

EXHIBIT A



TES FRANCHISING, LLC
FRANCHISE AGREEMENT

EXPLANATION OF ANY NEGATIVE RESPONSES (REFER TO QUESTION NUMBER):

Question Number	Explanation of Negative Response

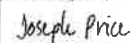
ATTACHMENT 5
FRANCHISE DISCLOSURE QUESTIONNAIRE

As you know, TES Franchising, LLC (“we” or “us”), and you are preparing to enter into a Franchise Agreement for the operation of a The Entrepreneur’s Source franchise. The purpose of this questionnaire is to determine whether any statements or promises were made to you that we have not authorized or that may be untrue, inaccurate, or misleading, to be certain that you have been properly represented in this transaction, and to be certain that you understand the limitations on claims you may make by reason of the purchase and operation of your franchise. **You cannot sign or date this questionnaire the same day as the Receipt for the Franchise Disclosure Document, but you must sign and date it the same day you sign the Franchise Agreement.** Please review each of the following questions carefully and provide honest responses to each question. If you answer “No” to any of the questions below, please explain your answer in the table provided below.

1. Yes ☒ No ☐ Have you received and personally reviewed the Franchise Agreement and each attachment or exhibit attached to it that we provided?
2. Yes ☒ No ☐ Have you received and personally reviewed the Franchise Disclosure Document and each attachment or exhibit attached to it that we provided?
3. Yes ☒ No ☐ Did you sign a receipt for the Franchise Disclosure Document indicating the date you received it?
4. Yes ☒ No ☐ Do you understand all the information contained in the Franchise Disclosure Document and Franchise Agreement?
5. Yes ☒ No ☐ Have you reviewed the Franchise Disclosure Document and Franchise Agreement with a lawyer, accountant, or other professional advisor, or have you had the opportunity for such review and chosen not to engage such professionals?
6. Yes ☒ No ☐ Have you had the opportunity to discuss the benefits and risks of developing and operating a The Entrepreneur’s Source Franchise with an existing The Entrepreneur’s Source franchisee?
7. Yes ☒ No ☐ Do you understand the risks of developing and operating a The Entrepreneur’s Source Franchise?
8. Yes ☒ No ☐ Do you understand the success or failure of your The Entrepreneur’s Source Franchise will depend in large part upon your skills, abilities, and efforts, and those of the persons you employ, as well as many factors beyond your control such as competition, interest rates, the economy, inflation, labor and supply costs, and other relevant factors?
9. Yes ☒ No ☐ Do you understand all disputes or claims you may have arising out of or relating to the Franchise Agreement must be arbitrated in Connecticut, if not resolved informally or by mediation?
10. Yes ☒ No ☐ Do you understand that you must satisfactorily complete the initial training program before we will allow your The Entrepreneur’s Source Franchise to open or consent to a transfer of The Entrepreneur’s Source Franchise to you?

11. Yes ☒ No ☐ Do you agree that no employee or other person speaking on our behalf made any statement or promise regarding the costs involved in operating a The Entrepreneur's Source Franchise that is not contained in the Franchise Disclosure Document or that is contrary to, or different from, the information contained in the Franchise Disclosure Document?
12. Yes ☒ No ☐ Do you agree that no employee or other person speaking on our behalf made any statement or promise or agreement, other than those matters addressed in your Franchise Agreement and any addendum, concerning advertising, marketing, media support, marketing penetration, training, support service, or assistance that is contrary to, or different from, the information contained in the Franchise Disclosure Document?
13. Yes ☒ No ☐ Do you agree that no employee or other person speaking on our behalf made any statement or promise regarding the actual, average or projected profits or earnings, the likelihood of success, the amount of money you may earn, or the total amount of revenue a The Entrepreneur's Source Franchise will generate that is not contained in the Franchise Disclosure Document or that is contrary to, or different from, the information contained in the Franchise Disclosure Document?
14. Yes ☒ No ☐ Do you understand that the Franchise Agreement, including each attachment or exhibit to the Franchise Agreement, contains the entire agreement between us and you concerning The Entrepreneur's Source Franchise, meaning any prior oral or written statements not set out in the Franchise Agreement or the attachments or exhibits to the Franchise Agreement will not be binding?
15. Yes ☒ No ☐ Do you understand that we are relying on your answers to this questionnaire to ensure that the franchise sale was made in compliance of state and federal laws?

YOU UNDERSTAND THAT YOUR ANSWERS ARE IMPORTANT TO US AND THAT WE WILL RELY ON THEM. BY SIGNING THIS QUESTIONNAIRE, YOU ARE REPRESENTING THAT YOU HAVE CONSIDERED EACH QUESTION CAREFULLY AND RESPONDED TRUTHFULLY TO THE ABOVE QUESTIONS.

<small>DocuSigned by:</small>  <small>Signature of Franchise Applicant</small>	<small>Signature of Franchise Applicant</small>
<small>Joseph Price</small>	<small>Name (please print)</small>
<small>Date 4/11/2024</small>	<small>Date:</small>



Marissa Frois
FranchisEsource Brands International
464 Heritage Road, Suite 300
Southbury, Connecticut 06488
(203) 405-2129

Joseph Price, Owner, CEO
403 W Chapel Royal Drive
Verona, WI 53593
jpprice1717@gmail.com
(847) 271-6878

RE: Letter of Clarification to Single Unit Franchise Agreement

Dear Joseph,

This **confidential letter** shall serve as clarification and understanding of the following allowances and terms under your Single Unit Franchise Agreement. This letter will serve to supplement your Franchise Agreement only as to the terms and conditions stated herein. It will not amend any other terms and/or conditions contained in the Franchise Agreement. Any undefined terms have the same meaning as in the Franchise Agreement.

- I. Funding Your Award. We understand your plan to fund your investment with cash. We agree that a deposit of \$15,000 is due at the time of signing. The total investment will be \$100,000; \$75,000 for the Franchise Fee and \$25,000 for the Training Fee. We agree that the full investment (Balance of \$85,000) is due within 3-4 weeks of signing.
- II. Ramp Up. Your signing date is scheduled for Thursday, April 11, 2024, at 4:30pm CT, with Eric Missbrenner. Once your award is completed, your onboarding will begin; you will be given access to our system and your pre-on-site training program. This offer is contingent upon completing your award call on the scheduled day and attendance at the July 2024 Phase 1 Training Class at our Southbury, CT Office, and Training Center, and you agree to complete all the Phase 1 Pre-Training Checklist prior to your attendance.

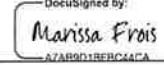
This is a **confidential offer** and does not alter or change any other provisions in the Franchise Agreement. This Letter of Clarification will be null and void if you, your officers, directors, employees, or shareholders violate the confidentiality clause of this letter and/or the franchise agreement.

Agreed to:

Dated 4/11/2024

By: 
D17A1AFE772D48E
Joseph Price, Owner, CEO

Dated 5/13/2024

By: 
A7AB9D18EBC44CA
Marissa Frois, Chief Executive Officer
TES Franchising, LLC.

WISCONSIN ADDENDUM TO THE FRANCHISE AGREEMENT

If any of the terms of the Franchise Agreement are inconsistent with the terms below, the terms below control.

1. If the Franchise Agreement contains any provision that conflict with the Wisconsin Fair Dealership Law, the provisions of this Addendum shall prevail to the extent of such conflict.
2. The Franchise Agreement is amended to also include the following language:

With respect to franchises governed by Wisconsin law, the Wisconsin Fair Dealership Law applies to most, if not all, franchise agreements and prohibits the termination, cancellation, non-renewal or the substantial change of the competitive circumstances of a dealership agreement without good cause. That Law further provides that 90 days' prior written notice of a proposed termination, etc. must be given to the dealer. The dealer has 60 days to cure the deficiency and if the deficiency is cured, the notice is void.

FRANCHISEE:
JOSEPH PRICE

By: 
D17A1AFE772D46E...
Joseph Price
Owner, CEO

Date: 4/11/2024

TES FRANCHISING, LLC

By: 
A7AB9D1BFBC44CA...
Marissa Frois, CEO (Chief
Executive Officer)

Date: 5/13/2024

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ATTACHMENTS:

- Attachment 1- Franchise Data Sheet
- Attachment 2- Ownership Interests in Franchise Owner
- Attachment 3- Owners Agreement
- Attachment 4-Automated Clearing House Payment Authorization
- Attachment 5-Franchise Disclosure Questionnaire
- Attachment 6- State Addenda to the Franchise Agreement

TES FRANCHISING, LLC
FRANCHISE AGREEMENT

This Franchise Agreement (this “Franchise Agreement”) is being entered as of the date listed on Attachment 1 to this Franchise Agreement (“Effective Date”). The parties to this Franchise Agreement are TES Franchising, LLC, a Connecticut limited liability company (“we,” “us,” “our,” “TES Franchising” or the “TES Franchising”), and the franchisee listed on Attachment 1 to this Franchise Agreement (“you,” “your,” or “Franchisee”). If you sign this Franchise Agreement as a corporation, partnership, limited liability company, or other legal entity (an “Entity”) you will be bound by certain additional terms and conditions of the Franchise Agreement, as further discussed below.

1. **INTRODUCTION**

This Franchise Agreement includes several attachments, each of which are legally binding and are a part of the complete Franchise Agreement, including an “Owners Agreement” which is attached to this Franchise Agreement as Attachment 3 (the “Owners Agreement”). If you are an Entity, each individual owner (i.e., each natural person holding a direct or indirect ownership interest greater than 5% in you) must sign the Owners Agreement. Certain provisions in this Franchise Agreement also refer, and may be applicable, to Principal Owners. “Principal Owners” means those principal shareholders, partners or members upon whose business skill, financial capability, and personal character we may rely in the case Franchisee is an Entity.

Through the expenditure of considerable time, effort, and money, we and our affiliates have devised a system “System”) for the establishment and operation of a TES Business model that specializes in providing coaching, placement and franchising services to individuals, businesses, franchise prospects and franchisors. This business model includes individual businesses offering all of our franchised services and products (each, individually, a “Business” or “TES Business,” and collectively, the “Businesses” or “TES Business”). We identify the System by the use of certain trademarks, service marks and other commercial symbols, including the mark “TES Franchising” and certain associated designs, artwork and logos, which we may change or add to from time to time (the “Marks”).

From time to time we grant, to persons who meet our qualifications, franchises to own and operate a TES Business under the System. This Franchise Agreement is being presented to you because of the desire you have expressed to obtain the right to develop, own, and operate a TES Business (we refer to your TES Franchising franchise in this Franchise Agreement as the “Franchise”). In signing this Franchise Agreement, you acknowledge you have conducted an independent investigation of the TES Business, and recognize that, like any other businesses, the nature of it may evolve and change over time, that an investment in a TES Business involves business risks, and that the success of this Franchise is primarily dependent on your business abilities and efforts.

We expressly disclaim making, and you acknowledge you have not received or relied on, any guarantee, express or implied, as to the revenues, profits, or likelihood of success of the Franchise. You acknowledge that there have been no representations by us or by our officers, directors, members, employees, or agents that are inconsistent with the statements made in our current Franchise Disclosure Document (“FDD”) or the provisions of this Franchise Agreement. You further represent to us, as an inducement to our entering into this Franchise Agreement with you, there have been no misrepresentations to us in your application for the rights granted by this Franchise Agreement, or in the financial information provided by you or your Principal Owners.

2. GRANT OF FRANCHISE

2.1 *Term.* You have applied for a franchise to own and operate a TES Business, in reliance on all of the representations you made in that application, and we have approved your application. As a result, and subject to the provisions of this Franchise Agreement, we grant to you a franchise to operate a Business offering all products, services, and proprietary programs of ours, in accordance with all elements of the System, that we may require for TES Businesses.

This Franchise Agreement shall have an initial term of ten consecutive (10) years (the "Initial Term"). The Initial Term will begin on the Effective Date. Termination or expiration of this current Franchise Agreement will constitute a termination or expiration of your Franchise. (All references to the "Term" of this Franchise Agreement refer to the period from the Effective Date to the date on which this Franchise Agreement actually terminates or expires.)

2.2 *Best Efforts and Full-Term Performance.* Only you are authorized to operate the Franchise. You specifically agree to be obligated to operate the Franchise, perform the obligations of this Franchise Agreement, and continuously exert your best efforts to promote and enhance the business of the Franchise for the full term of this Franchise Agreement. Except as specifically set forth in this Franchise Agreement, you may not delegate or assign any of the Franchise's rights or obligations under this Franchise Agreement or any aspect of the management or operation of the Franchise.

2.3 *Territory and Relocation; Reservation of Rights.* This Franchise Agreement grants you a non-exclusive territory to operate throughout the United States. You will not receive any territory protections and you will share this territory with us and other franchisees. You must seek our approval to relocate your TES Business to a new location, subject to the territorial rights of other TES Businesses operated by franchisees, us and our affiliates. You may not relocate your TES Business without our prior written consent. We retain all rights with respect to TES Businesses, the Marks and the System, including (by way of example only and not as a limitation): a) to own, franchise or operate TES Businesses at any location, regardless of the proximity to your TES Business; b) to exclusively reserve the Internet as a channel of distribution for us, and you may not independently market on the Internet or conduct e-commerce without our prior written approval and subject to the policies and procedures in our Operations Manual (as such term is defined in Section 5.1); c) to use and license the use of other proprietary and non-proprietary marks or methods, which are not the same as or confusingly similar to the Marks, whether in alternative channels of distribution or in the operation of a business offering similar services as those offered by TES Businesses, which may be similar to or different from the TES Business operated by you; d) to purchase or be purchased by, or merge or combine with, any business, including a business that competes directly with your TES Business, wherever located; e) to acquire and convert to the System operated by us, any businesses offering services and products similar to those offered by TES Businesses, including such businesses operated by competitors or otherwise operated independently or as part of, or in association with, any other system or chain, whether franchised or corporately owned and regardless of proximity to your TES Business; and f) to implement multi-area marketing programs, which may allow us or others to solicit or sell to customers anywhere. We also reserve the right to issue mandatory policies to coordinate such multi-area marketing programs.

2.4 Renewal of Franchise.

(a) *Franchise Owner's Right to Renew.* Subject to the provisions of subparagraph (b) below, and provided that:

(i) you give us written notice of your intention to renew this Franchise Agreement at least 12 but not more than 18 months prior to the end of the Initial Term;

(ii) you have substantially complied with all provisions of this current Franchise Agreement and all other agreements between us, and have corrected any deficiencies in the operation of your Franchise;

(iii) this current Franchise Agreement or any successor agreement has not been terminated;

(iv) you pay the renewal fee in the amount of five thousand dollars (\$5,000);

(v) you sign a general release of any and all claims against us; and

(vi) pursuant to subsection (c) below, you sign our then current form of Franchise Agreement and ancillary documents, including an Owners Agreement or other guaranty, applicable to TES Businesses as we may require for each renewal period,

then, upon expiration of the Initial Term, you will have the right to renew the Franchise, provided that you meet the requirements to sign a successor Franchise Agreement, for one additional term of ten consecutive years pursuant to our then-current successor franchise agreement.

(b) *Notice of Deficiencies and Other Requirements.* At least six (6) months before the expiration of the Franchise, we agree to give you written notice of any deficiencies in your operation or in the historical performance of the Franchise that could cause us not to renew the Franchise. If we will permit renewal, our notice will state what actions you must take to correct the deficiencies in your operation of the Franchise, and will specify the time period within which those deficiencies must be corrected and any other requirements satisfied. Renewal of the Franchise will be conditioned on your continued compliance with all the terms and conditions of this Franchise Agreement up to and including expiration. If we send a notice of non-renewal, it will state the reasons for our refusal to renew.

(c) *Renewal Agreement; Releases.* To renew the Franchise, TES Franchising, you and your Principal Owners must execute the then-current form of franchise agreement, which may contain materially different terms than this Franchise Agreement ("Successor Franchise Agreement") and any ancillary agreements we are then customarily using in the grant or renewal of franchises for the operation of TES Businesses (with appropriate modifications to reflect that the agreement relates to the grant of a renewal franchise), except that no initial franchise fee will be payable upon renewal of the Franchise. However, you must pay to us a renewal fee equal to \$5,000. You and your Principal Owners, and you and their spouses, must also execute general releases, in a form satisfactory to us, of any and all claims against us and any affiliates we may have, and our and their respective owners, officers, directors, employees, and agents. At the time of renewal, should a judgment against us be in place, we will not include this judgment in the required releases to be signed.

(d) *Interim Period.* If you do not sign a Successor Franchise Agreement prior to the expiration of this Franchise Agreement and continue to accept the benefits of this Franchise Agreement after the expiration of this Franchise Agreement, then at our option, this Franchise Agreement may be treated either as (i) expired as of the date of expiration with you then operating without a franchise to do so and in violation of our rights; or (ii) continued on a month-to-month basis ("Interim Period") until one party provides the other with written notice of such party's intent to terminate the Interim Period, in which case the Interim Period will terminate 30 days after receipt of the notice to terminate the Interim Period. In the latter case, all your obligations shall remain in full force and effect during the Interim Period as if this Franchise Agreement had not expired, and

all obligations and restrictions imposed on you upon expiration of this Franchise Agreement shall be deemed to take effect upon termination of the Interim Period.

3. THE DEVELOPMENT AND OPENING OF THE FRANCHISE

3.1 *Development of the Franchise.* You agree at your own expense to do the following: (a) within four (4) days of the Effective Date begin set up of your TES Business, including enrollment in the pre-“On-Site Events” (Onboarding Training Module) (defined in Section 4.3) and the first On-Site Event training program and granted access to our technology systems which include access to technologies for marketing and offering goods and services; (b) within ninety (90) days of the Effective Date: (1) secure all financing required to fully develop the Franchise; (2) complete pre-On-Site Events and the Phase 1 On-Site Event Training Program; (3) purchase an opening inventory of products and other supplies and materials, including all marketing materials for your grand opening program; (4) provide proof, in a form satisfactory to us, that you (and your Principal Operator, as defined in Section 4.1, if any) are legally authorized and have all licenses necessary to perform all of the services to be offered by your Franchise, and that your organizational structure is consistent with all legal requirements; (5) do any other acts necessary to open the Franchise for business; and (6) open the Franchise for business. Should licensure or accreditation take more than ninety (90) days, no termination action will be taken, so long as you can provide evidence that action is underway.

3.2 *Computer System.* You agree to use in the development and operation of the Franchise the computer terminals, systems and operating software (“Computer System”) we may specify at any time and from time to time. You acknowledge we may modify such specifications and the components of the Computer System at any time and from time to time, in accordance with this Franchise Agreement. As part of the Computer System, we may require you to obtain specified computer hardware and software, including, without limitation, a license for the proprietary software developed by us or others. Our modification of such specifications for the components of the Computer System may require you to incur costs to purchase, lease and/or obtain by license new or modified computer hardware and/or software, and to obtain service and support for the Computer System during the Term. You acknowledge that we cannot estimate the future costs of the Computer System (or additions or modifications thereto), and that the cost to you of obtaining the Computer System (or additions or modifications thereto), including software, may not be fully amortizable over the remainder of the Term. Nonetheless, you agree to incur such costs in connection with obtaining the computer hardware and software comprising the Computer System (or additions or modifications thereto). Within four (4) business days after you receive notice from us, you agree to obtain the components of the Computer System that we designate and require. You further acknowledge and agree that we and our affiliates have the right to charge a reasonable systems fee for software or systems installation services; modifications and enhancements specifically made for us or our affiliates that are licensed to you; and other maintenance and support services related to the Computer System that we or our affiliates furnish to you. You will have sole responsibility for: (1) the acquisition, operation, maintenance, and upgrading of your Computer System; (2) the manner in which your Computer System interfaces with our computer system and those of third parties; and (3) any and all consequences that may arise if your Computer System is not properly operated, maintained, and upgraded.

3.3 *Equipment, Furniture, Fixtures, Furnishings and Signs.* You agree to use in the development and operation of the Franchise only those brands, types, and/or models of equipment, furniture, fixtures, furnishings, and signs we have approved.

3.4 *Franchise Opening.* You agree not to open the TES Business until: (1) all of your obligations under Sections 3.1 through 3.4 of this Section 3 have been fulfilled; (2) you and any of your Franchise’s employees whom we require complete our pre-opening training programs to our satisfaction; (3) the Initial Franchise Fee (defined below in Section 6.1) and all other amounts due to us have been paid;

and (4) you have furnished us with copies of all insurance policies required by Section 10.8 of this Franchise Agreement, or have provided us with appropriate alternative evidence of insurance coverage and payment of premiums as we have requested.

4. TRAINING

4.1 *Principal Operator.* At your request, we may, but are not obligated to, agree for you to employ a Principal Operator to operate the Franchise. The term “Principal Operator” means an individual with primary day-to-day responsibility for the Franchise’s operations, and may or may not be you (if you are an individual) or a Principal Owner, officer, director, or employee of yours (if you are an Entity). We do not require that the Principal Operator have an equity interest in the Franchise. The Principal Operator will be obligated to devote his or her full time, best efforts, and constant personal attention to the Franchise’s operations, and must have full authority from you to implement the System in connection with the Franchise. You must not hire any Principal Operator or successor Principal Operator without first receiving our written approval of such Principal Operator’s qualifications. Each Principal Operator and successor Principal Operator must attend and complete our initial training described below in Section 4.3. Each Principal Operator must sign Exhibit G-2 (“System Protection Agreement”). You must forward to us a copy of each such signed agreement. If we determine, in our sole discretion, whether during or following completion of the initial training program, that your Principal Operator (if any) is not qualified to act as Principal Operator of the Franchise, then we have the right to require you to choose (and obtain our approval of) a new individual for that position.

4.2 *Coaches.* All persons who offer coaching, placement and franchising services on behalf of the TES Business to your clients including you, or your Principal Operator (if any) are referred to as “Coaches.” Only one individual is permitted to act as a “Coach” under any one Franchise License.

4.3 *Training.* You acknowledge it is very important to the operation of the Franchise that you and your principal operator receive appropriate training. You agree:

(a) At least thirty (30) days before the Franchise opens for business, you (and your Principal Operator, if applicable) must (1) virtually complete our Onboarding Training Module prior to your in-person attendance at our initial on-site event (“OSE” or “On-Site Events”) Phase 1 Training program, and (2) attend the OSE Phase 1 Training for your Franchise at the time and place we designate. You (and any other employees that we designate if applicable) must complete these trainings to our satisfaction. These trainings may include classroom instruction and Franchise operation training and will be furnished at our training facility and/or at another location we designate. You will be required to pay us a training fee of \$25,000 for your Principal Operator (“Training Fee”). The Training Fee is due in full prior to attending the OSE Phase 1 Training, is fully earned by us when paid, and is not refundable, whether partially or in full, under any circumstances. All persons who attend our OSE Phase 1 Training must attend for the full length of the training and complete OSE Phase 1 Training to our satisfaction. Your Franchise will be considered open for business upon successful completion of OSE Phase 1 Training. Phase 2 Training will be held virtually approximately 90 Days after OSE Phase 1 Training.

(b) In addition to providing the Onboarding Training Module, and OSE Phase 1 Training, and Phase 2 Training as described above, we reserve the right to offer and hold such additional ongoing training programs and franchise owners meetings regarding such topics and at such times and locations as we may deem necessary or appropriate. We also reserve the right to make these training programs mandatory for you and/or designated owners, and/or representatives of yours. We may charge you a daily attendance fee in an amount to be set by us for each attendee of yours who attends any mandatory or optional training program or owners meeting. You or your

designated personnel must attend a minimum of seventy five percent (75%) of the on-going training, educational programs and system updates offered annually. We require your Principal Operator to attend an annual franchisee conference and pay a conference fee for each year that an annual conference is held (“Conference Fee”), currently \$450, for purposes of defraying your cost of attending such annual conferences regardless of whether or not you attend the annual conference. If you fail to attend an annual conference for any reason, we shall be entitled to use the Conference Fee paid by you for any purpose in our sole discretion. Once paid, the Conference Fee is non-refundable for any reason. We may preclude you from participating in conventions, conferences, or calls if you are in default of this Franchise Agreement or if you had received a notice of default in the previous 12 months. In addition to the Conference Fee, you will be required to stay at the hotel designated by us for the annual conference at your cost and pay all costs associated with you and your personnel attending the annual conference including travel, lodging, meal, transportation and personal expenses.

(c) You agree to pay all wages and compensation owed to, and travel, lodging, meal, transportation, and personal expenses incurred by, all of your personnel who attend the OSE Phase 1 Training, any mandatory or optional training we provide and any convention or conference.

(d) You shall obtain all certifications and licenses required by law in order to perform the responsibilities and duties for the Franchise.

5. GUIDANCE: MANUAL

5.1 *Guidance and Assistance.* During the Term, we may at any time and from time to time furnish you guidance and assistance regarding: (1) specifications, standards, and operating procedures used by TES Businesses; (2) purchasing approved equipment, furniture, furnishings, signs, materials and supplies; (3) development and implementation of local advertising and promotional programs; (4) general operating and management procedures; (5) establishing and conducting additional training programs for your Franchise; and (6) changes in any of the above that occur from time to time. This guidance and assistance may, in our discretion, be furnished in the form of bulletins, written reports and recommendations, operations manual and other written or electronically-posted materials (the “Operations Manual”), and/or telephone consultations and/or personal consultations at our offices or your Franchise. If (1) you request—and if we agree to provide and/or (2) you are required (based on performance)—any additional, special (on-site or virtual) training to you (and/or your approved personnel) or other assistance in operating your Franchise, then you agree to pay a daily training fee in an amount to be set by us, currently \$770 per day, and all expenses we incur in providing such training or assistance, including any wages or compensation owed to, and travel, lodging, transportation, and living expenses incurred by, our personnel.

5.2 *Operations Manual.* The Operations Manual will contain our standards, specifications, and guidelines for all products and services we require you to obtain in establishing and operating your TES Franchising Franchise and approved vendors for these products and services. The Operations Manual may be composed of or include electronic materials, websites, and/or other written or intangible materials. We may make all or part of the Operations Manual available to you through various means, including the Internet. A previously delivered Operations Manual may be superseded periodically with replacement materials to reflect changes in the specifications, standards, operating procedures and other obligations in operating the Franchise. You must keep your copy of the Operations Manual current, and if you and we have a dispute over the contents of the Operations Manual, then our master copy of the Operations Manual will control. You agree you will not at any time copy any part of the Operations Manual, permit it to be copied, disclose it to anyone not having a need to know its contents for purposes of operating your Franchise, or remove it from the Franchise location without our permission.

At our option, we may post the Operations Manual on a restricted website to which you will have password access. If we do so, you agree to periodically monitor that website for any updates to the Operations Manual or the System's specifications. Any passwords or other digital identifications necessary to access the Operations Manual on such a website will be deemed to be part of Confidential Information (defined in Section 9.1 below).

5.3 *Modifications to System.* We will continually be reviewing and analyzing developments on the sale and repair of the latest technology products, and based upon evaluating of this information, may change the System, including, but not limited to, adding new components to services offered and equipment used by TES Businesses. Changes in laws regulating the services offered by TES Businesses may (a) require us to restructure our franchise program, (b) require your Principal Operator (if any), Coaches and employees to obtain additional licenses or certifications, (c) and/or require you to modify your ownership or organizational structure. You agree, at our request, to modify the operation of the Franchise to comply with all such changes, and to be solely responsible for all related costs.

5.4 *Advisory Councils.* You agree to participate in, and, if required, become a member of any advisory councils or similar organizations we form or organize for TES Businesses.

6. FEES

6.1 *Initial Fees.* You agree to pay us the initial franchise fee (the "Initial Franchise Fee") set forth in Attachment 1 when you sign this Franchise Agreement.

You will pay us an initial franchise fee ("Initial Franchise Fee") of \$75,000 when you sign the Franchise Agreement. We offer a reduced Initial Franchise Fee under the following circumstances:

Veteran's Discount. We participate in the International Franchise Association VetFran Program. Under this program, honorably discharged veterans of the United States armed forces receive a 15% discount on the Initial Franchise Fee. You are required to provide us with a copy of your DD214 to receive this discount.

Training

After you sign the Franchise Agreement, you will be enrolled in our Onboarding Training Module, and initial on-site event ("OSE" or "On-Site Events") OSE Phase 1 Training Program. You will be required to pay us a training fee of \$25,000 ("Training Fee") for your principal operator. The Training Fee is due in full at the time you sign the Franchise Agreement.

Refundability of Initial Fees

All initial fees are fully earned by us when paid and are nonrefundable.

6.2 *Brand Building Fund.* You agree to contribute \$750 per month to a system-wide "Brand Building Fund" for our use in promoting and building The Entrepreneur Source brand (the "Brand Building Investments"). The Brand Building Investments will be deducted the last day of the month for the following month. We reserve the right to adjust this fee upon a ninety (90) days' notice as needed based on market demands or increased expenses. It will not be increased to more than \$950. You will begin paying this fee the last business day of the month (on or about) 90-days after you attend your OSE Phase 1 Training Event. A further description of the Brand Building Fund and your obligations with respect to advertising and promoting the Franchise is found in Section 11 of this Franchise Agreement.

6.3 *Managed Services and Technology Program.* We have made arrangements with several vendors for preferred pricing for products and services used by TES Businesses. Some of these services are provided by us or paid for by us and others are billed by the vendors. We combine monthly fees and pro rate yearly fees and charge your one monthly Managed Services and Technology Program fee (“MST Fee”). The MST Fee is currently \$150 per individual per month. Because this fee is partly determined by the fees charged by our vendors, it may be adjusted throughout the year and may fluctuate from year to year. This fee begins on the last business day of the month you attend your OSE Phase 1 Training Event. The MST Fee is deemed fully earned by us once paid and is non-refundable.

6.4 *Placement Fee.* You are required to pay us a share of placement fees (“Placement Fee Share”) of 25% of any “Placement Fees.” “Placement Fees” are fees paid by franchisors for franchise sales transactions originated by your TES Business. Placement Fees are required to be paid directly to us by franchisors. In the event a Placement Fee is paid directly to you, you must submit the entire Placement Fee to us immediately upon receipt. Placement Fees received through the efforts of one or more TES franchisees will be distributed in accordance with our multiple party policies and procedures which are contained in our Operations Manual. Placement Fees are not earned until we have received payment in good funds that clear our bank account. We will transfer the Net Placement Fee to the bank account you assign for your TES Business five days following clearance of the Placement Fee. The “Net Placement Fee” is the Placement Fee we receive minus the Placement Fee Share.

6.5 *Interest on Late Payments.* All MST Fees, Placement Fee Share, Brand Building Investments, amounts due from you for purchases from us or our affiliates, and other amounts which you owe us or our affiliates (unless otherwise provided for in a separate agreement between us or our affiliates) will begin to accrue interest after their respective due dates at the lesser of (i) the highest commercial contract interest rate permitted by state law, or (ii) the rate of twelve percent (12%) per annum plus \$100 per incident. You acknowledge that the inclusion of this Section 6 does not mean we agree to accept or condone late payments, nor does it indicate that we have any intention to extend credit to, or otherwise finance, your operation of the Franchise. In the event that any automatic payment is not honored by the bank from which funds are drawn, we have the right to require that any payments due us or any affiliates we may have be made by certified or cashier’s check. We also have the right to charge you a fee of \$100 for any payment that is not honored by the bank upon which it is drawn. Payments due us or our affiliates will not be deemed received until such time as funds from the deposit of any amount, whether check or automatic debit, by us or our affiliates is collected from your account.

6.6 *Electronic Funds Transfer.* We have the right to require you to participate in an electronic funds transfer program under which MST Fees, Placement Fee Share, Brand Building Investments, and any other amounts payable to us or our affiliates are deducted or paid electronically from your bank account (the “Account”). In the event you are required to authorize us to initiate debit entries, you agree to make the funds available in the Account for withdrawal by electronic transfer no later than the payment due date. If at any time we determine that you have underpaid any MST Fees, Placement Fee Share, Brand Building Investments or other amounts due us under this Franchise Agreement, then we will be authorized to initiate immediately a debit to the Account in the appropriate amount, plus applicable interest, in accordance with the foregoing procedure. Any overpayment will be credited, without interest, against the MST Fees, Placement Fee Share, Brand Building Investments, and other amounts we would otherwise debit from your Account during the following reporting periods. Our use of electronic funds transfers as a method of collecting MST Fees, Placement Fee Share, Brand Building Investments, or any other amounts due us does not constitute a waiver of any of your obligations to provide us with weekly reports as provided in Section 12, nor shall it be deemed a waiver of any of the rights and remedies available to us under this Franchise Agreement.

6.7 *Application of Payments.* When we receive a payment from you, we have the right, in our sole discretion, to apply it as we see fit to any past due indebtedness of yours due to us or our affiliates, whether for MST Fees, Placement Fee Share, Brand Building Investments, purchases, interest, or for any other reason, regardless of how you may designate that a particular payment should be applied.

6.8 *Method of Payment.* We have the right to periodically specify (in the Operations Manual or otherwise by writing) different payees and/or payment methods, such as, but not limited to, weekly or monthly payment, payment by auto-draft, credit card and payment by check.

7. MARKS AND IMPROVEMENTS

7.1 *Ownership and Goodwill of Marks.* You acknowledge that your right to use the Marks is derived solely from this Franchise Agreement and is limited to your operation of the Franchise pursuant to and in compliance with this Franchise Agreement and all applicable standards, specifications, and operating procedures we prescribe from time to time during the term of the Franchise. You understand and acknowledge that our right to regulate the use of the Marks includes, without limitation, any use of the Marks in any form of electronic media, such as Websites or web pages, or as a domain name or electronic media identifier. If you make any unauthorized use of the Marks, it will constitute a breach of this Franchise Agreement and an infringement of our rights in and to the Marks. You acknowledge and agree that all your usage of the Marks and any goodwill established by your use will inure exclusively to our benefit and the benefit of our affiliates, and that this Franchise Agreement does not confer any goodwill or other interests in the Marks on you (other than the right to operate the Franchise in compliance with this Franchise Agreement). All provisions of this Franchise Agreement applicable to the Marks will apply to any additional trademarks, service marks, commercial symbols, designs, artwork, or logos we may authorize and/or license you to use during the term of this Franchise Agreement.

7.2 *Limitations on Franchise Owner's Use of Marks.* You agree to use the Marks as the sole trade identification of the Franchise. You must indicate to the public, in the form we prescribe, in any contract, advertisement and with a conspicuous sign in your Franchise location that you are the independently owned and operated licensed franchisee of TES Franchising, LLC. You agree not to use any Mark as part of any corporate or trade name or with any prefix, suffix, or other modifying words, terms, designs, or symbols (other than logos and additional trade and service marks licensed to you under this Franchise Agreement), or in any modified form. You also shall not use any Mark or any commercial symbol similar to the Marks with the performance or sale of any unauthorized services or products, or in any other manner we have not expressly authorized in writing. You agree to display the Marks in the manner we prescribe at the Franchise and for advertising and marketing materials, and to use, with the Marks, any notices of trade and service mark registrations we specify. You further agree to obtain any fictitious or assumed name registrations if required under applicable law.

7.3 *Notification of Infringements and Claims.* You agree to immediately notify us in writing of any apparent infringement of, or challenge to your use of any Mark, or claim by any person of any rights in any Mark or similar trade name, trademark, or service mark of which you become aware. You agree not to communicate with anyone except us and our counsel in connection with any such infringement, challenge, or claim. We have the right to exclusively control any litigation or other proceeding arising out of any actual or alleged infringement, challenge, or claim relating to any Mark. You agree to sign any documents, render any assistance, and do any acts our attorneys say is necessary or advisable to protect and maintain our interests in any litigation or proceeding related to the Marks, or to otherwise protect and maintain our interests in the Marks.

7.4 *Discontinuance of Marks.* If it becomes advisable at any time in our sole judgment for the Franchise to modify or discontinue the using any Mark, or use one or more additional or substitute trade or

service marks, including the Marks used as the name of the Franchise, then you agree, at your sole expense, to comply with our directions to modify or otherwise discontinue using the Mark, or use one or more additional or substitute trade or service marks, within a reasonable time after our notice to you.

7.5 *Indemnification of Franchise Owner.* We agree to indemnify you against, and reimburse you for, all damages for which you are held liable in any trademark infringement proceeding arising out of your use of any Mark pursuant to and in compliance with this Franchise Agreement, and for all costs you reasonably incur in the defense of any such claim in which you are named as a party, so long as you have timely notified us of the claim, and have otherwise complied with this Franchise Agreement.

7.6 *Improvements.* Any improvements or additions to the System, website or any other documents or information pertaining to or relating to the System or the TES Business, or any new trade names, trade and service marks, logos, or commercial symbols related to the TES Business or any advertising and promotional ideas or inventions related to the TES Business (collectively, the “Improvements”) conceived or developed by you shall become our property. You agree to assign and do hereby assign to us, all right, title and interest in and to the Improvements, including the right to grant sublicenses to any such Improvement. You shall fully disclose the Improvements to us, without disclosure of the Improvements to others, and shall obtain our written approval prior to using such Improvements. Any such Improvement may be used by us and all of our other Businesses without any obligation to Franchisee for royalties or other fees. We may, at our discretion, apply for and own copyrights, patents, trade names, trademarks and service marks relating to any such Improvement, and you shall cooperate with us in securing such rights. We may also consider such Improvements as our property and trade secrets. In return, we shall authorize you to utilize any Improvement that may be developed by other franchisees and is authorized generally for use by other franchisees. All Improvements created by you or any other person or entity retained or employed by you are our property, and we shall be entitled to use and license others to use such Improvements unencumbered by moral rights. If any of the Improvements are copyrightable materials, they shall be works made for hire within the meaning of the United States Copyright Act and, to the extent the copyrightable materials are not works made for hire or rights in the copyrightable materials do not automatically accrue to us, you irrevocably assign and agree to assign to us, our successors and assigns, the entire right, title, and interest in perpetuity throughout the world in and to any and all rights, including all copyrights and related rights, in such copyrighted materials, which you and the author of such copyrighted materials warrant and represent as being created by and wholly original with the author. Where applicable, you agree to obtain any other assignments of rights in the Improvements from another person or entity necessary to ensure our right in the Improvements as required in this Section 7.

8. RELATIONSHIP OF THE PARTIES; INDEMNIFICATION; PHOTO/VIDEO RELEASE

8.1 *Independent Contractor; No Fiduciary Relationship.* You acknowledge and agree that this Franchise Agreement does not create a fiduciary relationship between you and us, that you and we are independent contractors, and that nothing in this Franchise Agreement is intended to make either party a general or special agent, joint venturer, partner, or employee of the other for any purpose. You agree to conspicuously identify yourself in all public documents and in all your dealings with customers, suppliers, public officials, Franchise personnel, and others as the owner of the Franchise under a Franchise Agreement, and to place any other notices of independent ownership on your forms, business cards, stationery, advertising, and other materials as we may require from time to time. You will not hold yourself out as our agent, employee, partner or co-venturer. All employees or independent contractors hired by or working for you will be your employees or independent contractors alone and will not, for any purpose, be deemed our employees or subject to our control, most particularly with respect to any mandated or other insurance coverage, tax or contributions, or requirements pertaining to withholdings, levied or fixed by any city, state or federal governmental agency. You and we will file our own tax, regulatory and payroll reports, and be responsible for all employee benefits and workers compensation payments with respect to our

respective employees and operations, and we will save and indemnify one another of and from any liability of any nature whatsoever by virtue thereof. We will not be obligated for any damages, claim, or obligation to any person or property, directly or indirectly arising out of your operation of the Franchise, whether or not caused by your negligent or willful action or failure to act, or your use of the Marks in a manner not in accordance with this Franchise Agreement. You must use your legal name on all documents for use with employees and contractors (including, but not limited to, employment applications, time cards, pay checks, and employment and independent contractor agreements), and you must not use any of the Marks on these documents, in signing any contract, check, negotiable instrument, or legal obligation, in applying for any license or permit, or in a manner that may result in our liability for your debts or obligations. We have no responsibility to ensure that the TES Business is developed and operated in compliance with all applicable laws, ordinances and regulations, and we shall have no liability in the event the development or operation of the TES Business violates any law, ordinance, or regulation. Upon our request, you, your Coaches and each of your employees must sign an employment relationship acknowledgement form within seven (7) days stating that you alone are the employer and operate the TES Business.

8.2 *No Liability, No Warranties.* We have not authorized or empowered you to use the Marks except as provided by this Franchise Agreement. Except as expressly authorized by this Franchise Agreement, neither you nor we will make any express or implied agreements, warranties, guarantees or representations, or incur any debt, in the name of or on behalf of the other, or represent your and our relationship is other than that of franchisor and franchisee.

8.3 *Indemnification.* We will not assume any liability or be deemed liable for any agreements, representations, or warranties you make that are not expressly authorized under this Franchise Agreement, nor will we be obligated for any damages to any person or property directly or indirectly arising out of the operation of the business you conduct pursuant to this Franchise Agreement, whether or not caused by your negligent or willful action or failure to act, including: (i) the infringement, alleged infringement or any other violation by you, your owners or principals of any patent, mark, copyright, or other proprietary right owned or controlled by third parties due to your unauthorized use of all or any portion of the Marks and/or System; (ii) violation, breach or asserted violation or breach of any federal state, or local law, regulation, ruling or industry standard; (iii) libel, slander or any other form defamation; (iv) your employment or other contractual relationship with your employees, workers, managers, or independent contractors, including but not limited to any allegation, claim, finding or ruling that we are an employer of joint employer of your employees, and including any acts or omissions of you or your employees; (v) any loss of data, including but not limited to customer information, resulting from a breach of such data caused by you or your negligence; or (vi) your breach this Franchise Agreement. We will have no liability for any sales, use, excise, income, gross receipts, property, or other taxes levied against you or your assets, or on us, in connection with the business you conduct, or any payments you make to us pursuant to this Franchise Agreement (except for our own income taxes). You agree to indemnify, defend, and hold us, any affiliates we may have, and our and their respective owners, directors, officers, employees, agents, successors, and assigns (individually, an "Indemnified Party," and collectively, the "Indemnified Parties"), harmless against, and to reimburse such Indemnified Parties for, all such obligations, damages, and taxes for which any Indemnified Party may be held liable, and for all costs the Indemnified Party reasonably may incur in the defense of any such claim brought against the Indemnified Party, or in any such action in which the Indemnified Party may be named as a party, including, without limitation, actual and consequential damages; reasonable attorneys', accountants', and/or expert witness fees; cost of investigation and proof of facts; court costs; other litigation expenses; and travel and living expenses. Each Indemnified Party has the right to defend any such claim against the Indemnified Party. You further agree to hold us harmless and indemnify and defend us for all costs, expenses, and/or losses we incur in enforcing the provisions of this Franchise Agreement, defending our actions taken relating to this Franchise Agreement, or resulting from your breach of this Franchise Agreement, including without limitation, reasonable arbitrator's and attorney fees (including those for appeal), unless, after legal proceedings are completed, you are found to have

fulfilled and complied with all of the terms of this Franchise Agreement. Your indemnification obligations described above will continue in full force and effect after, and notwithstanding, the expiration or termination of this Franchise Agreement.

8.4 *Photo/Video Release.* You acknowledge and authorize us to use your likeness in a photograph or video in any and all of our publications, including printed and digital publications and on websites. You agree and understand that any photograph or video using your likeness will become our property and will not be returned. You agree and irrevocably authorize us to edit, alter, copy, exhibit, publish or distribute any photograph or video of you for any lawful purpose. You agree and waive any rights to royalties or any other compensation related to our use of any photograph or video of you. You agree to hold harmless and forever discharge us from all claims, demands, and causes of action which you may have in connection with this authorization. For purposes of this Section 8, you shall refer to your Principal Owners if you are an Entity.

9. CONFIDENTIAL INFORMATION; NON COMPETITION

9.1 *Types of Confidential Information.* We possess certain unique confidential and proprietary information and trade secrets comprising the following categories of information, methods, techniques, products, and knowledge developed by us, including but not limited to: (1) services and products offered and sold at TES Businesses; (2) knowledge of sales and profit performance of any one or more TES Businesses; (3) knowledge of all advertising and promotional programs and sources of products sold at TES Businesses; (4) methods, techniques, formats, specifications, procedures, information, systems, and knowledge of, and experience in, the development, operation, and franchising of TES Businesses; and (5) the selection and methods of training employees. We will disclose much of the above-described information to you in, providing Onboarding Training Module, Pre-OSE Training, and Phase 1 OSE Training, Phase 2 Training, the Operations Manual, and providing guidance and assistance to you under this Franchise Agreement. In the course of the operation of your Franchise, you or your employees may develop ideas, concepts, methods, or techniques of improvement relating to the Franchise that you agree to disclose to us, and that we may then authorize you to use in the operation of your Franchise and may use or authorize others to use in other TES Businesses owned or franchised by us or our affiliates. (Any and all information described above in this Section 9.1 that is disclosed to or developed by you pursuant to this Franchise Agreement shall be deemed and referred to as “Confidential Information”).

9.2 *Non-Disclosure Agreement.* You agree your relationship with us does not vest in you any interest in the Confidential Information, other than the right to use it in the development and operation of the Franchise, and that the use or duplication of the Confidential Information in any other business would constitute an unfair method of competition. You acknowledge and agree that the Confidential Information belongs to us, may contain trade secrets belonging to us, and is disclosed to you or authorized for your use solely on the condition you agree, and you therefore agree, that you (1) will not use the Confidential Information in any other business or capacity; (2) will maintain the absolute confidentiality of the Confidential Information during and after the term of this Franchise Agreement; (3) will not make unauthorized copies of any portion of the Confidential Information disclosed in written form, or in any other form that may be copies or duplicated; and (4) will adopt and implement all reasonable procedures we may prescribe from time to time to prevent unauthorized use or disclosure of the Confidential Information, including, without limitation, restrictions on disclosure to your Coaches and employees, and using non-disclosure and non-competition agreements we may prescribe or approve for your shareholders, partners, members, officers, directors, employees, independent contractors, or agents who may have access to the Confidential Information. Any Key Individual, (the term “Key Individuals” is defined as Principal Owners, their spouses, your officers, directors, Principal Operators, and independent contractors or employees who have had access to the Confidential Information) must sign at the inception of their

relationship with the Franchise the System Protection Agreement, the current form of which is attached to the Franchise Disclosure Document as Exhibit G-2.

9.3 *In-Term Non-Competition Agreement.* During the term of this Franchise Agreement, except as authorized through this Franchise Agreement, in the United States, neither you, nor any Key Individual, nor any member of your immediate family, shall directly or indirectly (a) induce, canvas, solicit, or request or advise any customers of ours, of the Franchise, or of any TES Franchisee to become customers of any person, firm, or business that competes with any Franchise, any other TES Business, or TES Company owned business; (b) induce, request, or advise any customer of TES, the Franchise, any TES Business or TES Company owned business to terminate or decrease such customer's relationship with us, any customer of TES, the Franchise, any TES Business or TES Company owned business; or (c) disclose to any other person, firm, partnership, corporation, or other entity the names, addresses, or telephone numbers of any customers of TES, of the Franchise, of any TES Business or of any TES Company owned business except as required by law. (The ownership of one percent (1%) or less of a publicly traded company will not be deemed to be prohibited by this Section 9.3.).

10. FRANCHISE OPERATING STANDARDS

10.1 *Condition and Appearance of the Franchise.* You agree that:

(a) The Franchise will not be used for any purpose other than the operation of the TES Business without written approval by us and in compliance with this Franchise Agreement;

(b) you will maintain the condition and appearance of the Franchise; its equipment, furniture, furnishings, and signs in accordance with our standards and consistent with the image of an TES Business (as the case may be) as an efficiently operated business offering high quality services, and observing the highest standards of cleanliness, and courteous service;

(c) you will promptly replace or add new equipment when we reasonably specify in order to meet changing standards or new methods of service.

10.2 *Franchise Services and Products.* You agree that (a) the Franchise will offer for sale all services and products that we from time to time specify for the TES Business, (b) the Franchise will offer and sell approved services and products only in the manner we have prescribed; (c) you will not offer for sale or sell any services or products we have not approved; and (d) you will discontinue selling and offering for sale any services or products that we at any time decide (in our sole discretion) to disapprove in writing. Should products be discontinued, you are allowed to sell off the remaining inventory, provided it is done within twelve (12) months of the notice of discontinuance. You agree to maintain an inventory of approved products sufficient in quantity and variety to realize the full potential of the Franchise. We may, from time to time, conduct market research and testing to determine consumer trends and the salability of new services and products. You agree to cooperate by participating in our market research programs, test marketing new services and products in the Franchise, and provide us with timely reports and other relevant information regarding such market research. In connection with any such test marketing, you agree to offer a reasonable quantity of the products or services being tested, and effectively promote and make a reasonable effort to sell them.

10.3 *Approved Products, Distributors and Suppliers.* We have developed or may develop various unique products or services that may be prepared according to our formulations. We have approved, and will continue to periodically approve, specifications for suppliers and distributors (which may include us and/or our affiliates) for products or services required to be purchased by, or offered and sold at, TES Businesses, which meet our standards and requirements, including, without limitation, standards and

requirements relating to product quality, prices, consistency, reliability, and customer relations. You agree that the Franchise will: (1) purchase any required products or services in such quantities as we designate; (2) utilize such formats, formulae, and packaging for products as we prescribe; and (3) purchase all designated products and services only from distributors and other suppliers we have approved.

We may approve a single distributor or other supplier (collectively "supplier") for any product, and may approve a supplier only as to certain products. We may concentrate purchases with one or more suppliers to obtain lower prices or the best advertising support or services for any group of TES Businesses franchised or operated by us. Approval of a supplier may be conditioned on requirements relating to the frequency of delivery, concentration of purchases, standards of service (including prompt attention to complaints), or other criteria, and our approval may be temporary, pending our continued evaluation of the supplier from time to time.

If you would like to purchase any items from any unapproved supplier, then you must submit to us a written request for approval of the proposed supplier. We have the right to inspect the proposed supplier's facilities, and we require that product samples from the proposed supplier be delivered, at our option, either directly to us, or to any independent, certified laboratory that we may designate, for testing. We reserve the right to periodically re-inspect the facilities and products of any approved supplier and revoke our approval if the supplier does not continue to meet any of our criteria.

We and/or our affiliates may be an approved supplier of certain products or services to be purchased by you for use and/or sale by the Franchise. We and any affiliates we may have reserve the right to charge any licensed manufacturer engaged by us or our affiliates a royalty to manufacture products for us or our affiliates, or to receive commissions or rebates from vendors that supply goods or services to you. We or any affiliates we may have may also derive income from our sale of products or services to you and may sell these items at prices exceeding our or their costs in order to make a profit on the sale.

10.4 *Hours of Operation.* You agree to operate the Franchise for such times and during such hours as we may prescribe from time to time. You must operate the Franchise as a full time business but may take reasonable vacations and time off and vary your hours as permitted by the Operations Manual.

10.5 *Specifications, Standards and Procedures.* You agree to comply with all mandatory specifications, standards, and operating procedures relating to the operation of the Franchise. You also must comply with any mandatory specifications, standards, and operating procedures that we prescribe from time to time in the Operations Manual, or otherwise communicate to you in writing. Any required standards exist to protect our interests in the System and the Marks and not for the purpose of establishing any control or duty to take control over those matters that are reserved to you. The required standards generally will be set forth in the Operations Manual or other written materials. The Operations Manual also will include guidelines or recommendations in addition to required standards. In some instances, the required standards will include recommendations or guidelines to meet the required standards. You may follow the recommendations or guidelines or some other suitable alternative, provided you meet and comply with the required standards. In other instances, no suitable alternative may exist. In order to protect our interests in the System and Marks, we reserve the right to determine if you are meeting a required standard and whether an alternative is suitable to any recommendations or guidelines. However, while the Operations Manual is designed to protect our reputation and the goodwill of the Marks, it is not designed to control the day-to-day operation of the TES Business.

10.6 *Compliance with Laws and Good Business Practices.* You agree to secure and maintain in force in your name all required licenses, permits and certificates relating to the operation of the Franchise. You also agree to operate the Franchise in full compliance with all applicable laws, ordinances, and regulations, including without limitation all government regulations relating to worker's compensation

insurance, unemployment insurance, and withholding and payment of federal and state income taxes, social security taxes, and sales taxes. You agree to comply with all applicable laws pertaining to the privacy of customer, employee, and transactional information ("Privacy Laws"). You also agree to comply with our standards and policies pertaining to Privacy Laws. If there is a conflict between our standards and policies pertaining to Privacy Laws and actual applicable law, you will: (a) comply with the requirements of applicable law; (b) immediately give us written notice of said conflict; and (c) promptly and fully cooperate with us and our counsel in determining the most effective way, if any, to meet our standards and policies pertaining to Privacy Laws within the bounds of applicable law. You agree not to publish, disseminate, implement, revise, or rescind a data privacy policy without our prior written consent as to said policy.

All advertising you employ must be completely factual, in good taste (in our judgment), and conform to the highest standards of ethical advertising and all legal requirements. You agree that in all dealings with us, your customers, your suppliers, and public officials, you will adhere to the highest standards of honesty, integrity, fair dealing and ethical conduct. You further agree to refrain from any business or advertising practice that may be harmful to the business of TES Franchising, the Franchise, and/or the goodwill associated with the Marks and other TES Businesses. If we are contacted by a customer with a complaint or issue, we may in our sole discretion remedy any issue with customers of your TES Business, including reimbursement of fees paid to you, and we may require you to reimburse us for any such remedy.

You must notify us in writing within five days of (1) the commencement of any action, suit, or proceeding, and/or of the issuance of any order, writ, injunction, award, or decree of any court, agency, or other governmental unit, that may adversely affect your and/or the Franchise's operation, financial condition, or reputation; and/or (2) your receipt or knowledge of any notice of violation of any law, ordinance, or regulation relating to health or safety.

10.7 *Management and Personnel of the Franchise.* Unless we approve your employment of a Principal Operator to operate the Franchise as provided in Section 4.1, you must actively participate in the actual, on site, day-to-day operation of the Franchise, and devote as much of your time as is reasonably necessary for the efficient operation of the Franchise. If we agree, you may employ a Principal Operator, then the Principal Operator must fulfill this requirement. Any Principal Operator shall each obtain all licenses and certifications required by law before assuming his or her responsibilities at the Franchise. You will ensure your employees and independent contractors of the Franchise have any licenses as required by law and hold or are pursuing the obtainment of any licenses, certifications, and/or degrees required by law or by us in the Operations Manual, as updated from time to time. All employees or independent contractors hired by or working for you will be your employees or independent contractors alone and will not, for any purpose, be deemed our employees or subject to our control. You agree to inform your employees that you alone are the employer, and that we are not. We will not have any duty or obligation to operate the TES Business, to direct your employees, or to oversee your employment policies or practices. We will not have the power to hire or fire your employees. You expressly agree, and will never contend otherwise, that our authority under this Agreement to certify certain of your employees or independent contractors for qualification to perform certain functions for the Franchise does not directly or indirectly vest in us the power to hire, fire or control any such employee or independent contractor. You alone are responsible for all employment decisions and functions of your Franchise, including, without limitation, those related to hiring, firing, training, establishing remuneration, compliance with wage and hour requirements, personnel policies, benefits, recordkeeping, supervision, and discipline of employees, regardless of whether you have received advice from us on these subjects or not. We will have no liability for any action or settlement related to hiring, firing, training, establishing remuneration, compliance with wage and hour requirements, personnel policies, benefits, recordkeeping, supervision, and discipline of employees and you agree to indemnify us for any such liabilities we incur. You must establish any training programs for your employees and/or independent contractors that we may prescribe in writing from time to time. You must

require all employees and independent contractors to maintain a neat and clean appearance and conform to the standards of dress that we specify in the Operations Manual, as updated from time to time. Each of your employees and independent contractors must sign a written agreement, in a form approved by us, to maintain confidential our Confidential Information, proprietary information, and trade secrets as described in Section 9.1, and to abide by the covenants not to compete described in Section 9.3. You must store agreements for a period of twelve (12) months past the termination date of the employee in a location which can be reviewed in person by us at any time. All of your employees and independent contractors must render prompt, efficient and courteous service to all customers of the Franchise.

10.8 *Insurance.* You are required to have insurance as may be required by your state laws and as we may specify from time to time. You must obtain the insurance coverage required under the Franchise Agreement. The insurance company must be authorized to do business in the state where your TES Business is located and must be rated "A" or better by A.M. Best & Company, Inc. We may periodically increase the amounts of coverage required under these insurance policies and/or require different or additional insurance coverage at any time. All insurance policies must name us and any affiliates we designate as additional named insured parties. You may, with our written consent, elect to have reasonable deductibles for the coverages described in above. Certificates of insurance must be sent in upon annual expiration date.

Currently we require or recommend at least the following minimum insurance policy coverages for your operation of the Franchised Business:

REQUIRED:

Type	Amount
Comprehensive General Liability Insurance	\$1,000,000 per occurrence/ \$2,000,000 aggregate
Umbrella	\$1,000,000 per occurrence / \$3,000,000 aggregate
Employer's Liability, Worker's compensation, and other insurance as may be required by the state or locality in which your Business is located and operated.	As required by state law

OPTIONAL:

Professional Liability Insurance	Consult your insurance agent
Additional Comprehensive General Liability Insurance	Consult your insurance agent
Business Interruption- 6 months	Consult your insurance agent
Errors & Omissions Insurance	Consult your insurance agent

If you at any time fail or refuse to maintain any insurance coverage required by us or to furnish satisfactory evidence thereof, then we, at our option and in addition to our other rights and remedies under this Franchise Agreement, may, but need not, obtain such insurance coverage on your behalf, and you shall reimburse us on demand for any costs or premiums paid or incurred by us plus an administrative fee equal to 20% of any costs or premiums paid by us.

10.9 *Electronic Payment Compliance.* You must have arrangements in existence with any electronic fund transfer systems we designate from time to time. You must at all times ensure that you are in compliance with the applicable regulations and requirements issued by the credit card processing companies and banking industries.

11. ADVERTISING

11.1 *By Franchise Owner.* We require you to invest a minimum of \$300 per month on marketing and advertising ("Marketing Requirement."). The amount you spend should be based around your projected earnings. You agree, at your sole cost and expense, to invest in activities and resources such as: digital or printed advertisements, networking events, business development activities, printing of marketing materials, etc. in accordance with advertising programs established by us.

If we request it, you agree to provide us with evidence of your local advertising, marketing and promotional expenditures within thirty (30) days after receiving such request.

You agree to list and advertise the Franchise in those business classifications as we may prescribe from time to time and using any standard form of classified advertisement we may provide. On each occasion before you use them, samples of all local advertising and promotional materials not prepared or previously approved by us must be submitted to us for approval. If you do not receive our written approval within thirty (30) days from the date we receive the requested information, the request will be deemed as not approved. You agree not to use any advertising or promotional materials that we have not approved. You will be solely responsible and liable for ensuring that all advertising, marketing, and promotional materials and activities you prepare comply with applicable, federal, state, and local law and regulations, and the condition of any agreements or orders to which you may be subject. You agree, at your sole cost and expense, to issue and offer such rebates, giveaways, and other promotions in accordance with advertising programs established by us, and further agree to honor the rebates, giveaways, and other promotions issued by other TES Franchising franchisees under any such program, so long as such compliance does not contravene any applicable law, rule, or regulation. You will not create or issue any gift cards/certificates and will only sell gift cards/certificates that have been issued or sponsored by us and which are accepted at all TES Businesses, and you will not issue coupons or discounts of any type except as approved by us.

11.2 [RESERVED]

11.3 *Websites.* You acknowledge and agree that any website (defined below) will be deemed "advertising" under this Franchise Agreement. You agree and acknowledge that you are obligated to comply with our online policy which is subject to change by us from time to time. You agree and acknowledge that individual franchisee websites are prohibited, and that your online promotional strategies must comply with our online policy as contained in our Operations Manual. You further agree and acknowledge that we may review and monitor all online content on social media sites, blogs, electronic communication, and other online sites on which our trademarks, service marks, trade names, copyrights or any similar marks are used. You agree to remove any usage or content that we require, including without limitation, content that we deem to be scandalous, immoral, or detrimental to our image. You further agree and acknowledge that we may prohibit use of our trademarks, service marks, trade names, copyrights or

any similar marks on any site or all sites, including social media websites. As used in this Franchise Agreement, the term “Website” means an interactive electronic document, contained in a network of computers linked by communications software that you operate or authorize others to operate, and that refers to the Franchise, the Marks, us, and/or the System, and includes, without limitation, social media websites, Internet, and World Wide Web home pages. You agree:

- (a) Your “home on the internet” is supplied by us, connected to our website. It will have a direct web address, as well as links from TES Franchising corporate site;
- (b) You will not establish or use any other website;
- (c) You have limited control over the content (photos and text) of your website. All material revisions to the Website are approved by us before they appear on your website. We reserve the right to modify or delete any or all parts of the website in our sole discretion.

11.4 *Brand Building Fund.* We have established a Brand Building Fund to assist in activities on behalf of all Franchisees. Examples of activities may include: Business development efforts, client nurturing automation, national and local PR and brand awareness and social media automation, in addition for the purpose of promoting the marks and the system. This list is not all inclusive and may be amended at any time by the Franchisor based on current initiatives by the marketing department.

The Brand Building Fund will be administered by us, or one of our affiliates or designees, in our discretion, and we may use a professional advertising agency or media buyer to assist us. The Brand Building Fund will be in a separate bank account, commercial account, or savings account.

We have complete discretion on how the Brand Building Fund will be utilized. We may reimburse ourselves or our authorized representatives from the Brand Building Fund for administrative costs, independent audits, reasonable accounting, bookkeeping, reporting and legal expenses, taxes, and all other reasonable direct or indirect expenses that may be incurred by us or our authorized representatives and associated with the programs funded by the Brand Building Fund. Advertising may be placed in local, regional, national, or international media of our choice, including, but not limited to, print, direct mail, radio, television, or Internet including digital advertisements, social media, blogging automation. We may also use the Brand Building Fund to conduct research and develop marketing strategies.

We do not guarantee that advertising expenditures from the Brand Building Fund will benefit you or any other franchisee directly, on a pro rata basis, or at all. We are not obligated to spend any amount on advertising in the geographical area where you are or will be located.

We will not use the Brand Building Investments for advertising that is principally a solicitation for the sale of franchises, but we reserve the right to include a notation in any advertisement indicating “Franchises Available” or similar phrasing or include information regarding acquiring a franchise on or as a part of materials and items produced by or for the Brand Building Fund.

Any unused funds in any calendar year will be applied to the following year’s funds, and we reserve the right to contribute or loan additional funds to the Brand Building Fund on any terms we deem reasonable.

Because this fund will not be audited, audited financial statements will not be available to franchisees. We will provide an annual accounting for the Brand Building Fund that shows how the Brand Building Fund proceeds have been spent for the previous year upon written request.

We may forgive, waive, settle, and/or compromise all claims by or against the Brand Building Fund. We may at any time defer or reduce a Franchisee's Brand Building Investment and, upon 30 days' prior written notice to you, reduce or suspend Brand Building Investments and operations for one (1) or more periods of any length and terminate and reinstate the Brand Building Fund. If we terminate the Brand Building Fund, we will distribute all unused contributions to contributing franchisees, and to us or other parties, in proportion to respective contributions during the preceding 24-month period.

12. ACCOUNTING, REPORTS AND FINANCIAL STATEMENTS

You agree to establish and maintain at your own expense bookkeeping, accounting, and record keeping system conforming to the requirements, data processing, and formats, if any, which we prescribe from time to time. This system (or systems, as applicable) shall include, as we may require, the necessary functionality to allow our central computer system to access certain real-time statistics and other information (including, without limitation, point-of-sale revenues) concerning the Franchise in order to track, compile, and aggregate data relating to all or part of the TES Business network, and you agree to permit our access to this information. With respect to the operation and financial condition of the Franchise, you agree to furnish us the information that we request about the Franchise, in such form we may request and prescribe from time to time. You agree to maintain and furnish upon our request complete copies of federal and state income tax returns you file with the Internal Revenue Service and state tax departments, reflecting revenues and income of the Franchise or the Entity that holds the Franchise. You shall keep and preserve full and complete records of Gross Revenues for at least three years. We reserve the right to require you to have audited or reviewed financial statements prepared by a certified public accountant annually.

13. INSPECTIONS AND AUDITS

13.1 *Our Right to Inspect the Franchise.* To determine whether you and the Franchise are complying with this Franchise Agreement and the specifications, standards, and operating procedures we prescribe for the operation of the Franchise, we or our agents have the right, at any reasonable time and without advance notice to you, to: (1) inspect the premises, if any; (2) observe the operations of the Franchise for such consecutive or intermittent periods as we deem necessary; (3) interview personnel of the Franchise; (4) interview customers of the Franchise; and (5) inspect and copy any books, records and documents relating to the operation of the Franchise. You agree to fully cooperate with us in connection with any of those inspections, observations, and interviews. You agree to present to your customers any evaluation forms we periodically prescribe, and agree to participate in, and/or request that your customers participate in, any surveys performed by or on our behalf. Based on the results of any such inspections and audits and your other reports, we may provide to you such guidance and assistance in operating your Franchise as we deem appropriate.

13.2 *Our Right to Audit.* We have the right, at any time during business hours and without advance notice to you, to inspect and audit, or cause to be inspected and audited, the business records, bookkeeping and accounting records, sales and income tax records and returns and other records of the Franchise, and the books and records of any Entity that holds the Franchise and any books or records related to the personal finances and tax returns of the Franchisee (s), of the Franchisee(s)' Owners or of any other entity owned by the Franchisee(s)' Owners." You agree to fully cooperate with our representatives and any independent accountants we may hire to conduct any inspection or audit. If the inspection or audit is necessary because of your failure to furnish any reports, supporting records, other information or financial statements as required by this Franchise Agreement, or to furnish such reports, records, information, or financial statements on a timely basis, or if an audit or inspection determines that you have understated Gross Revenues by more than two percent (2%) in any period, then you agree to pay us all monies owed, plus interest, and reimburse us for the cost of such inspection or audit, and may include, without limitation,

any attorney fees and/or accountants' fees we may incur, and the travel expenses, room and board, and applicable per diem charges for our employees. The above remedies are in addition to all our other remedies and rights under this Franchise Agreement or under applicable law.

"Gross Revenues" means all amounts derived from your activities in connection with the TES Business, whether received in cash, in services, in kind, on credit or otherwise. Gross Revenues do not include the payment of any required state sales or service taxes. Gross Revenues shall be deemed received by you at the time the services or products from which they were derived are delivered or rendered or at the time the relevant sale takes place, whichever occurs first, regardless of whether final payment (e.g., collection on a customer's personal check) actually has been received by you.

14. TRANSFER REQUIREMENTS

14.1 *Organization.* If you are an Entity (or if this Franchise Agreement is assigned to an Entity with our approval), you represent and warrant to us you are and will continue to be throughout the term of this Franchise Agreement, duly organized and validly existing in good standing under the laws of the state of your incorporation, registration or organization, that you are qualified to do business (and will maintain such qualification) throughout the term of this Franchise Agreement in all states in which you must qualify, that you have the authority to execute, deliver and carry out all of the terms of this Franchise Agreement, and that during the term of this Franchise Agreement the only business you (i.e., Entity) conduct will be the development, ownership and operation of the Franchise.

14.2 *Interests in Franchise Owner.* You, on behalf of the Franchise and each Principal Owner, represent, warrant and agree that all "Interests" (defined below) are owned in the amount and manner described in Attachment 2. No Interests in Franchisee will, during the term of this Franchise Agreement, be public securities (i.e., securities that require, for their issuance, registration with any state or federal authority). An "Interest" means any shares, membership interests, or partnership interests (whether held directly or indirectly) in Franchisee and any other equitable or legal right (whether held directly or indirectly) in any of Franchisee's stock, revenues, profits, rights, or assets. When referring to Franchisee's rights or assets, an "Interest" means this Franchise Agreement, Franchisee's rights under and interest in this Franchise Agreement, any TES Business, or the revenues, profits, or assets of any TES Business. You also represent, warrant, and agree that no Principal Owner's Interest has been given as security for any obligation (i.e., no one has a lien on or security interest in a Principal Owner's Interest), and that no change will be made in the ownership of an Interest other than as expressly permitted by this Franchise Agreement or as we may otherwise approve in writing. You and each Principal Owner agree to furnish us with such evidence as we may request from time to time to assure ourselves that the Interests of Franchisee and each of your Principal Owners remain as permitted by this Franchise Agreement, including a list of all persons or entities owning any Interest, as defined above.

14.3 *Transfer by TES Franchising.* This Franchise Agreement is fully transferrable by us and will inure to the benefit of any person or entity to which it is transferred or to any other legal successor to our interests in this Franchise Agreement. You acknowledge that we and our affiliates maintain a staff to manage and operate the System and that staff members can change as employees come and go. You represent that you have not signed this Franchise Agreement in reliance on any particular owner, director, officer, or employee remaining with us in that capacity. We may change our ownership or form and/or assign this Franchise Agreement and any other agreement to a third party without restriction, and any such assignment shall inure to the benefit of that third party transferee or any other legal successor to our interests in this Franchise Agreement. After our assignment of this Franchise Agreement to a third party who expressly assumes the obligations under this Franchise Agreement, we no longer will have any performance or other obligations under this Franchise Agreement.

14.4 *No Transfer without Approval.* You understand and acknowledge that the rights and duties created by this Franchise Agreement are personal to you and that we have entered into this Franchise Agreement in reliance on the individual or collective character, skill, aptitude, attitude, business ability, and financial capacity of you and your Principal Owners. Neither this Franchise Agreement nor any part of your interest in it, nor any Interest (as defined in Section 14.2 above), whether held directly or indirectly, in Franchisee or a Principal Owner, may be Transferred (defined below) without our advance written approval. Any Transfer made without our approval will constitute a breach of this Franchise Agreement and convey no rights to or interests in this Franchise Agreement, you, the Franchise, or any other TES Business.

As used in this Franchise Agreement, the term “Transfer” means any voluntary, involuntary, direct or indirect assignment, sale, gift, exchange, grant of a security interest, or occurrence of any other event which would or might change the ownership of any Interest, and includes, without limitation: (1) the Transfer of ownership of capital stock, partnership interest or other ownership interest; (2) merger or consolidation, or issuance of additional securities representing an ownership interest in Franchisee; (3) sale of common stock in Franchisee sold under a private placement or registered public offering; (4) Transfer of an Interest in a divorce proceeding or otherwise by operation of law; or (5) Transfer of an Interest by will, declaration of or transfer in trust, or under the laws of intestate succession.

14.5 *Conditions for Approval of Transfer.* If you and your Principal Owners fully comply with this Franchise Agreement, we will not unreasonably withhold our approval of a Transfer that meets all the requirements of this Section 14. The person or Entity to whom you wish to make the Transfer, or its principal owners (whether individually or collectively, the “Proposed New Owner”), must possess good moral character and otherwise meet our then applicable standards for TES Businesses. If you propose to Transfer this Franchise Agreement, the Franchise or its assets, or any Interest, or if any of your Principal Owners proposes to transfer any interest in you, then all of the following conditions must be met before or at the time of the Transfer:

(a) the Proposed New Owner must complete our TES Franchise Development process and must have sufficient business experience, aptitude, and financial resources to operate the Franchise, as determined subject to our sole discretion;

(b) you must pay any amounts owed for purchases from us and our affiliates, and any other amounts owed to us or our affiliates which are unpaid;

(c) the Proposed New Owner’s directors and such other personnel as we may designate must pay the full Training Fee, enroll in and successfully complete all training, including the Onboarding Training Module, OSE Phase 1 Training, and Phase 2 Training and shall be legally authorized and have all licenses necessary to perform the services offered by the Franchise. The Proposed New Owner shall be responsible for any wages and compensation owed to, and the travel and living expenses (including all transportation costs, room, board and meals) incurred by, the attendees who attend training;

(d) you must pay us a Transfer fee equal to 25% of the then current Franchise Fee. You must submit a transfer request in writing. Your license must be in full compliance to be considered for an approval of transfer.

(e) you and your Principal Owners must execute a general release (in a form satisfactory to us) of any and all claims you and/or they may have against us, our affiliates, and our and our affiliates’ respective officers, directors, employees, and agents;

(f) we must approve the material terms and conditions of the proposed Transfer, including, without limitation, that the price and terms of payment are not so burdensome as to adversely affect the operation of the Franchise;

(g) [RESERVED]

(h) you and your Principal Owners (or, in the case of Principal Owners making any such Transfer, those Principal Owners) must execute a non-competition agreement in favor of both the Proposed New Owner and in favor of us and all entities listed in Franchise Agreement section 16.4 no less restrictive than the provision in Section 16.4.

(i) you and your Principal Owners must enter into an agreement with us providing that all obligations of the Proposed New Owner to make installment payments of the purchase price (and any interest on it) to you or your Principal Owners will be subordinate to the obligations of the Proposed New Owner to pay any amounts payable under this Franchise Agreement or any new Franchise Agreement that we may require the Proposed New Owner to sign in connection with the Transfer;

(j) upon receiving our consent for the Transfer or sale of the Franchise, the Proposed New Owner shall agree to assume all of your obligations under this Franchise Agreement in a form acceptable to us, or, at our option, shall agree to execute a new Franchise Agreement and related documents with us in the form then being used by us, including an Owners Agreement or other guaranty; and

(k) you must have properly offered us the opportunity to exercise our right of first refusal as described below, and we must have then declined to exercise it.

14.6 *Right of First Refusal.* If you or any of your Principal Owners wishes to Transfer any Interest, we will have a right of first refusal to purchase that Interest as follows. The party proposing the Transfer (the “transferor”) must obtain a bona fide, executed written offer (accompanied by a good faith earnest money deposit of at least five percent (5%) of the proposed purchase price) from a responsible and fully disclosed purchaser, and must submit an exact copy of the offer to us. You also agree to provide us with any other information we need to evaluate the offer if we request it within fifteen (15) days of receipt of the offer. We have the right, exercisable by delivering written notice to the transferor within thirty (30) days from the date of last delivery to us of the offer and any other documents we have requested, to purchase the Interest for the price and on the terms and conditions contained in the offer, except that we may substitute cash for any form of payment proposed in the offer, and will not be obligated to pay any finder’s or broker’s fees that are a part of the proposed Transfer. We also will not be required to pay any amount for any claimed value of intangible benefits, including, by example, possible tax benefits that may result from structuring and/or closing the proposed Transfer in a particular manner or in exchange for any consideration payable other than the bona fide purchase price for the Interest proposed to be transferred. (We may in our sole and absolute discretion withhold our consent to any proposed Transfer if the offer directly or indirectly requires payment of any consideration other than the bona fide purchase price for the Interest proposed to be transferred.) Our credit will be deemed equal to the credit of any other proposed purchaser, and we will have at least sixty (60) days to prepare for closing. We will be entitled to all customary representations and warranties given purchasers for such sales. If the proposed Transfer includes assets not related to the operation of the Franchise, we may purchase only the assets related to the operation of the Franchise and/or may also purchase the other assets. (An equitable purchase price will be allocated to each asset in the Transfer.)

If we do not exercise our right of first refusal, the transferor may complete the sale to the Proposed New Owner under and on the terms of the offer, as long as we have approved the Transfer as provided in this Section 14. You must immediately notify us of any changes in the terms of an offer. Any material change of an offer before closing will make it a new offer, revoking any previous approval or previously made election to purchase and giving us a new right of first refusal effective as of the day we receive formal notice of a material change. If the sale to the Proposed New Owner is not completed within 120 days after we have approved the Transfer, our approval of the proposed Transfer will expire. Any later proposal to complete that proposed Transfer will be deemed a new offer, giving us a new right of approval and right of first refusal effective as of the day we receive formal notice of that new offer. We have the right to assign our right of first refusal. We will not exercise a right of first refusal with respect to a proposed Transfer of less than a Controlling Interest to a member of a Principal Owner's immediate family or to your key employees.

14.7 *Death and Disability.* Upon the death or Permanent Disability (as defined herein) of all Principal Owners, the executor, administrator, conservator or other personal representative of the deceased or disabled person (whether individually or collectively, the "Estate Representative"), must show due diligence and transfer the deceased or disabled person's Interest within a reasonable time, not to exceed six months from the date of death or permanent disability, to a person we have approved. Such Transfers, including, without limitation, transfers by a will or inheritance, will be subject to all the terms and conditions for assignments and Transfers contained in this Franchise Agreement. If the Estate Representative chooses not to sell the franchise or cannot find another person to operate the business under the terms on the Franchise Agreement within six (6) months, the Estate Representative must notify us in writing within six months from the date of your death or permanent disability, and you and/or your estate will not be liable for the ongoing financial obligations under the Franchise Agreement and the Franchise Agreement will terminate upon your death or permanent disability. Failure to dispose of an Interest within the six-month period of time will constitute grounds for termination of this Franchise Agreement.

For purposes of this Agreement, Permanent Disability shall mean a medical impairment that prevents you from substantially or materially performing your obligations under this Agreement, as reasonably determined by us.

14.8 *Effect of Consent to Transfer.* Our consent to a proposed Transfer under this Section 14 will not constitute a waiver of any claims we may have against you or any Principal Owner, nor will it be deemed a waiver of our right to demand exact compliance with the terms or conditions of this Franchise Agreement by the Proposed New Owner.

15. TERMINATION OF THE FRANCHISE

We have the right to terminate this Franchise Agreement, effective upon delivery of notice of termination to you, if: (1) you do not develop or open the Franchise as provided in this Franchise Agreement; (2) you abandon, surrender, transfer control of, or do not actively operate the Franchise; (3) you or your Principal Owners assign or transfer this Franchise Agreement, any Interest, the Franchise, or assets of the Franchise without complying with Section 14; (4) you become insolvent, meaning unable to pay your bills as they become due in the ordinary course of business; (5) you use, sell, distribute or give away any unauthorized services or products; (6) you or any of your Principal Owners are convicted of or plead no contest to a felony or are convicted or plead no contest to any crime or offense that is likely to adversely affect the reputation of TES Franchising, the Franchise, and/or the goodwill associated with the Marks; (7) you or any of your employees violate any health or safety law, ordinance or regulation, or operate the Franchise in a manner that presents a health or safety hazard to your customers or the public; (8) you or your Principal Owners violate, at any time, Section 9.3 (entitled Non-Competition Agreement); (9) you do not pay when due any monies owed to us or our affiliates, and do not make such payment within 10 days

after written notice is given to you; (10) you or any of your Principal Owners fail to comply with any other provision of this Franchise Agreement or any mandatory specification, standard, or operating procedure within thirty (30) days after written notice of such failure to comply is given to you; or (11) you or any of your Principal Owners fail on three or more separate occasions within any 12 consecutive month period to submit when due any financial statements, reports or other data, information, or supporting records; pay when due any amounts due under this Franchise Agreement; or otherwise fail to comply with this Franchise Agreement, whether or not such failures to comply are corrected after notice is given to you or your Principal Owners. In the event of a default of this Franchise Agreement by you, all of our costs and expenses arising from such default, including reasonable legal fees and reasonable hourly charges of our administrative employees, shall be paid by you to us within five days of your curing the default or upon demand if such default is not cured.

You may terminate this Franchise Agreement if: (1) you are in compliance with this Franchise Agreement; (2) we are in material breach of this Franchise Agreement; (3) you provide written notice to us of the material breach; and (4) we fail to cure the material breach within 30 days of receiving notice.

If you are in good standing and in full compliance with all of the terms of this Agreement, you may request to sign a Mutual Separation Agreement in which we will agree to cap your liability for the early termination of this Agreement at \$25,000.

16. RIGHTS AND OBLIGATIONS OF COMPANY AND FRANCHISE OWNER UPON TERMINATION OR EXPIRATION OF THE FRANCHISE

16.1 *Payment of Amounts Owed to TES Franchising.*

(a) You agree to pay us within five days after the effective date of termination or expiration of the Franchise, or any later date that the amounts due to us are determined, all amounts owed to us or our affiliates which are then unpaid.

(b) You agree to pay us, within 30 days after notification by us, the amount of All Managed Services & Technology Fees and all Brand Building Fees that would be due for the remainder of the term of the FA and our projection of all Placement Fee Shares that would be due for the remainder of the FA, in each case, upon either unlawful termination of the franchise by you or termination of the franchise for cause by us.

16.2 *Marks.* You agree that after the termination or expiration of the Franchise you will:

(a) not directly or indirectly identify any business with which you are associated as a current or former TES Business;

(b) not use any Mark or any colorable imitation of any Mark in any manner or for any purpose, or use for any purpose any trademark or other commercial symbol that suggests or indicates an association with us;

(c) return to us or destroy (whichever we specify) all customer lists, forms and materials containing any Mark or otherwise relating to an TES Business;

(d) remove all Marks affixed to uniforms or, at our direction, cease to use those uniforms; and

(e) take any action that may be required to cancel all fictitious or assumed name or equivalent registrations relating to your use of any Mark.

16.3 *Confidential Information.* You agree that on termination or expiration of the Franchise you will immediately cease to use the Confidential Information and agree not to use it in any business or for any other purpose. You further agree to immediately return to us all copies of the Operations Manual and any written Confidential Information or other confidential materials we have loaned or provided to you.

16.4 *Covenant Not to Compete.* Upon the termination or expiration of this Franchise Agreement, you and all Key Individuals (the term "Key Individuals" is defined as Principal Owners, their spouses, your officers, directors, Principal Operators, and independent contractors or employees who have had access to the Confidential Information) agree that, for a period of two (2) years after the later of (i) the effective date of termination or expiration, or (ii) the date on which you stop operating the Franchise, or (iii) the date of a court order enforcing this Covenant, ("Restricted Period") at your location or within a radius of 50 miles of your location and franchised area, as may be defined in this Agreement, and within 50 miles of any other TES Franchise, or of any TES Company owned business ("Restricted Territory") neither you nor the Key Individuals will, directly or indirectly, offer products or services the same as or similar to those offered at or sold by the Franchise or by any other TES Franchise, or by any TES Company owned business. You and each Key Individual agree further that for the Restricted Period, it/they will not directly or indirectly: (a) induce, canvas, solicit, or request or advise any customers of ours, of the Franchise, or of any TES Franchisee to become customers of any person, firm, or business that competes with any Franchise, any other TES Business, or TES Company owned business; (b) induce, request, or advise any customer of TES, the Franchise, any TES Business or TES Company owned business to terminate or decrease such customer's relationship with us, any customer of TES, the Franchise, any TES Business or TES Company owned business; or (c) disclose to any other person, firm, partnership, corporation, or other entity the names, addresses, or telephone numbers of any customers of TES, of the Franchise, of any TES Business or of any TES Company owned business except as required by law. If a court or arbitrator of competent jurisdiction determines that the geographic or temporal restrictions in this section are overly broad, they shall be revised to restrictions the court deems reasonable. In addition, you and each Key Individual shall have executed the System Protection Agreement attached hereto as Exhibit G-2.

16.5 [RESERVED]

16.6 *Continuing Obligations.* All obligations of this Franchise Agreement (whether yours or ours) that expressly or by their nature survive the expiration or termination of this Franchise Agreement will continue in full force and effect after and notwithstanding its expiration or termination until they are satisfied in full or by their nature expire.

16.7 *Identifiers.* You acknowledge that all telephone numbers, facsimile numbers, social media websites, Internet addresses and e-mail addresses (collectively "Identifiers") used in the operation of your TES Business constitute our assets, and upon termination or expiration of this Franchise Agreement, you will take such action within five (5) days to cancel or assign to us or our designee as determined by us, all of your right, title and interest in and to such Identifiers and will notify the telephone company and all listing agencies of the termination or expiration of your right to use any Identifiers, and any regular, classified or other telephone directory listing associated with the Identifiers and to authorize a transfer of the same to, or at our direction. You agree to take all action required cancel all assumed name or equivalent registrations related to your use of the Marks. You acknowledge that, we have the sole rights to, and interest in, all Identifiers used by you to promote your TES Business and/or associated with the Marks. You irrevocably appoint us, with full power of substitution, as your true and lawful attorney-in-fact, which appointment is coupled with an interest; to execute such directions and authorizations as may be necessary or prudent to accomplish the foregoing. You further appoint us to direct the telephone company, postal

service, registrar, Internet Service Provider, listing agency, website operator, or any other third party to transfer such Identifiers to us or our designee. The telephone company, postal service, registrar, Internet Service Provider, listing agency, website operator, or any other third party may accept such direction by us pursuant to this Franchise Agreement as conclusive evidence of our rights to the Identifiers and our authority to direct their transfer.

17. ENFORCEMENT

17.1 *Invalid Provisions; Substitution of Valid Provisions.* To the extent that the non-competition or non-solicitation provisions of Sections 9.3, 14.5, or 16.4 are deemed unenforceable because of their scope in terms of area, business activity prohibited, length of time, or other conditions, you agree that the invalid provisions will be deemed modified or limited to the extent or manner necessary to make those particular provisions valid and enforceable, to the greatest extent possible, to reflect or achieve the intent of the parties expressed in such provisions under the laws applicable to the forum or jurisdiction where enforcement is sought.

If any lawful requirement or court order of any jurisdiction (1) requires a greater advance notice of the termination or non-renewal of this Franchise Agreement than is required under this Franchise Agreement, or taking some other action which is not required by this Franchise Agreement, or (2) makes any provision of this Franchise Agreement or any specification, standard, or operating procedure we prescribed invalid or unenforceable, then the advance notice and/or other action required or revision of the specification, standard, or operating procedure will be substituted for the comparable provisions of this Franchise Agreement to make the modified provisions enforceable to the greatest extent possible. You agree to be bound by any such modification to the greatest extent permissible under applicable law.

17.2 *Unilateral Waiver of Obligations.* Either you or we may, by written notice, unilaterally waive or reduce any obligation or restriction of the other under this Franchise Agreement. The waiver or reduction may be revoked for any reason by providing (10) days' advanced written notice.

17.3 *Written Consents from TES Franchising.* Whenever this Franchise Agreement requires our advance approval or consent, you agree to make a timely written request for it. Our approval or consent will not be valid unless it is in writing.

17.4 *Lien.* To secure your performance under this Franchise Agreement and indebtedness for all sums due us or our affiliates, we shall have a lien upon, and you grant us a security interest in, the following collateral and any and all additions, accessions, and substitutions to or for it, and the proceeds from all of the same: (a) all accounts of you and/or the Franchise now existing or subsequently arising, with all interest in you and/or the Franchise, now existing or subsequently arising, with all chattel paper, documents, and instruments relating to such accounts; (b) all contract rights of you and/or the Franchise, now existing or subsequently arising; and (c) all general intangibles of you and/or the Franchise, now owned or existing, or after acquired or subsequently arising. You authorize us to file and record financing statements, financing statement amendments, continuation financing statements, fixture filings and other documents we deem necessary to evidence, perfect and continue the priority of security interests in these assets. You also agree to execute such financing statements, instruments, and other documents, in a form satisfactory to us, that we deem necessary so that we may establish and maintain a valid security interest in and to these assets.

17.5 *No Guarantees.* If, in connection with this Franchise Agreement, we provide to you any waiver, approval, consent, or suggestion, or if we neglect to provide or delay our response or deny any request for any of those, then we will not be deemed to have made any warranties or guarantees upon which you may rely and will not assume any liability or obligation to you.

17.6 *No Waiver.* If at any time we do not exercise a right or power available to us under this Franchise Agreement, or do not insist on your strict compliance with the terms of the Franchise Agreement, or if there develops a custom or practice that is contrary to the terms of this Franchise Agreement, then we will not be deemed to have waived our right to demand exact compliance with any of the terms of this Franchise Agreement at a later time. Similarly, our waiver of any particular breach or series of breaches under this Franchise Agreement, or of any similar term in any other agreement between us and any other TES Franchising franchisee, will not affect our rights with respect to any later breach. It will also not be deemed to be a waiver of any breach of this Franchise Agreement for us to accept payments that are due to us under this Franchise Agreement.

17.7 *Cumulative Remedies.* The rights and remedies specifically granted to either you or us by this Franchise Agreement will not be deemed to prohibit either you or us from exercising any other right or remedy provided under this Franchise Agreement, or otherwise permitted by law or in equity.

17.8 *Specific Performance; Injunctive Relief.* Provided we give you the appropriate notice, we will be entitled, without being required to post a bond, to the entry of temporary and permanent injunctions and orders of specific performance to (1) enforce the provisions of this Franchise Agreement relating to your use of the Marks and non-disclosure and non-competition obligations under this Franchise Agreement; (2) prohibit any act or omission by you or your employees that constitutes a violation of any applicable law, ordinance, or regulation; constitutes a danger to the public; or may impair the goodwill associated with the Marks or TES Businesses; or (3) prevent any other irreparable harm to our interests. If we obtain an injunction or order of specific performance, then you shall pay us an amount equal to the total of our costs of obtaining it, including without limitation reasonable attorneys' and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses and travel and living expenses, and any damages we incur as a result of the breach of any such provision

17.9 *Mediation.* Except as specifically provided in this Franchise Agreement, all claims that in any way relate to or arise out of this Agreement or any of the dealings of the parties ("Claims"), shall be submitted first to mediation prior to a hearing in binding arbitration or a trial court proceeding. Such mediation shall take place in Southbury, Connecticut (or our then-current headquarters) in accordance with the Commercial Mediation Rules of the American Arbitration Association ("AAA") then in effect. Franchisee may not commence any action against us with respect to any such Claim in any court or arbitration hearing unless mediation proceedings have been terminated either: (i) as the result of a written declaration of the mediator(s) that further mediation efforts are not worthwhile; or (ii) as a result of a written declaration by us. The parties shall each bear their own costs of mediation and shall share equally the filing fee imposed by AAA and the mediator's fees. We reserve the right to specifically enforce our right to mediation. Prior to mediation, and before commencing any legal action against us with respect to any such claim or dispute, you must submit a notice to us, which specifies in detail, the precise nature and grounds of such claim or dispute.

17.10 *Arbitration.* Except as specifically provided in this Franchise Agreement, the parties agree that any and all Claims by either party that cannot be amicably settled, shall be submitted to binding arbitration before a single arbitrator in accordance with the Commercial Arbitration Rules of AAA. At the option of either party, the arbitrator shall be selected from a list of retired federal or state judges supplied by AAA, if available. This agreement to arbitrate shall be enforceable through a motion to compel arbitration filed with the court having jurisdiction over such matter. The arbitrator must issue a written opinion explaining the reasons for his or her decision and award and the arbitrator will have the right to award or include in the award the specific performance of this Franchise Agreement. Each party shall bear one-half of the arbitrator's and administration expenses incurred during the arbitration process; provided, however, that the prevailing party shall be entitled to recover its expenses, including reasonable attorneys' fees, accounting fees and arbitrator and administrative expenses, in addition to any other relief to which it

is found entitled. All arbitration proceedings shall take place in the county of our principal place of business (currently Southbury, Connecticut), or, if our principal place of business is at another location at the time that arbitration is sought, in the county of our then principal place of business. If the AAA or any successor is no longer in existence at the time arbitration is commenced, you and we will agree on another arbitration organization to conduct the arbitration proceeding.

17.11 *Claims Excluded.* We will not be required to arbitrate or first attempt to mediate a controversy, dispute or claim against Franchisee through arbitration or mediation as set forth in this Section 17 if such controversy, dispute or claim concerns an allegation by us that Franchisee has violated (or threatens to violate, or poses an imminent risk of violating): (a) any of our rights in the Marks, the System, or in any of our trade secrets, intellectual property, or Confidential Information; (b) any claims pertaining to our non-monetary post-termination obligations; or (c) any of the restrictive covenants contained in this Franchise Agreement. Nothing in this Franchise Agreement bars us or Franchisee from seeking preliminary injunctive or declaratory relief against a breach or threatened breach of this Franchise Agreement pending arbitration or mediation of the dispute, if applicable.

17.12 *No Defense.* Any claim, defense, or cause of action that you may have against us, our owners or our affiliates, regardless of cause or origin, cannot be used as a defense against our enforcement of your obligations in this agreement relating to Confidential Information, Non-Disclosure, Covenants Not to Compete, and Unfair Competition.

17.13 *Waivers.* WAIVER OF CERTAIN DAMAGES. COMPANY AND FRANCHISEE HEREBY WAIVE, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT TO OR CLAIM FOR ANY PUNITIVE, EXEMPLARY, INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES AGAINST THE OTHER ARISING OUT OF ANY CAUSE WHATSOEVER (WHETHER SUCH CAUSE BE BASED IN CONTRACT, NEGLIGENCE, STRICT LIABILITY, OTHER TORT OR OTHERWISE), WITH THE EXCEPTION OF TRADEMARK LAW TREBLE DAMAGES, AND WITH THE EXCEPTION OF ANY AMOUNTS DUE BY FRANCHISEE PURSUANT TO SECTION 16 OF THIS AGREEMENT.

JURY TRIAL WAIVER. THE PARTIES HEREBY AGREE TO WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM, WHETHER AT LAW OR EQUITY, REGARDLESS OF WHICH PARTY BRINGS SUIT. THIS WAIVER SHALL APPLY TO ANY MATTER WHATSOEVER BETWEEN THE PARTIES HERETO WHICH ARISES OUT OF OR IS RELATED IN ANY WAY TO THIS AGREEMENT, THE PERFORMANCE OF EITHER PARTY, AND/OR FRANCHISEE'S PURCHASE FROM COMPANY OR ITS AFFILIATES AND/OR ANY GOODS OR SERVICES OBTAINED FROM COMPANY OR ITS AFFILIATES.

WAIVER OF CLASS OR GROUP ACTION. ANY DISAGREEMENT BETWEEN COMPANY AND FRANCHISEE (AND/OR THEIR AFFILIATES AND OWNERS) WILL BE CONSIDERED UNIQUE AS TO ITS FACTS AND CANNOT BE BROUGHT AS A CLASS ACTION OR CLASS ARBITRATION. FRANCHISEE WAIVES ANY RIGHT TO PROCEED AGAINST COMPANY (AND COMPANY'S AFFILIATES, STOCKHOLDERS, MEMBERS, MANAGERS, OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, SUCCESSORS AND ASSIGNS) BY WAY OF CLASS ACTION, A CLASS ARBITRATION, OR BY WAY OF A MULTI-PLAINTIFF, CONSOLIDATED OR COLLECTIVE ACTION.

17.14 *Governing Law/Consent to Jurisdiction.* Except to the extent governed by federal law, this Franchise Agreement and the Franchise will be governed by the internal laws of the State of Connecticut (without reference to its choice of law and conflict of law rules), except that the provisions of any Connecticut law relating to the offer and sale of business opportunities or franchises or governing the

relationship of a franchisor and its franchisees will not apply unless their jurisdictional requirements are met independently without reference to this Section 17. You agree that we may institute any action against you arising out of or relating to this Franchise Agreement (which is not required to be arbitrated hereunder or as to which arbitration is waived) in any state or federal court of general jurisdiction in Connecticut, and you irrevocably submit to the jurisdiction of such courts and waive any objection you may have to either the jurisdiction or venue of such court.

17.15 *Limitation of Actions.* You agree to bring any Claims against us, if at all, within one (1) year of the occurrence of the facts giving rise to such Claims, and that any action not brought within this period shall be barred as a claim, counterclaim, defense, or set-off.

17.16 *Prior Notice of Claims.* As a condition precedent to commencing an action for a Claim, you must notify us within ninety (90) days after the occurrence of the violation or breach, and failure to timely give such notice shall preclude any claim for damages.

17.17 *Internal Dispute Resolution.* You must first bring any Claim to our CEO, after providing notice as set forth in Section 17.15 above. You must exhaust this internal dispute resolution procedure before you may bring your Claim before a third party.

17.18 *Joint and Several Liability.* If two or more persons constitute the Franchisee under this Franchise Agreement, then their obligation and liability to us shall be joint and several.

17.19 *Covenant of Good Faith.* If applicable law implies a covenant of good faith and fair dealing in this Agreement, the parties agree that the covenant shall not imply any rights or obligations that are inconsistent with a fair construction of the terms of this Agreement. Additionally, if applicable law shall imply the covenant, you agree that: (i) this Agreement (and the relationship of the parties that is inherent in this Agreement) grants us the discretion to make decisions, take actions and/or refrain from taking actions not inconsistent with our explicit rights and obligations under this Agreement that may affect favorably or adversely your interests; (ii) we will use our judgment in exercising the discretion based on our assessment of our own interests and balancing those interests against the interests of our franchisees generally (including ourselves and our affiliates if applicable), and specifically without considering your individual interests or the individual interests of any other particular franchisee; (iii) we will have no liability to you for the exercise of our discretion in this manner, so long as the discretion is not exercised in bad faith; and (iv) in the absence of bad faith, no trier of fact in any arbitration or litigation shall substitute its judgment for our judgment so exercised.

17.20 *Multiple Originals.* This Franchise Agreement may be executed using multiple copies, each of which shall be deemed an original.

17.21 *Timing Is Important.* Time is of the essence of this Franchise Agreement. ("Time is of the essence") is a legal term that emphasizes the strictness of time limits. In this case, it means it will be a material breach of this Franchise Agreement to fail to perform any obligation within the time required or permitted by this Franchise Agreement.)

17.22 *Independent Provisions.* The provisions of this Franchise Agreement are deemed to be severable. In other words, the parties agree that each provision of this Franchise Agreement will be construed as independent of any other provision of this Franchise Agreement.

17.23 *Survival.* The provisions of this Section 17 shall apply during the Term of this Franchise Agreement and following the termination, expiration, or non-renewal of this Franchise Agreement.

18. NOTICES AND PAYMENTS

All written notices, reports and payments permitted or required under this Franchise Agreement or by the Operations Manual will be deemed delivered: (a) at the time delivered by hand; (b) one (1) business day after transmission by telecopy, facsimile or other electronic system; (c) one (1) business day after being placed in the hands of a reputable commercial courier service for next business day delivery; or (d) three (3) business days after placed in the U.S. mail by registered or certified mail, return receipt requested, postage prepaid; and addressed to the party to be notified or paid at its most current principal business address of which the notifying party has been advised, or to any other place designated by either party. Any required notice, payment or report which we do not actually receive during regular business hours on the date due (or postmarked by postal authorities at least two (2) days before it is due) will be deemed delinquent. Notice shall be sent to the following addresses or facsimile numbers:

To us: Terry Powell, CFE
TES Franchising, LLC
464 Heritage Road, Suite 3
Southbury, Connecticut 06488

To you: The Notice Address listed in Attachment 1 of this Franchise Agreement.

19. INDEPENDENT PROFESSIONAL JUDGMENT OF YOU AND YOUR PRINCIPAL OPERATOR

You and we acknowledge and agree that the specifications, standards and operating procedures related to the services offered by the Franchise are not intended to limit or replace your or your General Manager's (if any) professional judgment in supervising and performing the services offered by your Franchise. The specifications, standards, and operating procedures represent only the minimum standards, and you and your Principal Operator (if any) are solely responsible for ensuring that the Franchise performs services in accordance with all applicable requirements and standards of care. Nothing in this Franchise Agreement shall obligate you or your Principal Operator (if any) to perform any act that is contrary to your or your Principal Operator's (if any) professional judgment; provided, however, that you must notify us immediately upon your determination that any specification, standard or operating procedure is contrary to your or your Principal Operator's (if any) professional judgment.

20. ENTIRE AGREEMENT

This Franchise Agreement, together with the introduction and exhibits to it, constitutes the entire agreement between us, and there are no other oral or written understandings or agreements between us concerning the subject matter of this Franchise Agreement. This Franchise Agreement may be modified only by written agreement signed by both you and us, except that we may modify the Operations Manual at any time as provided herein. Notwithstanding the foregoing, nothing in this Franchise Agreement shall disclaim or require you to waive reliance on any representation that we made in the FDD (including its exhibits and amendments) that we delivered to you or your representative, subject to any agreed-upon changes to the contract terms and conditions described in that FDD and reflected in this Franchise Agreement (including any riders or addenda signed at the same time as this Franchise Agreement).

The parties to this Franchise Agreement now execute and deliver this Franchise Agreement in multiple counterparts as of the Effective Date.

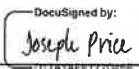
TES FRANCHISING:

FRANCHISEE:

TES FRANCHISING, LLC

JOSEPH PRICE

By:  _____
DocuSigned by: Marissa Frois
AT495D19F8C448A

By:  _____
DocuSigned by: Joseph Price
D117A7AF17204EE

Printed Name: Marissa Frois

Printed Name: Joseph Price

Title: CEO (Chief Executive Officer)

Title: Owner, CEO

ATTACHMENT 1
TO TES FRANCHISING FRANCHISE AGREEMENT
FRANCHISE DATA SHEET

1. **Effective Date.** The "Effective Date" set forth in the introductory Paragraph of the Franchise Agreement is: 4/11/2024 .
2. **Franchise Owner.** The Franchise Owner set forth in the introductory Paragraph of the Franchise Agreement is: JOSEPH PRICE .
3. **Initial Franchise Fee Paid.** The Initial Franchise Fee paid by you, and received by us, under this Franchise Agreement on or before the Effective Date is \$75,000 .
4. **Notice Address.** The address for notices and payments by you to us under Section 18 of the Franchise Agreement is: 403 W Chapel Royal Drive, Verona, WI 53593

TES FRANCHISING:

TES FRANCHISING, LLC

By: DocuSigned by:
Marissa Frois

Printed Name: Marissa Frois

Title: CEO (Chief Executive Officer)

FRANCHISEE:

JOSEPH PRICE

By: DocuSigned by:
Joseph Price

Printed Name: Joseph Price

Title: Owner, CEO

ATTACHMENT 2
TO TES FRANCHISING FRANCHISE AGREEMENT
OWNERSHIP INTERESTS IN FRANCHISEE

Franchisee: JOSEPH PRICE

**Form of Ownership
(Check One)**

☒ Individual ☐ Partnership ☐ Corporation ☐ Limited Liability Co. ☐ Other

If a Partnership, provide name and address of each partner showing percentage owned, whether active in management, and indicate the state in which the partnership was formed.

If a Corporation, give the state and date of incorporation, the names and addresses of each officer and director, and list the names and addresses of every shareholder showing what percentage of stock is owned by each.

If a Limited Liability Company, give the state and date of formation, the name and address of the manager, list the names and addresses of every member and the percentage of membership interest held by each member.

State and Date of Formation: _____

Management (managers, officers, board of directors, etc.):

Name	Title
Joseph Price	Owner, CEO

Members, Stockholders, Partners:

Name	Address	Percentage of Stock
Joseph Price	403 W Chapel Royal Drive Verona, WI 53593	100%

(Signature Page Follows)

FRANCHISEE:

JOSEPH PRICE

By:  _____
DocuSigned by:
Joseph Price
917A1AF6772045E

Printed Name: Joseph Price

Title: Owner, CEO

ATTACHMENT 3
TO TES FRANCHISING FRANCHISE AGREEMENT

OWNERS AGREEMENT

As a condition to the execution by TES Franchising, LLC (“we” or “us”), of a Franchise Agreement with JOSEPH PRICE (“Franchisee”), each of the undersigned individuals (“Owners”), who constitute all of the owners of a direct or indirect beneficial interest in Franchisee, covenant and agree to be bound by this Owners Agreement (“Owners Agreement”).

1. Acknowledgments.

1.1 Franchise Agreement. Franchisee entered into a franchise agreement with us effective as of 4/11/2024 (“Franchise Agreement”). Capitalized words not defined in this Owners Agreement will have the same meanings ascribed to them in the Franchise Agreement.

1.2 Role of Owners. Owners are the beneficial owners of all of the equity interest, membership interest, or other equity controlling interest in Franchisee and acknowledge there are benefits received and to be received by each Owner, jointly and severally, and for themselves, their heirs, legal representatives and assigns. Franchisee’s obligations under the Franchise Agreement, including the confidentiality and non-compete obligations, would be of little value to us if Franchisee’s owners were not bound by the same requirements. Under the provisions of the Franchise Agreement, Owners are required to enter into this Owners Agreement as a condition to our entering into the Franchise Agreement with Franchisee. Owners will be jointly and severally liable for any breach of this Owners Agreement.

2. Non-Disclosure and Protection of Confidential Information.

Under the Franchise Agreement, we will provide Franchisee with specialized training, proprietary trade secrets, and other Confidential Information relating to the establishment and operation of a franchised business. The provisions of the Franchise Agreement governing Franchisee’s non-disclosure obligations relating to our Confidential Information are hereby incorporated into this Owners Agreement by reference, and Owners agree to comply with each obligation as though fully set forth in this Owners Agreement as a direct and primary obligation of Owners. Further, we may seek the same remedies against Owners under this Owners Agreement as we may seek against Franchisee under the Franchise Agreement. Any and all information, knowledge, know-how, techniques, and other data, which we designate as confidential, will also be deemed Confidential Information for purposes of this Owners Agreement.

3. Covenant Not To Compete and To Not Solicit.

3.1 Non-Competition and Non-Solicitation During and After the Term of the Franchise Agreement. Owners acknowledge that as a participant in our system, they will receive proprietary and confidential information and materials, trade secrets, and the unique methods, procedures and techniques which we have developed. The provisions of the Franchise Agreement governing Franchisee’s restrictions on competition and solicitation both during the term of the Franchise Agreement and following the expiration or termination of the Franchise Agreement are hereby incorporated into this Owners Agreement by reference, and Owners agree to comply with

and perform each such covenant as though fully set forth in this Owners Agreement as a direct and primary obligation of Owners. Further, we may seek the same remedies against Owners under this Owners Agreement as we may seek against Franchisee under the Franchise Agreement.

3.2 Construction of Covenants. The parties agree that each such covenant related to non-competition and non-solicitation will be construed as independent of any other covenant or provision of this Owners Agreement. If all or any portion of a covenant referenced in this Section 3 is held unreasonable or unenforceable by a court or agency having valid jurisdiction in a final decision to which we are a party, Owners agree to be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separately stated in and made a part of this Section 3.

3.3 Our Right to Reduce Scope of Covenants. Additionally, we have the right, in our sole discretion, to unilaterally reduce the scope of all or part of any covenant referenced in this Section 3 of this Owners Agreement, without Owners' consent (before or after any dispute arises), effective when we give Owners written notice of this reduction. Owners agree to comply with any covenant as so modified.

4. Guarantee.

4.1 Payment. Owners will pay us (or cause us to be paid) all monies payable by Franchisee under the Franchise Agreement on the dates and in the manner required for payment in the relevant agreement.

4.2 Performance. Owners unconditionally guarantee full performance and discharge by Franchisee of all of Franchisee's obligations under the Franchise Agreement on the date and times and in the manner required in the relevant agreement.

4.3 Indemnification. Owners will indemnify, defend and hold harmless us, all of our affiliates, and the respective shareholders, directors, partners, employees, and agents of such entities, against and from all losses, damages, costs, and expenses which we or they may sustain, incur, or become liable for by reason of: (a) Franchisee's failure to pay the monies payable (to us or any of our affiliates) pursuant to the Franchise Agreement, or to do and perform any other act, matter, or thing required by the Franchise Agreement; or (b) any action by us to obtain performance by Franchisee of any act, matter, or thing required by the Franchise Agreement.

4.4 No Exhaustion of Remedies. Owners acknowledge and agree that we will not be obligated to proceed against Franchisee or exhaust any security from Franchisee or pursue or exhaust any remedy, including any legal or equitable relief against Franchisee, before proceeding to enforce the obligations of the Owners as guarantors under this Owners Agreement, and the enforcement of such obligations can take place before, after, or contemporaneously with, enforcement of any of Franchisee's debts or obligations under the Franchise Agreement.

4.5 Waiver of Notice. Without affecting Owners' obligations under this Section 4, we can extend, modify, or release any of Franchisee's indebtedness or obligation, or settle, adjust, or compromise any claims against Franchisee, all without notice to the Owners. Owners waive notice of amendment of the Franchise Agreement and notice of demand for payment or performance by Franchisee.

4.6 Effect of Owner's Death. Upon the death of an Owner, the estate of such Owner will be bound by the obligations in this Section 4, but only for defaults and obligations hereunder

existing at the time of death; and the obligations of any other Owners will continue in full force and effect.

5. Transfers.

Owners acknowledge and agree that we have granted the Franchise Agreement to Franchisee in reliance on Owners' business experience, skill, financial resources and personal character. Accordingly, Owners agree not to sell, encumber, assign, transfer, convey, pledge, merge or give away any direct or indirect interest in this Franchisee, unless Owners first comply with the sections in the Franchise Agreement regarding Transfers. Owners acknowledge and agree that any attempted Transfer of an interest in Franchisee requiring our consent under the Franchise Agreement for which our express written consent is not first obtained will be a material breach of this Owners Agreement and the Franchise Agreement.

6. Notices.

6.1 Method of Notice. Any notices given under this Owners Agreement shall be in writing and delivered in accordance with the provisions of the Franchise Agreement.

6.2 Notice Addresses. Our current address for all communications under this Owners Agreement is:

TES Franchising, LLC
464 Heritage Road, Suite 3
Southbury, Connecticut 06488

The current address of each Owner for all communications under this Owners Agreement is designated on the signature page of this Owners Agreement. Any party may designate a new address for notices by giving written notice to the other parties of the new address according to the method set forth in the Franchise Agreement.

7. Enforcement of This Owners Agreement.

7.1 Dispute Resolution. Any claim or dispute arising out of or relating to this Owners Agreement shall be subject to the dispute resolution provisions of the Franchise Agreement. This agreement to engage in such dispute resolution process shall survive the termination or expiration of this Owners Agreement.

7.2 Choice of Law; Jurisdiction and Venue. This Owners Agreement and any claim or controversy arising out of, or relating to, any of the rights or obligations under this Owners Agreement, and any other claim or controversy between the parties, will be governed by the choice of law and jurisdiction and venue provisions of the Franchise Agreement.

7.3 Provisional Remedies. We have the right to seek from an appropriate court any provisional remedies, including temporary restraining orders or preliminary injunctions to enforce Owners' obligations under this Owners Agreement. Owners acknowledge and agree that there is no adequate remedy at law for Owners' failure to fully comply with the requirements of this Owners Agreement. Owners further acknowledge and agree that, in the event of any noncompliance, we will be entitled to temporary, preliminary, and permanent injunctions and all other equitable relief that any court with jurisdiction may deem just and proper. If injunctive relief is granted, Owners' only remedy will be the court's dissolution of the injunctive relief. If the injunctive relief was

wrongfully issued, Owners expressly waive all claims for damages they incurred as a result of the wrongful issuance.

8. Miscellaneous.

8.1 No Other Agreements. This Owners Agreement constitutes the entire, full and complete agreement between the parties, and supersedes any earlier or contemporaneous negotiations, discussions, understandings or agreements. There are no representations, inducements, promises, agreements, arrangements, or undertakings, oral or written, between the parties relating to the matters covered by this Owners Agreement, other than those in this Owners Agreement. No other obligations, restrictions or duties that contradict or are inconsistent with the express terms of this Owners Agreement may be implied into this Owners Agreement. Except for unilateral reduction of the scope of the covenants permitted in Section 3.3 (or as otherwise expressly provided in this Owners Agreement), no amendment, change or variance from this Owners Agreement will be binding on either party unless it is mutually agreed to by the parties and executed in writing. Time is of the essence.

8.2 Severability. Each provision of this Owners Agreement, and any portions thereof, will be considered severable. If any provision of this Owners Agreement or the application of any provision to any person, property or circumstances is determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Owners Agreement will be unaffected and will still remain in full force and effect. The parties agree that the provision found to be invalid or unenforceable will be modified to the extent necessary to make it valid and enforceable, consistent as much as possible with the original intent of the parties (i.e., to provide maximum protection for us and to effectuate the Owners' obligations under the Franchise Agreement), and the parties agree to be bound by the modified provisions.

8.3 No Third-Party Beneficiaries. Nothing in this Owners Agreement is intended to confer upon any person or entity (other than the parties and their heirs, successors and assigns) any rights or remedies under or by reason of this Owners Agreement.

8.4 Construction. Any term defined in the Franchise Agreement which is not defined in this Owners Agreement will be ascribed the meaning given to it in the Franchise Agreement. The language of this Owners Agreement will be construed according to its fair meaning, and not strictly for or against either party. All words in this Owners Agreement refer to whatever number or gender the context requires. If more than one party or person is referred to as you, their obligations and liabilities must be joint and several. Headings are for reference purposes and do not control interpretation

8.5 Binding Effect. This Owners Agreement may be executed in counterparts, and each copy so executed and delivered will be deemed an original. This Owners Agreement is binding on the parties and their respective heirs, executors, administrators, personal representatives, successors and (permitted) assigns.

8.6 Successors. References to "Franchisor" or "the undersigned," or "you" include the respective parties' heirs, successors, assigns or transferees.

8.7 Nonwaiver. Our failure to insist upon strict compliance with any provision of this Owners Agreement shall not be a waiver of our right to do so. Delay or omission by us respecting any breach or default shall not affect our rights respecting any subsequent breaches or defaults. All rights and remedies granted in this Owners Agreement shall be cumulative.

8.8 No Personal Liability. You agree that fulfillment of any and all of our obligations written in the Franchise Agreement or this Owners Agreement, or based on any oral communications which may be ruled to be binding in a court of law, shall be our sole responsibility and none of our owners, officers, agents, representatives, nor any individuals associated with us shall be personally liable to you for any reason.

8.9 Owners Agreement Controls. In the event of any discrepancy between this Owners Agreement and the Franchise Agreement, this Owners Agreement shall control.

IN WITNESS WHEREOF, the parties have entered into this Owners Agreement as of the effective date of the Franchise Agreement.

OWNERS:

DocuSigned by:

Joseph Price

Joseph Price

TES Franchising, LLC hereby accepts the agreements of the Owner(s) hereunder.

TES FRANCHISING, LLC

DocuSigned by:

By:

Marissa Frois

Marissa Frois, CEO (Chief Executive Officer)

ATTACHMENT 4
AUTOMATED CLEARING HOUSE PAYMENT AUTHORIZATION FORM
[REDACTED]

ATTACHMENT 6
STATE ADDENDA TO THE FRANCHISE AGREEMENT