


FRANCHISE DISCLOSURE DOCUMENT

	Surface Experts Franchising LLC A Washington limited liability company 111 W. Cataldo Avenue, Suite 1 Spokane, WA 99201 1-800-614-9778 www.surfaceexperts.com
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As a Surface Experts franchisee, you will provide on-site repair of interior surfaces such as vinyl, wood, glass, linoleum, tile, laminate, and stainless steel to residential and commercial customers, under the trade name “Surface Experts” (“Surface Experts Business”).

The total investment necessary to begin operation of a Surface Experts Business is \$155,893 to \$273,200. This includes \$79,893 to \$143,500 that must be paid to the franchisor or affiliate.

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 documents in another format that is more convenient for you. To discuss the availability of disclosure in different formats, contact Sean Hansen at 111 W. Cataldo Avenue, Suite 1, Spokane, WA 99201, (916) 757-3123, seanh@surfaceexperts.com.

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

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as “A Consumer’s Guide to Buying a Franchise,” which can help you understand how to use this disclosure document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC- HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW. Washington, D.C. 20580. You can also visit the FTC’s home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising.

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

Issuance date: April 6, 2026

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 arbitration and/or litigation only in Washington. Out-of-state arbitration or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in Washington than in your own state.
2. **Mandatory Minimum Payments.** You must make minimum royalty, and other payments, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.
3. **Financial Condition.** The Franchisor's financial condition as reflected in its financial statements (see Item 21) calls into question the Franchisor's financial ability to provide services and support to you.
4. **Unopened Franchises.** The franchisor has signed a significant number of franchise agreements with franchisees who have not yet opened their outlets. If other franchisees are experiencing delays in opening their outlets, you also may experience delays in opening your outlet.

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.

Type of Fee	Amount	Due Date	Remarks
Local Advertising	Actual amount spent on Business Development person	Monthly	You must maintain a full time Business Development person other than yourself to promote your Franchised Business pursuant to our guidelines.
Brand Fund Contribution	Up to 2% of your Gross Sales; currently, none.	Monthly, on the 5 th day of the following month	We have the right to create a “Brand Fund” in the future and to require you to contribute.
Local and Regional Advertising Cooperatives	Established by cooperative members (at least 1% of Gross Sales)	Established by cooperative members	We currently do not have a cooperative but reserve the right to require one to be established in the future. Item 11 contains more information about advertising cooperatives.
Market Cooperative Contribution	As determined by co-op. Currently, none.	Monthly, at same time as the royalty fee	We have the right to establish local or regional advertising cooperatives. The maximum contribution to the co-op will not exceed 4% of Gross Sales unless all members of the co-op unanimously agree to a higher contribution.
Support Center Services Fee	4% of your Gross Sales up to \$80,000 per month of Gross Sales, then 2% of your Gross Sales in excess of \$80,000 in a month.	Monthly, at same time as the royalty fee	We (or a third party we designate) will operate a “Support Center” on your behalf.
Replacement / Additional Training fee	Currently, none.	Prior to attending training	If you send your Lead Technician or other employee to our training program after you open, we have the right to charge a training fee. Currently, we do not charge this fee, but any replacement Lead Technician must attend our regularly-scheduled class. We do not anticipate the training fee to exceed \$500 per participant per day in the future.
Third party vendors	Pass-through of costs, plus reasonable administrative charge.	Varies	We have the right to require franchisees to use third-party vendors and suppliers that we designate. Examples can include computer support vendors, mystery shopping, and customer feedback systems. The vendors and suppliers may bill franchisees directly, or we have the right to collect payment for these vendors together with a reasonable markup or charge for administering the payment program.

Type of Fee	Amount	Due Date	Remarks
Technology fees	Currently, \$393 to \$500 per month. Additional email addresses are \$6 per month.	Monthly, at same time as the royalty fee	This fee is payment for our “ExpertNet” and includes our field operations portal, field service management software, access to Office 365 for the owner, salesperson, and tech, the voice-over-IP (VOIP) phone system with one phone number, a job placement software for hiring, and website and SEO management. These prices are subject to change. We may modify ExpertNet and its functionality in the future and . <u>We may increase this fee for an</u> <u>the technology fees provided that we will not increase the fees more than the</u> increase in our <u>actual</u> costs <u>and expenses to provide the</u> <u>technology</u> . We collect this fee monthly and pay the respective software providers for your use.
Non-compliance fee	\$500	On demand	We may charge you \$500 if your Surface Experts Business is not in compliance with our system specifications or the franchise agreement and you fail to correct the non-compliance after 30 days’ notice. Thereafter, we may charge you \$250 per week until you correct such non-compliance. If your non-compliance is a failure to make any required report to us when due, we may charge the non-compliance fee immediately rather than give you 30 days prior notice and opportunity to cure.
Additional Territory Fee	Ranges, depending on the number of MFHU in Territory	When Contiguous Territory Addendum is signed	See Note 3.
Reimbursement	Amount that we spend on your behalf, plus 10%.	Within 15 days of invoice	If we pay any amount that you owe or are required to pay to a third party, you must reimburse us.
Late fee	\$100 plus interest on the unpaid amount at a rate equal to 18% per year (or, if such payment exceeds the maximum allowed by law, then interest at the highest rate allowed by law).	On demand	We may charge a late fee if you fail to make a required payment when due.
Insufficient funds fee	\$30 (or, if such amount exceeds the maximum allowed by law, then the maximum allowed by law).	On demand	We may charge an insufficient funds fee if a payment made by you is returned because of insufficient funds in your account.
Costs of collection	Our actual costs.	As incurred	Payable if we incur costs (including reasonable attorney fees) in attempting to collect amounts you owe to us.
Breach of territory fee	\$500 per job.	On demand	If you serve a customer outside of your territory without our prior written permission, we impose this fee.

Provision	Section in franchise or other agreement	Summary
m. Conditions for franchisor's approval of transfer	§ 15.2	Pay transfer fee; buyer meets our standards; buyer is not a competitor of ours; buyer and its owners sign our then-current franchise agreement and related documents (including personal guaranty); you've made all payments to us and are in compliance with all contractual requirements; buyer completes training program; you sign a general release (subject to state law); business complies with then-current system specifications.
n. Franchisor's right of first refusal to acquire franchisee's business	§ 15.5	If you want to transfer your Surface Experts Business (other than to your co-owner or to your spouse, sibling, or child), we have a right of first refusal.
o. Franchisor's option to purchase franchisee's business	§ 14.6	When your franchise agreement expires or is terminated, we will have the right to purchase any or all of the assets of your Surface Experts Business.
p. Death or disability of franchisee	§§ 2.4, 15.4	If you die or become incapacitated, a new principal executive acceptable to us must be designated to operate the business, and your executor must transfer the business to an approved new owner within nine months.
q. Non-competition covenants during the term of the franchise	§ 13.2	Neither you, any owner of the business, or any spouse of an owner may have ownership interest in, lend money or provide financial assistance to, provide services to, or be engaged or employed by, any competitor, subject to applicable state law .
r. Non-competition covenants after the franchise is terminated or expires	§ 13.2	For two years, neither you, any owner of the business, or any spouse of an owner may have ownership interest in, lend money or provide financial assistance to, provide services to, or be employed by, a competitor operating in your former territory or the territory of any other Surface Experts Business operating on the date of termination, subject to applicable state law .

MARYLAND ADDENDUM TO DISCLOSURE DOCUMENT

As to franchises governed by the Maryland Franchise Registration and Disclosure Law, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

1. Item 17.b. is modified to also provide, “The general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

2. Item 17.u. is modified to also provide, “This franchise agreement provides that disputes are resolved through arbitration. A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.”

3. Item 17.v. is modified to also provide, “Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.”

4. No ~~disclaimer~~statement, questionnaire, ~~clause, or statement~~or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall ~~be construed or interpreted as~~have the effect of (i) waiving any ~~claim of claims~~under any applicable state franchise law, including, fraud in the inducement, ~~whether common law or statutory, or as~~or (ii) disclaiming reliance on ~~or the right to rely upon~~ any statement made ~~or information provided~~ by any franchisor, ~~broker~~franchise seller, or other person acting on behalf of the franchisor ~~that was a material inducement to a franchisee's investment~~. This provision supersedes any other ~~or inconsistent~~ term of any document executed ~~in connection~~ with the franchise.

MINNESOTA ADDENDUM TO DISCLOSURE DOCUMENT

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.

In the State of Minnesota only, this Disclosure Document is amended as follows:

- Minnesota Statutes, Section 80C.21 and Minnesota Rules 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.
- With respect to franchises governed by Minnesota law, the franchisor will comply with Minnesota Statutes, Section 80C.14, Subd. 3-5, which require (except in certain specified cases) (1) that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the franchise agreement and (2) that consent to the transfer of the franchise will not be unreasonably withheld.
- The franchisor will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name.

VIRGINIA ADDENDUM TO DISCLOSURE DOCUMENT

As to franchises governed by the Virginia Retail Franchising Act, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

1. In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document is amended as follows:

Additional Disclosure: The following statements are added to Item 17.h.

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any ground for default or termination stated in the franchise agreement does not constitute “reasonable cause,” as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

2. No disclaimer, questionnaire, clause, or statement signed by a franchisee in connection with the commencement of the franchise relationship shall be construed or interpreted as waiving any claim of fraud in the inducement, whether common law or statutory, or as disclaiming reliance on or the right to rely upon any statement made or information provided by any franchisor, broker or other person acting on behalf of the franchisor that was a material inducement to a franchisee’s investment. This provision supersedes any other or inconsistent term of any document executed in connection with the franchise.

3. The following two sections apply to any Franchise Agreement entered into after June 30, 2026:

Under subsection D of § 13.1-559 of the Virginia Retail Franchising Act, for all franchises located in Virginia, the franchise contract or agreement offered or entered into pursuant to terms of this chapter shall be governed by the laws of the Commonwealth of Virginia.

Under subdivision A 4 of § 13.1-563 of the Virginia Retail Franchising Act (“Act”), it is unlawful to offer or enter into a franchise agreement that restricts the right of a franchisee to engage in the business of offering, selling, or distributing goods or services at retail after termination or expiration of the franchise agreement. However, subsection B of § 13.1-563 of the Act provides that if a franchisee sells a franchise at a mutually agreed upon price to a third party or back to the franchisor, such sale may include a term restricting the right of such franchisee to engage in the business of offering, selling, or distributing goods or services at retail for a period of no more than two years after such sale.

EXHIBIT K

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} April 21, 2026
Hawaii	[Pending]
Illinois	{Pending} April 7, 2026
Indiana	{Pending} April 13, 2026
Maryland	{Pending} April 28, 2026
Michigan	{Pending} April 8, 2026
Minnesota	[Pending]
New York	{Pending} May 11, 2026
Rhode Island	{Pending} April 7, 2026
Virginia	{Pending} May 11, 2026
Washington	{Pending} April 21, 2026
Wisconsin	{Pending} April 6, 2026

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

RECEIPT

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Surface Experts Franchising LLC offers you a franchise, it must provide this disclosure document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale. New York requires that you be given this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of any franchise or other agreement, or payment of any consideration that relates to the franchise relationship.

If Surface Experts Franchising LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and any applicable state agency (which are listed in Exhibit A).

Surface Experts Franchising LLC authorizes the respective state agencies identified on Exhibit A to receive service of process for it in the particular state.

The name, principal business address, and telephone number of each franchise seller offering the franchise is:

Name	Principal Business Address	Telephone No.
Jacob Grady	111 W. Cataldo Avenue, Suite 1, Spokane, WA 99201	800-614-9778
Erin Oranen	111 W. Cataldo Avenue, Suite 1, Spokane, WA 99201	800-614-9778
Sean Hansen	2574 Stratford Cir, El Dorado Hills, CA 95762	916-757-3123
Geoff Batchelder	538 Summertree Drive, Livermore, CA 94551	925-218-2332
Ben Downing	111 W. Cataldo Avenue, Suite 1, Spokane, WA 99201	509-808-0255
John North	9766 W. Baden Drive, Littleton, CO 80127	415.570.9470
Brittany Horner	9690 Fenton St, Lakewood, CO 80214	720.780.3553
Sydney Batchelder	376 Ehilani St. Makawao, HI 96768	808.866.7415

Issuance Date: April 6, 2026

I received a disclosure document dated [April 6](#), 2026, that included the following Exhibits:

- | | |
|---|--|
| A. State Administrators and Agents for Service of Process | E. Franchise Operations Manual Table of Contents |
| B. Franchise Agreement | F-1. Current Franchisees |
| Attachment 1-Ownership Information | F-2. Former Franchisees |
| Attachment 2-Guaranty and Non-Compete Agreement | G. State Addenda to Disclosure Document |
| Attachment 3-Promissory Notes | H. Contiguous Territory Addendum |
| Attachment 4-State Addenda to Franchise Agreement | I. Information About Area Representatives |
| C. Form of General Release | J. Automated Clearing House Payment Authorization Form |
| D. Financial Statements | K. State Effective Dates |
| | L. Receipt |

Signature: _____

Print Name: _____

Date Received: _____



FRANCHISE AGREEMENT

SUMMARY PAGE	
1. Franchisee	_____
2. Initial Franchise Fee	\$ _____
3. Business Location	_____
4. Territory	_____
5. Opening Deadline	_____
6. Principal Executive	_____
7. Franchisee's Address	_____

4.6 Replacement / Additional Training Fee. If Franchisee sends an employee to Surface Experts Franchising's training program after opening, Surface Experts Franchising may charge its then-current training fee. As of the date of this Agreement, there is not training fee for a replacement Lead Technician, so long as the Lead Technician attends a regularly-scheduled training class. We do not anticipate the training fee to exceed \$500 per participant per day in the future.

4.7 Non-Compliance Fee. Surface Experts Franchising may charge Franchisee \$500 for any instance of non-compliance with the System Standards or this Agreement (other than Franchisee's non-payment of a fee owed to Surface Experts Franchising) which Franchisee fails to cure after 30 days' notice. If the non-compliance is a failure to make any required report to Surface Experts Franchising when due, it may charge the non-compliance fee immediately (without the 30 days' notice and opportunity to cure). Thereafter, Surface Experts Franchising may charge Franchisee \$250 per week until Franchisee ceases such non-compliance. This fee is a reasonable estimate of Surface Experts Franchising's internal cost of personnel time attributable to addressing the non-compliance, and it is not a penalty or estimate of all damages arising from Franchisee's breach. The non-compliance fee is in addition to all of Surface Experts Franchising's other rights and remedies (including default and termination under Section 14.2).

4.8 Reimbursement. Surface Experts Franchising may (but is never obligated to) pay on Franchisee's behalf any amount that Franchisee owes to a supplier or other third party. If Surface Experts Franchising does so or intends to do so, Franchisee shall pay such amount plus a 10% administrative charge to Surface Experts Franchising within 15 days after invoice by Surface Experts Franchising accompanied by reasonable documentation.

4.9 Special Support Fee. If we provide in-person support to you in response to your request, we may charge you \$600 per day plus any out-of-pocket expenses (such as travel, lodging, and meals for employees providing onsite support).

4.10 Special Evaluation Fee. You agree to pay to us \$600 plus our out of pocket costs if we conduct an in-person evaluation of your Surface Experts Business because of a governmental report, customer complaint or other customer feedback, or your default or non-compliance with any system specification.

4.11 Payment Terms.

(a) Method of Payment. Franchisee shall pay the Royalty Fee, Brand Fund Contribution, and any other amounts owed to Surface Experts Franchising by pre-authorized bank draft or in such other manner as Surface Experts Franchising may require. Franchisee shall comply with Surface Experts Franchising's payment instructions.

(b) Calculation of Fees. Franchisee shall report monthly Gross Sales to Surface Experts Franchising by the 5th day of the following month. If Franchisee fails to report monthly Gross Sales, then Surface Experts Franchising may withdraw estimated Royalty Fees and Brand Fund Contributions equal to 125% of the last Gross Sales reported to Surface Experts Franchising, and the parties will true-up the actual fees after Franchisee reports Gross Sales.

ILLINOIS ADDENDUM TO FRANCHISE AGREEMENT

This Addendum amends the Franchise Agreement dated _____ (the “Agreement”), between Surface Experts Franchising LLC, a Washington limited liability company (“Surface Experts Franchising”) and _____, a _____ (“Franchisee”).

1. **1. Governing Law.** Illinois law governs the Franchise Agreement.

~~2. **Waivers Void.** In conformance with Section 41 of the Illinois Franchise Disclosure Act, notwithstanding any provision of the Agreement to the contrary, any condition, stipulation, or provision purporting to bind Franchisee to waive compliance with any provision of the Illinois Act or any other law of the State of Illinois is void. This Section shall not prevent Franchisee from entering into a settlement agreement or executing a general release regarding a potential or actual lawsuit filed under any of the provisions of this Act, nor shall it prevent the arbitration of any claim pursuant to the provisions of Title 9 of the United States Code.~~

2. ~~3. **Jurisdiction.** 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 ~~occur~~take place outside of Illinois.~~

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

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

5. ~~4. **Questionnaires.** No disclaimer~~No statement, questionnaire, clause, or statement or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall ~~be construed or interpreted as~~have the effect of (i) waiving any claim of claims under any applicable state franchise law, including fraud in the inducement, whether common law or statutory, or as (ii) disclaiming reliance on or the right to rely upon any statement made ~~or information provided~~ by any franchisor, ~~broker~~franchise seller, or other person acting on behalf of the franchisor ~~that was a material inducement to a franchisee’s investment~~. This provision supersedes any other ~~or inconsistent~~ term of any document executed in connection with the franchise.

~~4. Your rights upon Termination and Non-Renewal of an agreement are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.~~

5. Expenses not shown in Table 1 do not include royalties, support center fees, technology fees, accounting expenses, bank fees, uniforms, marketing expenses, tools, compliance costs, interest expense, meals and entertainment, advertising, cell phone, automobile, insurance, repair and maintenance, federal taxes, depreciation and amortization.
6. We had 67 franchisees report Rent and COGS information to us. We averaged those responses to compile the Expenses results shown in Table 2.

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

Written substantiation for the financial performance representation will be made available to the prospective franchisee upon reasonable request.

Other than the preceding financial performance representation, Surface Experts Franchising LLC does not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Jacob Grady, 111 West Cataldo Ave., Suite 1, Spokane, WA 99201, and 800-614-9778, the Federal Trade Commission, and the appropriate state regulatory agencies.

Item 20 OUTLETS AND FRANCHISEE INFORMATION

Table No. 1

Systemwide Outlet Summary
For Years 2023 - 2025

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised Outlets	2023	63	76 <u>77</u>	+13 <u>+14</u>
	2024	76 <u>77</u>	87 <u>88</u>	+11
	2025	87 <u>88</u>	103	+16 <u>+15</u>
Company-Owned	2023	0	0	0
	2024	0	0	0
	2025	0	0	0
Total Outlets	2023	63	76 <u>77</u>	+13 <u>+14</u>
	2024	76 <u>77</u>	87 <u>88</u>	+11
	2025	87 <u>88</u>	103	+16 <u>+15</u>

5. ~~Effective Date. This Addendum is effective as of date of the Agreement.~~

Agreed to by:

FRANCHISEE:

By: _____

Name: _____

Title: _____

Date: _____

FRANCHISOR:

SURFACE EXPERTS FRANCHISING LLC

By: _____

Name: _____

Title: _____

Date: _____

MARYLAND ADDENDUM TO FRANCHISE AGREEMENT

This Addendum amends the Franchise Agreement dated _____ (the "Agreement"), between Surface Experts Franchising LLC, a Washington limited liability company ("Surface Experts Franchising") and _____, a _____ ("Franchisee").

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

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

3. This franchise agreement provides that disputes are resolved through arbitration. A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.

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

5. No ~~disclaimer~~statement, questionnaire, ~~clause, or statement~~or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall ~~be construed or interpreted as~~have the effect of (i) waiving any ~~claim of~~claims under any applicable state franchise law, including, fraud in the inducement, ~~whether common law or statutory, or as~~or (ii) disclaiming reliance on ~~or the right to rely upon~~any statement made ~~or information provided~~by any franchisor, ~~broker~~franchise seller, or other person acting on behalf of the franchisor ~~that was a material inducement to a franchisee's investment~~. This provision supersedes any other ~~or inconsistent~~term of any document executed ~~in connection~~with the franchise.

Agreed to by:

FRANCHISEE:

FRANCHISOR:

SURFACE EXPERTS FRANCHISING LLC

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

~~WASHINGTON~~
VIRGINIA ADDENDUM TO FRANCHISE AGREEMENT

To the extent the Virginia Retail Franchising Act, Va. Code §§13.1-557 – 13.1-574 applies, the terms of this Addendum apply.

1. Notwithstanding anything to the contrary contained in the Franchise Agreement, to the extent that the Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

“According to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any ground for default or termination stated in the franchise agreement does not constitute “reasonable cause,” as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.”

2. The following two sections apply to any Franchise Agreement entered into after June 30, 2026:

a. Section 13.2(b) of the Franchise Agreement is modified to provide that the post-termination non-compete will not apply to Franchisee following termination or expiration of the Franchise Agreement.

b. Section 18.8 of the Franchise Agreement is amended to provide that the Franchise Agreement will be governed by the laws of the Commonwealth of Virginia.

3. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.

4. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

5. This Addendum is being entered into in connection with the Franchise Agreement. In the event of any conflict between this Addendum and the Franchise Agreement, the terms and conditions of this Addendum shall apply.

Agreed to by:

FRANCHISEE:

FRANCHISOR:

SURFACE EXPERTS FRANCHISING LLC

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

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

WASHINGTON
ADDENDUM TO FRANCHISE AGREEMENT

The provisions of this Addendum form an integral part of, are incorporated into, and modify the Franchise Disclosure Document, the franchise agreement, and all related agreements regardless of anything to the contrary contained therein. This Addendum applies if: (a) the offer to sell a franchise is accepted in Washington; (b) the purchaser of the franchise is a resident of Washington; and/or (c) the franchised business that is the subject of the sale is to be located or operated, wholly or partly, in Washington.

1. **Conflict of Laws.** In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, chapter 19.100 RCW will prevail.

2. **Franchisee Bill of Rights.** RCW 19.100.180 may supersede provisions in the franchise agreement or related agreements concerning your relationship with the franchisor, including in the areas of termination and renewal of your franchise. There may also be court decisions that supersede the franchise agreement or related agreements concerning your relationship with the franchisor. Franchise agreement provisions, including those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.

3. **Site of Arbitration, Mediation, and/or Litigation.** In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

4. **General Release.** A release or waiver of rights in the franchise agreement or related agreements purporting to bind the franchisee to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rules or orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).

5. **Statute of Limitations and Waiver of Jury Trial.** Provisions contained in the franchise agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

6. **Transfer Fees.** Transfer fees are collectable only to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

7. **Termination by Franchisee.** The franchisee may terminate the franchise agreement under any grounds permitted under state law.

8. **Certain Buy-Back Provisions.** Provisions in franchise agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term of the franchise agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.