, or otherwise, as a result of the relationship between you and us shall be commenced in the state, and in the state or federal court of general jurisdiction, closest to where our principal business address then is located, and you irrevocably submit to the jurisdiction of such courts and waive any objection you may have to either the jurisdiction of or venue in such courts. Notwithstanding the foregoing, you agree that we may enforce this Agreement in the courts of the state or states in which you are domiciled or the Franchised Business is located, except that any provision in the Franchise Agreement restricting jurisdiction or venue to a forum outside of Illinois or requiring the application of the laws of another state is void with respect to any cause of action otherwise enforceable under the Illinois Franchise Disclosure Act~~

~~3. **Choice of Law**~~

~~Section 15.H entitled “Choice of Law” is superseded and replaced by the following:~~

~~Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 ET SEQ.) or other federal law, and except for claims arising under the Illinois Franchise Disclosure Act, this Agreement, the Franchise and all claims arising from the relationship between us and you will be governed by the laws of the State of Michigan, except that the provisions of the Illinois Franchise Disclosure Act will not apply unless its jurisdictional requirements are met independently without reference to this section.~~

~~4. **Limitations of Claims**~~

~~The following is added to the beginning of Section 15.K of the Agreement, entitled “Limitations of Claims”:~~

~~“Except for claims arising under the Illinois Franchise Disclosure Act, and...”~~

~~5. **Illinois Franchise Disclosure Act**~~

~~The following language is added to Section 15.M of the Agreement:~~

~~Section 41 of the Illinois Franchise Disclosure Act states that any condition, stipulation, or~~

~~provision purporting to bind any person acquiring any franchise to waive compliance with any provision of this Act or any law of this state is void. This section shall not prevent any person from entering into a settlement agreement or executing a general release regarding a potential or actual lawsuit filed under any of the provisions of this Act.~~

6. Your Affirmations

~~With respect to Section 17 of the Franchise Agreement, in the ninth affirmation, beginning with the phrase, "We may sell our assets," the following is deleted:~~

~~"..., and specifically waive any claims, demands, or damages arising from or related to the loss of said Marks (or any variations of them) and/or the loss of association with or identification of RedBox+ International LLC as the franchisor of this Agreement."~~

7. Additional Disclosures:

Illinois law ~~govern the agreements between the parties to this franchise~~governs the Franchise Agreement.

In conformance with Section 4 of the Illinois Franchise Disclosure Act ~~provides that,~~ any provision in a franchise agreement that designates jurisdiction ~~or~~and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.

Your rights upon Termination and Non-Renewal of an agreement are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

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

~~Your rights upon termination and non-renewal of a franchise agreement are set forth in Sections 19 and 20 of the Illinois Franchise Disclosure Act.~~

~~Each provision of this Addendum shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Illinois Franchise Disclosure Act of 1987 are met independently without reference to this Addendum.~~

No statement, questionnaire, ~~or acknowledgement~~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~~franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

FRANCHISOR

FRANCHISEE

REDBOX+ INTERNATIONAL LLC

[FRANCHISEE ENTITY NAME]

By: _____

By: _____

Name: _____

Name: _____

ADDITIONAL DISCLOSURES FOR THE STATE OF ILLINOIS

1. By reading this disclosure document, you are not agreeing to, acknowledging, or making any representations whatsoever to the Franchisor and its affiliates.
2. Illinois law governs the Franchise Agreement.
3. In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.
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FRANCHISEE

REDBOX+ INTERNATIONAL LLC

[FRANCHISEE ENTITY NAME]

By: _____

By: _____

Name: _____

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Title: _____

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FRANCHISOR

FRANCHISEE

REDBOX+ INTERNATIONAL LLC

[FRANCHISEE ENTITY NAME]

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

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