

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
		draft	We may increase these <u>the</u> fees but as of the date of this Disclosure Document we don't anticipate these fees to increase <u>not</u> by more than 30% annually in addition to any increases from third-party vendors.
Transfer Fee ¹	The greater of (i) \$7,500 or (ii) 5% of the sales price	Before transfer	You must pay us this fee on the total gross sales price of the Business, including all assets of the Business, when you sell your Business, but we may discount or waive the transfer fee if the transfer is to a legal entity you control or to a member of your immediate family (See Section 10.C of the Franchise Agreement).
Training Fee as part of Buyer Commitment Agreement ¹	\$14,900	Prior to attending training.	This fee is payable only in the event of a transfer where you and your transferee buyer request that the transferee buyer attend training prior to the closing on the sale of your Business and is in addition to all other transfer requirements.
Late Fees ¹ (Franchise Agreement)	\$10 per day	On demand	Applies to overdue fees from the due date until all sums are paid.
Dishonored Check or ACH Draft ¹	\$50	On demand	You must pay us for each check returned or ACH draft refused by your financial institution for insufficient funds in your account.
Interest ¹	12% on unpaid balances	On demand	Payable on all overdue amounts. The twelve percent (12%) charge is calculated as a per annum rate but may be collected on demand, including weekly or monthly through automatic bank draft.
Audit ¹	Cost of audit plus expenses, plus any amount owed as shown by the audit, plus interest and late fees	When you are billed	Payable only if we find an understatement of Gross Sales of 2% or more or if you fail to provide requested information within 30 days of our request.
Audit Noncompliance Fee	\$500 per document (up to \$2,500 per audit) that you fail to timely make available to us in	On demand	Payable if you fail to timely make available to us requested documents in connection with an audit.

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Additional Training Fees	The then-current fee, currently up to \$5,000.	When you are billed.	<p>If you request training in addition to the initial training program (see Item 11), we may charge you a training fee, plus you must pay your costs and expenses in connection with such training. As of the date of this Disclosure Document, we may conduct our training programs remotely/virtually. Therefore, you may not incur any travel expenses if your training is done remotely/virtually.</p> <p>We may increase the fees but as of the date of this Disclosure Document we don't anticipate these fees to increase <u>not</u> by more than 30% annually.</p>
Key Accounts/ Management Fee ⁵	Up to 5% of total Gross Sales related to Key Account work, including Gross Sales that relate to Key Accounts; Gross Sales that are the result of any lead or any agreement developed by our Business Development Department or any similar group that is part of our company or is our designee; Gross Sales for work that is dispatched from any call center operated by us or our designee; Gross Sales that are audited by us or our designee according to Key Accounts standards or Gross Sales that otherwise benefit from our Key	When you are billed or when the fee is deducted from your payment(s) for work performed or added to the invoice	If you participate in our Key Accounts program ⁴ , we reserve the right to require you to pay a Key Accounts / Management Fee to us or our designee. We may also sometimes refer to this fee as a “Key Accounts Management fee” or “Management fee.”

Provision	Section in Franchise Agreement (unless otherwise specified)	Summary
Business	None	N/A
p. Death or disability of Franchisee	10(E)	Your personal representative must, within 120 days, tender the right of first refusal, apply for our consent to the transfer, pay the transfer fee and satisfy the transfer conditions (provided that no right of first refusal or transfer fee is applicable if the transferee is your spouse or child).
q. Non-competition covenants during the term of the Franchise Agreement	9(D)	<p>You (including your guarantors and owners, if you are an entity, or your spouse, children, parents, or siblings if you are an individual) cannot be involved in a Competitive Business, subject to applicable state law.</p> <p>A “Competitive Business” is any business that offers or sells any product or service or component thereof that (i) composes a part of our System, (ii) is the same as or similar to any product or service then-offered by our franchisees or (iii) otherwise competes directly or indirectly with our System.</p>
r. Non-competition covenants after the Franchise Agreement is terminated or expires	9(D)	For 2 years, no Competitive Business in your Territory, within a 25-mile radius of the outer boundary of your Territory, or inside the territory of another MR. APPLIANCE business, subject to applicable state law .
s. Modification of the Franchise Agreement	14(B)	No modification of the Franchise Agreement except by written agreement of both parties.
t. Integration/merger clause	14(B)	Only the terms of the Franchise Agreement are binding (subject to state law). Any other promises may not be enforceable. Nothing in the Franchise Agreement or any related agreement is intended to disclaim our representations made in this disclosure document.
u. Dispute resolution by arbitration or mediation	11	Most disputes must be initially mediated. If a dispute is not resolved through the mediation process described in the Franchise Agreement, most disputes must be settled by litigation, subject to state law. Only if a court invalidates a jury waiver or a class action