

FRANCHISE DISCLOSURE DOCUMENT



MB Franchise Holdings, Inc.
A Georgia corporation
8100 E. Indian School Rd., Suite 201
Scottsdale, Arizona 85251
Phone: (770) 551-9630
Email: Notice@maidbrigade.com
Website: www.maidbrigade.com

MB Franchise Holdings, Inc. offers franchises for the operation of a business providing team-supervised professional cleaning services for residential and commercial properties under the trade name MAID BRIGADE®.

The total investment necessary to begin operation of a MAID BRIGADE® franchised business is \$154,575 to \$189,600. This includes \$103,600 to \$108,600 that must be paid to the franchisor or affiliate.

This Disclosure Document summarizes certain provisions of your franchise agreement and other information in plain English. Read this Disclosure Document and all accompanying agreements carefully. You must receive this Disclosure Document at least 14 calendar days before you sign a binding agreement with, or make any payment to, the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no government agency has verified the information contained in this document.**

You may wish to receive your Disclosure Document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact the franchisor at 8100 E. Indian School Rd., Suite 201, Scottsdale, Arizona 85251 or by phone at (770) 551-9630 or via email at ditaya@maidbrigade.com.

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

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

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

Issuance Date: April 24, 2026

How to Use this Franchise Disclosure Document

Here are some questions you may be asking about buying a franchise and tips on how to find more information:

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or EXHIBIT "F".
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or EXHIBIT "G" includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only MAID BRIGADE® business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be a MAID BRIGADE® franchisee?	Item 20 or EXHIBIT "F" lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

Continuing responsibility to pay fees. You may have to pay royalties and other fees even if you are losing money.

Business model can change. The franchise agreement may allow the franchisor to change its manuals and business model without your consent. These changes may require you to make additional investments in your franchise business or may harm your franchise business.

Supplier restrictions. You may have to buy or lease items from the franchisor or a limited group of suppliers the franchisor designates. These items may be more expensive than similar items you could buy on your own.

Operating restrictions. The franchise agreement may prohibit you from operating a similar business during the term of the franchise. There are usually other restrictions. Some examples may include controlling your location, your access to customers, what you sell, how you market, and your hours of operation.

Competition from franchisor. Even if the franchise agreement grants you a territory, the franchisor may have the right to compete with you in your territory.

Renewal. Your franchise agreement may not permit you to renew. Even if it does, you may have to sign a new agreement with different terms and conditions in order to continue to operate your franchise business.

When your franchise ends. The franchise agreement may prohibit you from operating a similar business after your franchise ends even if you still have obligations to your landlord or other creditors.

Some States Require Registration

Your state may have a franchise law, or other law, that requires franchisors to register before offering or selling franchises in the state. Registration does not mean that the state recommends the franchise or has verified the information in this document. To find out if your state has a registration requirement, or to contact your state, use the agency information in EXHIBIT "A".

Your state also may have laws that require special disclosures or amendments be made to your franchise agreement. If so, you should check the State Specific Addenda. See the Table of Contents for the location of the State Specific Addenda.

Special Risks to Consider About *This Franchise*

Certain states require that the following risk(s) be highlighted:

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation and/or litigation only in Arizona. Out-of-state mediation or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate or litigate with the franchisor in Arizona than in your own state.
2. **Sales Performance Required.** You must maintain minimum sales performance levels. Your inability to maintain these levels may result in loss of any territorial rights you are granted, termination of your franchise, and loss of your investment.
3. **Mandatory Minimum Payments.** You must make minimum royalty or advertising fund payments, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.
4. **Spousal Liability.** Your spouse must sign a document that makes your spouse liable for all financial obligations under the franchise agreement even though your spouse has no ownership interest in the franchise. This guarantee will place both your and your spouse's marital and personal assets, perhaps including your house, at risk if your franchise fails.
5. **Financial Condition.** The franchisor's financial condition, as reflected in its financial statements (see Item 21), calls into question the franchisor's financial ability to provide services and support to you.

Certain states may require other risks to be highlighted. Check the "State Specific Addenda" (if any) to see whether your state requires other risks to be highlighted.

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THE STATE OF MICHIGAN PROHIBITS CERTAIN UNFAIR PROVISIONS THAT ARE SOMETIMES IN FRANCHISE DOCUMENTS. IF ANY OF THE FOLLOWING PROVISIONS ARE IN THESE FRANCHISE DOCUMENTS, THE PROVISIONS ARE VOID AND CANNOT BE ENFORCED AGAINST YOU.

Each of the following provisions is void and unenforceable if contained in any document relating to a franchise:

- (a) A prohibition on the right of a franchisee to join an association of franchisees.
- (b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.
- (c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.
- (d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) The term of the franchise is less than 5 years and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise.
- (e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.
- (f) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.
- (g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:
 - (i) The failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards.
 - (ii) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.
 - (iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.
 - (iv) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.
- (h) A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c).

- (i) A provision which permits the franchisor to directly or indirectly convey, assign, or otherwise transfer its obligations to fulfill contractual obligations to the franchisee unless provision has been made for providing the required contractual services.

If the franchisor's most recent financial statements are unaudited and show a net worth of less than \$100,000.00, the franchisee may request the franchisor to arrange for the escrow of initial investment and other funds paid by the franchisee until the obligations, if any, of the franchisor to provide real estate, improvements, equipment, inventory, training or other items included in the franchise offering are fulfilled. At the option of the franchisor, a surety bond may be provided in place of escrow.

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

Any questions regarding this notice should be directed to:

State of Michigan
Department of Attorney General
CONSUMER PROTECTION DIVISION
Attention: Franchise Section
G. Mennen Williams Building, 1st Floor
525 West Ottawa Street
Lansing, Michigan 48913
Telephone Number: (517) 373-7117

ITEM 1 FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES

The franchised business offered under this Disclosure Document is for a business offering team-supervised professional daytime cleaning services for residential and commercial properties under the name MAID BRIGADE® (an “MB Business”). To simplify the language in this Disclosure Document, “you” means the person who buys the franchise for an MB Business – the franchisee, and includes your partners if you are a partnership, your shareholders if you are a corporation, and your members if you are a limited liability company. “We,” “us” and “the Company” mean MB Franchise Holdings, Inc. – the franchisor.

Corporate Information

We are a Georgia corporation formed on May 19, 2020. Our principal business address is 8100 E. Indian School Road, Suite 201, Scottsdale, Arizona 85251. Our phone number is (770) 551-9630. We do not conduct business under any name other than our corporate name and MAID BRIGADE®. Our agents for service of process are disclosed in EXHIBIT "A" (for franchise registration states) and EXHIBIT "B" (for other states).

Business History

Our company was formed as a wholly-owned subsidiary of our predecessor Maid Brigade, Inc. (“MB Inc.”) to own and operate company-owned MB Businesses. We owned and operated 2 company-owned MB Businesses from 1982 until 2025. We no longer directly own or operate any MB Businesses. We began offering franchises for MB Businesses in September 2024 after we merged with MB Inc. We engage in no business activities other than offering franchises for MB Businesses and administering the franchise system. We have never offered franchises in any other line of business.

Predecessors, Parents and Affiliates

Our predecessor MB Inc. offered franchises for MB Businesses from June 1984 until September 2024 when MB Inc. merged with us. We assumed responsibility for administering the franchise system as the surviving entity of the merger. MB Inc. never: (a) directly owned and operated an MB Business; or (b) offered franchises in any other line of business. MB Inc.’s principal business address was Four Concourse Parkway, Suite 200, Atlanta, Georgia 30328.

Our direct and indirect parent companies include:

PARENT COMPANIES		
Company Name	Principal Business Address	Direct or Indirect Parent
Evive Brands, LLC (“Evive”)	Same as ours	Direct
EHC Holding Company, LLC (“EHCH”)	630 Fifth Avenue, Suite 400 New York, New York 10111	Indirect
Riverside Micro-Cap Fund VI-A, L.P.*	45 Rockefeller Center 630 Fifth Avenue, Suite 400 New York, New York 10111	Indirect

* Riverside Micro-Cap Fund VI-A, L.P. is part of The Riverside Company, which is a global private equity firm that: (a) focuses on investing in and acquiring growing businesses; and (b) manages the investment funds that are the owner of EHCH. Riverside Micro-Cap Fund VI-A, L.P. indirectly acquired our franchise system in May 2025.

We do not have any affiliates that provide goods or services to franchisees. As further described in the table below, we have 6 affiliates that offer franchises in other lines of business. None of these affiliates have operated an MB Business.

AFFILIATE FRANCHISING COMPANIES				
Franchised Business	Name of Affiliate Franchisor	Principal Place of Business	Period of Time Franchises Offered by Affiliate	Number of Open Franchisees in US (as of 12/31/2025)
1. Grasons	B & P Burke, LLC	Same as ours	November 2014 to present	69
2. Assisted Living Locators	ALL Franchising, LLC	Same as ours	August 2022 to present	171

AFFILIATE FRANCHISING COMPANIES				
Franchised Business	Name of Affiliate Franchisor	Principal Place of Business	Period of Time Franchises Offered by Affiliate	Number of Open Franchisees in US (as of 12/31/2025)
3. Brothers Gutters	Brothers Parsons Franchising LLC	Same as ours	November 2023 to present	401
4. Executive Home Care	Executive Home Care Franchising, LLC	Same as ours	June 2012 to present	79
5. Shine	Shine Development LLC	Same as ours	November 2025 to present	77
6. Pacific Lawn Sprinklers	Pacific Lawn Sprinklers Franchise LLC	Same as ours	November 2023 to present	71

1. Grasons is a business that specializes in estates sale and business liquidation services under the trade name GRASONS.
2. Assisted Living Locators is a home-based business that assists seniors and their families in locating assisted living facilities, memory care communities, nursing homes, senior care homes and independent living senior communities under the service mark ASSISTED LIVING LOCATORS.
3. Brothers Gutters is a business that provides gutter installation, maintenance, cleaning, repair, and related services and products under the service mark THE BROTHERS THAT JUST DO GUTTERS.
4. Executive Home Care is a business that provides (a) in-home comprehensive care and non-medical services to home care clients and (b) supplemental healthcare staffing services to institutional clients, all under the service mark EXECUTIVE HOME CARE.
5. Shine is a business that provides residential and commercial window cleaning, pressure washing, screen cleaning, gutter cleaning, house and building detailing and holiday light installation, storage and removal services under the service marks SHINE, SHINE WINDOW CARE AND HOLIDAY LIGHTING, SHINE WINDOW CARE and SHINE HOLIDAY LIGHTING.
6. Pacific Lawn Sprinklers is a business that provides sprinkler installation and maintenance services under the service mark PACIFIC LAWN SPRINKLERS.

We do not have any other affiliates that offer franchises in this or any other line of business.

Other Riverside Company Portfolio Franchise Companies

Through various private equity funds managed by The Riverside Company, the following portfolio companies of The Riverside Company offer franchises in the US. While there is no common control between Evive Brands and the franchise platforms listed below and therefore are not considered affiliates required to be disclosed in Item 1, we disclose these franchise companies as The Riverside Company also manage various investment funds that own, in whole or in part, directly or indirectly, these other franchise companies.

For purposes of the tables below, "Time Franchises Offered" includes the period of time franchises have been offered by the current franchisor and its predecessors.

EverSmith Brands

OTHER PORTFOLIO COMPANIES OF THE RIVERSIDE COMPANY (EVERSMITH BRANDS)				
Franchised Business	Name of Franchisor	Principal Place of Business	Time Franchises Offered	Number of Open Franchisees in US (as of 12/31/2025)
1. 1-Tom-Plumber	1 TOM Plumber Global LLC	6700 Forum Drive, Suite 150 Orlando, Florida 32821	2020 to present	56
2. US Lawns	U.S. Lawns, Inc.	6700 Forum Drive, Suite 150 Orlando, Florida 32821	1986 to present	208

OTHER PORTFOLIO COMPANIES OF THE RIVERSIDE COMPANY (EVERSMITH BRANDS)				
Franchised Business	Name of Franchisor	Principal Place of Business	Time Franchises Offered	Number of Open Franchisees in US (as of 12/31/2025)
3. milliCare Floor & Textile Care	milliCare Franchising, LLC	6700 Forum Drive, Suite 150 Orlando, Florida 32821	2011 to present	48 (9 international)
4. Kitchen Guard	Kitchen Guard Franchising, Inc.	6700 Forum Drive, Suite 150 Orlando, Florida 32821	2023 to present	38
5. Prism Specialties	Restoration Specialties Franchise Group, LLC	6700 Forum Drive, Suite 150 Orlando, Florida 32821	2012 to present	90
6. The Seals	The Seals Franchising, LLC	6700 Forum Drive, Suite 150 Orlando, Florida 32821	2019 to present	6
7. Clintar Commercial Outdoor Services	TruServe Groundscare, Inc.	200 Cachet Wood Court, Unit 119 Markham, ON, Canada L6C 0Z8	1982 to present	0 (21 international)

- 1-Tom-Plumber is a business that offers emergency plumbing services and repairs at commercial and residential properties under the service mark 1-TOM-PLUMBER.
- US Lawns is a business that offers outdoor commercial property and landscaping services mark US LAWNS.
- milliCare is a business that offers cleaning and maintenance of floor coverings and interior finishes and related services under the service mark MILLICARE FLOOR & TEXTILE CARE.
- Kitchen Guard is a business that offers commercial kitchen exhaust system cleaning, inspection, maintenance, and restoration services under the service mark KITCHEN GUARD.
- Prism Specialties is a business that offers electronic, art, textile and document recovery, repair and restoration services under the service mark PRISM SPECIALTIES.
- The Seals is a business that sells and installs gaskets for refrigeration door units, freezer doors, oven doors, hardware and cutting board under the service mark THE SEALS.
- Clintar Commercial Outdoor services is business that offers outdoor commercial property services under the service mark CLINTAR COMMERCIAL OUTDOOR SERVICES.

Head-To-Toe Brands

OTHER PORTFOLIO COMPANIES OF THE RIVERSIDE COMPANY (HEAD-TO-TOE BRANDS)				
Franchised Business	Name of Franchisor	Principal Place of Business	Time Franchises Offered	Number of Open Franchisees in US (as of 12/31/2025)
1. Bishops	BCC Franchising, LLC	550 Reserve Street, Suite 380 Southlake, Texas 76092	2007 to present	40
2. Delta Crown	Crown Extension Bar, LLC	550 Reserve Street, Suite 380 Southlake, Texas 76092	2025 to present	1
3. Frenchies Modern Nail Care	Frenchies, LLC	550 Reserve Street, Suite 380 Southlake, Texas 76092	2015 to present	26
4. Lash Lounge	The Lash Franchise Holdings, LLC	550 Reserve Street, Suite 380 Southlake, Texas 76092	2010 to present	131

- Bishops is a business that offers haircuts, coloring, and barber services under the service mark BISHOPS.
- Delta Crown is a business offering semi-permanent hair extensions and hair extension-related salon services under the service mark DELTA CROWN.
- Frenchies is a business that offers hand and foot care under the service mark FRENCHIES MODERN NAIL

CARE.

4. Lash Lounge is a business that offers permanent and temporary eyelash and eyebrow extensions and other eye enhancing services under the service mark LASH LOUNGE.

Best Life Brands

OTHER PORTFOLIO COMPANIES OF THE RIVERSIDE COMPANY (BEST LIFE BRANDS)				
Franchised Business	Name of Franchisor	Principal Place of Business	Time Franchises Offered	Number of Open Franchisees in US (as of 12/31/2025)
1. Blue Moon Estate Sales	Blue Moon Franchise Systems, LLC	900 Wilshire Drive, Suite 102 Troy, Michigan 48084	2013 to present	136
2. Boost Home Healthcare	Boost Franchise Systems, LLC	900 Wilshire Drive, Suite 102 Troy, Michigan 48084	2021 to present	3
3. CarePatrol	CarePatrol Franchise Systems, LLC	900 Wilshire Drive, Suite 102 Troy, Michigan 48084	2009 to present	215 (2 international)
4. ComForCare Home Care	ComForCare Franchise Systems, LLC	900 Wilshire Drive, Suite 102 Troy, Michigan 48084	2021 to present	270 (19 international)
5. Next Day Access	Next Day Access, LLC	900 Wilshire Drive, Suite 102 Troy, Michigan 48084	2012 to present	91 (1 international)

1. Blue Moon is a business that sells personal property as well as the provision of consignment sales for those who are downsizing, relocating, or are deceased under the service mark BLUE MOON ESTATE SALES.
2. Boost is a business that offers intermittent care ordered by a doctor and performed by a home health aide and other licensed healthcare providers to patients of all ages with acute and chronic long-term complex health conditions within the patient's residence or within health care facilities under the mark BOOST HOME HEALTHCARE.
3. CarePatrol is a business that offers senior living placement, referral, and consulting services to families under the mark CAREPATROL.
4. ComForCare is a business that offers (a) companionship and personal/domestic care services, and other special needs services, primarily on a non-medical basis, for seniors and people of all ages so that they may remain in their residences, (b) supplemental healthcare staffing services for persons who need this kind of assistance in their home or a facility in which they reside, and (c) private duty nursing services, all under the mark COMFORCARE HOME CARE.
5. Next Day is a business that offers ramps and other products and accessories that enhance the life of physically disabled or challenged persons under the mark NEXT DAY ACCESS.

Threshold Brands

OTHER PORTFOLIO COMPANIES OF THE RIVERSIDE COMPANY (THRESHOLD BRANDS)				
Franchised Business	Name of Franchisor	Principal Place of Business	Time Franchises Offered	Number of Open Franchisees in US (as of 12/31/2025)
1. Maid Pro	Maid Pro Franchise, LLC	77 North Washington Street Boston, Massachusetts 02114	1997 to present	255
2. Men in Kilts	Men in Kilts US, LLC	77 North Washington Street Boston, Massachusetts 02114	2019 to present	27
3. Pestmaster	Pestmaster Franchise Network, LLC	9716 South Virginia St., Suite E Reno, Nevada 89511	2021 to present	75

OTHER PORTFOLIO COMPANIES OF THE RIVERSIDE COMPANY (THRESHOLD BRANDS)				
Franchised Business	Name of Franchisor	Principal Place of Business	Time Franchises Offered	Number of Open Franchisees in US (as of 12/31/2025)
4. USA insulation	USA Insulation Franchise, LLC	17700 Saint Clair Avenue Cleveland, Ohio 44110	2006 to present	96
5. Granite Garage Floors	Granite Garage Floors Franchising, LLC	110 Mansell Circle, Suite 375 Roswell, Georgia 30075	2013 to present	57
6. Mold Medics	Mold Medics Franchising, LLC	811 Washington Avenue Carnegie, Pennsylvania 15106	2020 to present	18
7. Sir Grout	Sir Grout Franchising, LLC	77 North Washington Street Boston, Massachusetts 02114	2007 to present	91
8. Miracle Method	Miracle Method, LLC	4310 Arrowswest Drive Colorado Springs, Colorado 80907	1996 to present	213 (2 master franchises)
9. Plumbing Paramedics	PHP Franchise, LLC	750 E. 150 th Street Noblesville, Indiana 46060	2021 to present	15
10. Heating + Air Paramedics	PHP Franchise, LLC	750 E. 150 th Street Noblesville, Indiana 46060	2021 to present	22

1. Maid Pro is a business that offers home cleaning services for residential and commercial customers under the mark MAID PRO.
2. Men in Kilts is a business that offers window cleaning, gutter cleaning, pressure washing, siding cleaning, snow removal and other related services under the mark MEN IN KILTS.
3. Pestmaster is a business that offers structural and agricultural pest control and related services under the mark PESTMASTER.
4. USA Insulation is a business that offers residential insulation services under the mark USA INSULATION.
5. Granite Garage Floors is a business that sells and installs residential garage floor coating systems under the mark GRANITE GARAGE FLOORS.
6. Mold Medics is a business that offers mold remediation, air duct cleaning, radon testing and mitigation services, and other services and products under the mark MOLD MEDICS.
7. Sir Grout is a business that offers grout and tile cleaning, sealing, caulking and restoration services and other services under the mark SIR GROUT.
8. Miracle Method is a business that offers refinishing and restoration of bathtubs, sinks, showers, tiles, countertops and similar surfaces under the mark MIRACLE METHOD.
9. Plumbing Paramedics is a business that offers plumbing service franchises under the mark PLUMBING PARAMEDICS.
10. Heating + Air Paramedics is a business that offers heating and air conditioning installation and service franchises under the mark HEATING + AIR PARAMEDICS.

Description of Franchised Business

If you sign a Franchise Agreement with us, you will develop and operate an MB Business (your “Business” or your “MB Business”) within a prescribed territory (your “Territory”). Your Business will provide team-supervised professional daytime cleaning services for residential and commercial properties. We refer to these services, together with any other services we authorize from time to time, as “MB Services”. The cleaning services you will offer primarily include dusting, mopping, vacuuming, and tidying or any other services we deem necessary. In most cases, you will deploy a team of 2 cleaners for each cleaning project.

You must operate your Business from an office we approve within your Territory (your “MB Office”). You may not operate from a home office. You will use our proprietary marketing programs to generate clients. We also encourage you to enter into strategic alliances with apartment managers, realtors, employers and other service-oriented businesses in your Territory who may be in a position to refer clients to you (“Referral Sources”).

If we award you a franchise, you must sign the franchise agreement attached to this Disclosure Document as EXHIBIT "C" (the “Franchise Agreement”). The Franchise Agreement grants you a license to use certain service marks, trademarks, trade names and logos including MAID BRIGADE® and the associated logos (collectively, the “Marks”). The Franchise Agreement also grants you a license to use our prescribed business format and operating system (the “System”). Our confidential Operations Manual (the “Manual”) describes the operational aspects of an MB Business. You will operate your Business using the Marks, the System, the information in the Manual and the support, guidance, methods and materials we provide.

Market and Competition

MB Businesses offer MB Services to the general public. Our target customers include middle- to upper-income households with annual income in excess of \$100,000 in need of residential cleaning services. MB Businesses also offer MB Services to commercial property owners (primarily business parks and low-rise office buildings).

The market for cleaning services is well-developed and highly competitive. You will compete with other businesses that offer cleaning services, including local independently owned and operated businesses (e.g., housekeepers, nannies, maids, etc.) as well as regional or national chains. Some of our competitors operate under a franchise model. We believe our System provides franchisees with a distinct competitive advantage over many local competitors.

Industry-Specific Regulations

You must comply with all federal and state licensing and other regulatory requirements relating to the operation of your Business. Some states require specialized licenses for cleaning companies and may require a surety bond and impose minimum insurance requirements. Some states have environmental regulations that may apply to your Business. You must also comply with local, state and federal laws that apply to businesses generally, including workers’ compensation, corporate, tax, environmental, sanitation, insurance, EEOC, OSHA, anti-discrimination and labor and employment laws (including laws governing discrimination and sexual harassment in the work place). There may be other local, state and/or federal laws or regulations pertaining to your Business with which you must comply. We strongly suggest that you investigate these laws before buying this franchise.

ITEM 2 BUSINESS EXPERIENCE

Chief Executive Officer: Ryan Parsons

Mr. Parsons has held the following positions during the prior 5-year period:

Company	Location	Title	Period of Time
MB Franchise Holdings, Inc.	Scottsdale, AZ	Chief Executive Officer	May 2025-present
Evive Brands, LLC	Scottsdale, AZ	Chief Executive Officer	Nov 2023-present
Executive Home Care Franchising, LLC	Scottsdale, AZ	Chief Executive Officer	Nov 2023-present
B & P Burke, LLC	Scottsdale, AZ	Chief Executive Officer	Nov 2023-present
ALL Franchising, LLC	Scottsdale, AZ	Chief Executive Officer	Nov 2023-present
Shine Development LLC	Scottsdale, AZ	Chief Executive Officer	Nov 2025-present
Pacific Lawn Sprinklers Franchise LLC	Scottsdale, AZ	Chief Executive Officer	Oct 2025-present
Brothers Parsons Franchising LLC (“ <u>BPF</u> ”)	Scottsdale, AZ	Chief Executive Officer	Nov 2023-present
The Brothers Franchising Corp. (BPF’s predecessor)	Poughkeepsie, NY	Co-Founder & Vice President	Jul 2014-Nov 2023
Brothers Parsons HV LLC (operator of original company-owned The Brothers That Just Do Gutters business)	Poughkeepsie, NY	Vice President	2002-present

President: Danessa Itaya

Ms. Itaya has held the following positions during the prior 5-year period:

Company	Location	Title	Period of Time
MB Franchise Holdings, Inc.	Scottsdale, AZ	President	Nov 2025-present
Bio-One, Inc.	Springville, UT	President	Jan 2023-Nov 2025
Property Management, Inc.	Lehi, UT	President	Sep 2019-Aug 2022
		Senior Vice President	Sep 2018-Sep 2019

Chief Growth Officer: Jason Wiedder

Mr. Wiedder has held the following positions during the prior 5-year period:

Company	Location	Title	Period of Time
MB Franchise Holdings, Inc.	Scottsdale, AZ	Chief Growth Officer	May 2025-present
Evive Brands, LLC	Scottsdale, AZ	Chief Growth Officer	Feb 2023-present
Executive Home Care Franchising, LLC	Scottsdale, AZ	Chief Growth Officer	Dec 2021-present
B & P Burke, LLC	Scottsdale, AZ	Chief Growth Officer	Dec 2021-present
ALL Franchising, LLC	Scottsdale, AZ	Chief Growth Officer	Aug 2022-present
Shine Development LLC	Scottsdale, AZ	Chief Growth Officer	Nov 2025-present
Pacific Lawn Sprinklers Franchise LLC	Scottsdale, AZ	Chief Growth Officer	Oct 2025-present
Brothers Parsons Franchising LLC	Scottsdale, AZ	Chief Growth Officer	Nov 2023-present
Always Best Care	Roseville, CA	VP of Franchise Development	Mar 2018-Dec 2021

Vice President and Manager: L. Joseph Lee

Mr. Lee has held the following positions during the prior 5-year period:

Company	Location	Title	Period of Time
MB Franchise Holdings, Inc.	Scottsdale, AZ	VP & Manager	May 2025-present
Evive Brands, LLC	Scottsdale, AZ	VP & Manager	Feb 2023-present
Executive Home Care Franchising, LLC	Scottsdale, AZ	VP & Manager	Nov 2021-present
B & P Burke, LLC	Scottsdale, AZ	VP & Manager	Nov 2021-present
ALL Franchising, LLC	Scottsdale, AZ	VP & Manager	Aug 2022-present
Shine Development LLC	Scottsdale, AZ	VP & Manager	Nov 2025-present
Pacific Lawn Sprinklers Franchise LLC	Scottsdale, AZ	VP & Manager	Oct 2025-present
Brothers Parsons Franchising LLC	Scottsdale, AZ	VP & Manager	Nov 2023-present
The Riverside Company	Cleveland, OH	Senior Partner	Apr 2013-present
		Principal	Mar 2006-Apr 2013

Chief Financial Officer: Gregory Esgar

Mr. Esgar has held the following positions during the prior 5-year period:

Company	Location	Title	Period of Time
MB Franchise Holdings, Inc.	Scottsdale, AZ	Chief Financial Officer	May 2025-present
Evive Brands, LLC	Scottsdale, AZ	Chief Financial Officer	Aug 2023-present
Executive Home Care Franchising, LLC	Scottsdale, AZ	Chief Financial Officer	May 2022-present
B & P Burke, LLC	Scottsdale, AZ	Chief Financial Officer	May 2022-present
ALL Franchising, LLC	Scottsdale, AZ	Chief Financial Officer	Aug 2022-present

Company	Location	Title	Period of Time
Shine Development LLC	Scottsdale, AZ	Chief Financial Officer	Nov 2025-present
Pacific Lawn Sprinklers Franchise LLC	Scottsdale, AZ	Chief Financial Officer	Oct 2025-present
Brothers Parsons Franchising LLC	Scottsdale, AZ	Chief Financial Officer	Nov 2023-present
Prose Franchising	Phoenix, AZ	Chief Financial Officer	Apr 2018-May 2022

Chairman of the Board: Jordan Lajoie

Mr. Lajoie has held the following positions during the prior 5-year period:

Company	Location	Title	Period of Time
MB Franchise Holdings, Inc.	Scottsdale, AZ	Chairman of the Board	Jul 2025-present
Evive Brands, LLC	Scottsdale, AZ	Chairman of the Board	Jul 2025-present
Executive Home Care Franchising, LLC	Scottsdale, AZ	Chairman of the Board	Jul 2025-present
B & P Burke, LLC	Scottsdale, AZ	Chairman of the Board	Jul 2025-present
ALL Franchising, LLC	Scottsdale, AZ	Chairman of the Board	Jul 2025-present
Shine Development LLC	Scottsdale, AZ	Chairman of the Board	Jul 2025-present
Pacific Lawn Sprinklers Franchise LLC	Scottsdale, AZ	Chairman of the Board	Jul 2025-present
Brothers Parsons Franchising LLC	Scottsdale, AZ	Chairman of the Board	Jul 2025-present
The Riverside Company	Portland, ME	Operating Partner	Jul 2020-present
Pinecrest holdings Inc.	Portland, ME	President	Jul 2022-present

Vice President of Franchise Recruitment: Joel Lazarovitz

Mr. Lazarovitz has held the following positions during the prior 5-year period:

Company	Location	Title	Period of Time
MB Franchise Holdings, Inc.	Scottsdale, AZ	VP of Franchise Recruitment	Sep 2024-present
Maid Brigade, Inc.	Atlanta, GA	VP of Franchise Recruitment	Nov 2012-Sep 2024

ITEM 3 LITIGATION

Matters Involving Affiliates

Commonwealth of Virginia vs. Ken Parsons, Ryan Parsons & The Brothers Franchising Corp, Case No: SEC-2015-00056 (January 6, 2016)

On January 6, 2016, The Brothers Franchising Corp. (“TBFC”), Ken Parsons and Ryan Parsons entered into a Settlement Order with the Commonwealth of Virginia, State Corporation Commission. TBFC is the predecessor of our affiliate Brothers Parsons Franchising LLC (“BPF”). Ryan Parsons is our Chief Executive Officer and co-founder of The Brothers That Just Do Gutters franchise system. The matter involved the sale of a The Brothers That Just Do Gutters franchise in Virginia to Ken and Ryan Parsons’s father before the franchise was registered in Virginia. The Settlement Order required TBFC to pay a \$2,000 penalty plus \$500 for investigation costs and prohibits TBFC and its successors (e.g., BPF) from violating Virginia’s Retail Franchising Act in the future.

Except for the matter above, no litigation is required to be disclosed in this Item.

ITEM 4 BANKRUPTCY

No bankruptcy is required to be disclosed in this Item.

ITEM 5 INITIAL FEES

Initial Franchise Fee

You pay us a nonrefundable \$49,900 initial franchise fee when you sign the Franchise Agreement. We currently offer the following discounts:

Type of Discount*	Discount	Qualifications for Discount
Veterans Discount	10% discount	Person holding at least a 50% interest in the franchise is an honorably discharged veteran of any branch of the United States military and provides Form DD-214.
Multi-Unit Discount	Franchise 1 – No discount Franchise 2 – \$10,000 discount Franchise 3 and up – \$15,000 discount	You must (a) purchase 2 or more franchises from us at the same time, (b) sign Franchise Agreements for all franchises at the same time, (c) pay full \$49,900 initial franchise fee for 1 st franchise and discounted initial franchise fee for each additional franchise at same time.

* If you qualify for both the Multi-Unit Discount and Veterans Discount, you receive the Multi-Unit Discount plus an additional 10% off the total aggregate discounted initial franchise fees.

The initial franchise fee is uniformly imposed except for the discounts disclosed above.

Onboarding Fee

You pay us a \$9,100 onboarding fee when you sign the Franchise Agreement. In exchange for the onboarding fee, we provide initial training for up to 2 trainees at no extra charge. If you send more than 2 trainees to initial training (which we do not expect to occur), we may charge you an additional initial training fee of up to \$750 (currently \$400) for each trainee you send in excess of 2. The onboarding fee and additional training fee (if applicable) are nonrefundable and uniformly imposed.

Marketing Fee

You pay us a nonrefundable \$39,600 local marketing fee (the “Marketing Fee”) when you sign the Franchise Agreement. We apply the Marketing Fee as follows: (a) during the 12-month period after your opening date, we spend (or pay to a marketing company) \$3,000 per month for digital marketing to promote your Business; and (b) we retain \$3,600 as a management fee. The Marketing Fee is uniformly imposed.

Startup Package

When you sign the Franchise Agreement, you must purchase from us an initial supply of cleaning equipment and supplies, cleaning solutions, employee uniforms and advertising and marketing materials (the “Startup Package”). The purchase price is currently \$5,000 but subject to adjustment based on changes to the items included in the Startup Package or prices charged by our suppliers. The purchase price is nonrefundable and uniformly imposed. At any time, we reserve the right to require that you purchase some or all of the items included within the Startup Package directly from the third-party suppliers that we designate. The Startup Package does not include certain equipment and supplies you must purchase from third-party suppliers.

Territory Fee

We structure territories to include at least 20,000 households with annual income in excess of \$100,000 (“Qualified Households”) as of the date the territory is determined. If your Territory includes more than 30,000 Qualified Households, you pay us a territory fee calculated as \$1 for every Qualified Household in excess of 30,000. If your Territory includes 30,000 or fewer Qualified Households, you do not pay us a territory fee. We expect most territories will include between 20,000 and 35,000 Qualified Households, resulting in territory fees ranging from \$0 to \$5,000. The territory fee is nonrefundable and uniformly imposed. We do not charge additional territory fees (or refund previously paid fees) if the number of Qualified Households in your original Territory increases or decreases during the term of your Franchise Agreement.

ITEM 6 OTHER FEES

TYPE OF FEE ¹	AMOUNT ^{2, 3}	DUE DATE	REMARKS																								
Royalty Fee	Greater of (a) percentage-based royalty fee (6.9%-3.5% of Gross Sales depending on annual Gross Sales bracket) or (b) minimum royalty fee * Percentage-based royalty fee is 6.9% any time you are in default, regardless of your annual Gross Sales bracket	Day we specify after end of reporting period (currently 4 th day after reporting period ends)	You must send us Gross Sales reports for each reporting period. Our current reporting period is Monday through Sunday. Our current royalty fee due date is the 4th day after reporting period ends. We may change the reporting period and royalty fee due date upon 30 days’ prior notice. We use the following sliding scale royalty structure with a decreasing royalty rate applied to Gross Sales in higher annual Gross Sales brackets: <table><tr><th>Royalty Rate</th><th>Annual Gross Sales Bracket</th></tr><tr><td>6.9%</td><td>\$0-\$299,999</td></tr><tr><td>6.0%</td><td>\$300,000-\$699,999</td></tr><tr><td>5.0%</td><td>\$700,000-\$899,000</td></tr><tr><td>4.5%</td><td>\$900,000-\$1,499,999</td></tr><tr><td>4.0%</td><td>\$1,500,000-\$1,999,999</td></tr><tr><td>3.5%</td><td>\$2,000,000+</td></tr></table> The initial 12-month Gross Sales measuring period begins when you open and resets every 12 months. The minimum royalty is as follows: <table><tr><th>Weeks After Opening</th><th>Minimum Weekly Royalty</th></tr><tr><td>1-52</td><td>\$0</td></tr><tr><td>53-104</td><td>\$200 + \$0.005 for every Qualified Household in excess of 30,000</td></tr><tr><td>105-208</td><td>\$275 + \$0.005 for every Qualified Household in excess of 30,000</td></tr><tr><td>209+</td><td>\$350 + \$0.005 for every Qualified Household in excess of 30,000 (capped at \$750 per week)</td></tr></table> Your annual Gross Sales bracket is determined on a per territory basis (Gross Sales are not aggregated from multiple territories you may own).	Royalty Rate	Annual Gross Sales Bracket	6.9%	\$0-\$299,999	6.0%	\$300,000-\$699,999	5.0%	\$700,000-\$899,000	4.5%	\$900,000-\$1,499,999	4.0%	\$1,500,000-\$1,999,999	3.5%	\$2,000,000+	Weeks After Opening	Minimum Weekly Royalty	1-52	\$0	53-104	\$200 + \$0.005 for every Qualified Household in excess of 30,000	105-208	\$275 + \$0.005 for every Qualified Household in excess of 30,000	209+	\$350 + \$0.005 for every Qualified Household in excess of 30,000 (capped at \$750 per week)
Royalty Rate	Annual Gross Sales Bracket																										
6.9%	\$0-\$299,999																										
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Weeks After Opening	Minimum Weekly Royalty																										
1-52	\$0																										
53-104	\$200 + \$0.005 for every Qualified Household in excess of 30,000																										
105-208	\$275 + \$0.005 for every Qualified Household in excess of 30,000																										
209+	\$350 + \$0.005 for every Qualified Household in excess of 30,000 (capped at \$750 per week)																										
Brand Fund Fee	2% of Gross Sales	Same as royalty fee	We deposit this fee into a Brand Fund. You have no voting rights regarding administration of the Brand Fund, the creation or placement of advertising, or the amount of the brand fund fee.																								
Local Marketing Commitment	\$4,000 per month, subject to \$3,000 monthly credit during initial 12 months (commences when your Business opens)	Monthly, as incurred	This is the minimum amount you must spend to advertise your Business in your local market (the “ <u>Local Marketing Commitment</u> ”). During the first 12 months you receive a \$3,000 monthly credit for the Marketing Fee (you must spend another \$1,000 per month to meet the \$4,000 minimum spend). Brand fund fees are not credited towards the Local Marketing Commitment. If you fail to spend the minimum amount, you pay us the deficiency.																								
Employee Advertising Commitment	\$500 per month (commences 1 week before you open)	Monthly, as incurred	This is the minimum amount you must spend to solicit cleaners/employees for your Business. If we waive the requirement, you must spend the \$500 monthly amount on local advertising, which would be in addition to the Local Marketing Commitment.																								

TYPE OF FEE ¹	AMOUNT ^{2, 3}	DUE DATE	REMARKS
Cooperative Advertising Fee	Fee set by us or the coop (not to exceed Local Marketing Commitment unless higher fee approved by 2/3 majority vote)	Same as royalty fee	Company-owned outlets have the same voting power as franchised outlets in a cooperative. If a majority of outlets are company-owned, we will not increase the fee without the majority vote of franchised outlets in favor of the fee increase. Cooperative advertising fees are credited against your Local Marketing Commitment.
Technology Fee	Up to \$175 per week Currently \$100 per week (for a webpage, 3 email addresses, designated phone number & LMS) plus \$7 per week for each additional email needed (\$175 cap is subject to increase per Notes 3 & 4)	Same as royalty fee or as otherwise specified	Includes amounts you pay us or our affiliate for Technology Systems, including: (a) amounts you pay for proprietary items (b) amounts we collect from you and remit to third parties and (c) an administrative fee for managing the technology platform and negotiating/managing relationships with various licensors of the technology. It does not include amounts you pay to third parties. We do not currently include monthly phone charges as part of the technology fee, but we may do so in the future.
Call Center Fee	Greater of \$150 per month or 3% of Gross Sales, if paid to us or our affiliate (not currently imposed)	10 days after invoice or as we otherwise specify	Imposed if we administer a call center. If a third party administers the call center, you pay fees to the third-party provider unless we choose to collect the fees from you and remit them to the provider.
Training Fee	Up to \$750 per person per day, plus Travel Expenses for onsite training (\$750 cap is subject to increase per Notes 3 & 4)	10 days after invoice	Imposed for: supplemental or refresher training; initial training after opening, remedial training; or additional training you request. Our current fee is \$400 per person per day.
Conference Registration Fee	Up to \$2,000 per person per conference, but currently \$250 per person per conference	Prior to conference	We may hold conferences to discuss matters affecting franchisees. Your Responsible Owner and Designated Manager must attend our annual conference unless we designate attendance as optional or grant you a waiver for good cause. You must still pay us the fee if your Responsible Owner and Designated Manager fail to attend a required conference without a waiver from us.
New Product or Supplier Testing	Actual cost of testing	10 days after invoice	This covers the costs of testing new products or inspecting new suppliers you propose.
Transfer Fee	\$10,000, reduced to \$5,000 if buyer is an existing franchisee	At time of Transfer	Imposed for all Transfers other than Permitted Transfers. If our broker finds the buyer, you must also reimburse all commissions we pay the broker.
Renewal Fee	25% of then-current initial franchise fee	Before or at time of renewal	Imposed if we grant you renewal rights for a 10-year renewal term.
Territory Expansion Fee	\$1 for each Qualified Household in expansion territory	At time of territory expansion	If we grant your request to add additional territory after you open, you must pay us the territory expansion fee based on the number of Qualified Households in the expansion territory.
Reimbursement of Inspection Costs	All Travel Expenses and other costs we incur to inspect your Business	10 days after invoice	Imposed if we inspect your Business to verify that you cured (a) a health or safety issue identified by a government agency or (b) breach of system standards we brought to your attention.
Audit Fee	Actual cost of audit (including Travel Expenses for audit team)	10 days after invoice	Imposed if an audit is necessary because you fail to send us required information in a timely manner or reveals you understated Gross Sales by 2% or more (or by any amount if intentional).

TYPE OF FEE ¹	AMOUNT ^{2, 3}	DUE DATE	REMARKS
Late Fee	\$150 plus default interest at lesser of (a) 18% per annum (prorated on daily basis) or (b) highest rate allowed by applicable law	10 days after invoice	If our debit of your account is rejected or your check is returned for insufficient funds, we may charge (in addition to the late fee) an NSF fee of \$50 per incident. Default interest is limited to 10% per annum in California.
Noncompliance fee	\$500 per incident	Upon demand	Imposed if you fail to comply with a mandatory standard or operating procedure (including timely submission of required reports) and do not cure within the time period we require. We may impose an additional \$500 fee every 48 hours until you cure the noncompliance issue.
Unauthorized Extra-Territorial Operations Fee	120% of revenue generated from unauthorized extra-territorial operations	Upon demand	Imposed if you engage in extra-territorial business activities prohibited by the Franchise Agreement. You must also cease such activities and transition affected clients to the MB Business we designate.
Default Reimbursement & Admin Fee	120% of costs we incur to cure your breach	10 days after invoice	If you fail to timely cure a breach of the Franchise Agreement or our brand standards (e.g., failure to maintain insurance, pay suppliers or meet quality standards), we may take steps to cure on your behalf and you must pay us 120% of our costs.
Client Support Fee	120% of costs we or another MB Business incur to assist your clients	10 days after invoice	Imposed if we receive a complaint from your client and decide to support or assist the client ourselves or via another MB Business to resolve the issue.
Management Fee	Up to 10% of Gross Sales during management period plus Travel Expenses	10 days after invoice	If you fail to cure a Franchise Agreement default or the Responsible Owner fails to perform his/her duties, we can designate a person to manage your Business until you cure the default or replace the Responsible Owner.
Indemnification	Amount of our damages, losses or expenses	10 days after invoice	You must indemnify us for losses and expenses we incur due to your operation of the MB Business or breach of the Franchise Agreement.
Attorneys' Fees and Costs	Amount of attorneys' fees and costs we incur	Upon demand	You must reimburse all attorneys' fees and costs we incur relating to your breach of the Franchise Agreement or any related agreement.
Liquidated Damages	2 years of royalty & brand fund fees - see Note 4	30 days after invoice	Imposed if we terminate due to your default or you wrongfully terminate.

Notes:

- Nature and Manner of Payment:** All fees are imposed by and payable to us except: (a) you pay the cooperative advertising fee directly to the cooperative (we may instead require you to pay this fee to us, in which case we remit the fee to the cooperative on your behalf); and (b) you spend the Local Marketing Commitment and Employee Advertising Commitment directly with third-party suppliers. All fees are nonrefundable and uniformly imposed. You must sign the ACH Authorization Form attached to the Franchise Agreement permitting us to electronically debit your designated bank account for all amounts owed to us. You must deposit all revenue into the bank account and ensure sufficient funds are available for withdrawal before each due date.
- Definitions:** As used in this Disclosure Document, the following terms have the meanings below:
"Brand Fund" means the brand and system development fund we currently administer to promote public recognition of our brand and improve our System.
"Designated Manager" means the person you appoint (who may, but need not, be the Responsible Owner) who will personally supervise your Business on a full-time basis.

“Gross Sales” means the total gross sums that: (a) you bill or invoice for all goods and services sold from or relating to your Business (including amounts you bill but cannot collect); (b) we or our affiliate pay you for servicing a strategic relationship account; or (c) otherwise relate to your Business, including advertising revenue, sponsorship fees and business interruption insurance proceeds. Gross Sales excludes: (a) sales or use taxes; (b) revenue from the sale of furniture, fixtures or equipment in the ordinary course; and (c) tips paid to and retained by staff members as a gratuity. The Manual may include policies governing the calculation of Gross Sales relating to: (a) proceeds from the sale of gift cards and memberships; and/or (b) qualifying purchases and redemptions by members under loyalty or membership programs.

“Permitted Transfer” means a Transfer: (a) between existing owners; or (b) by the owners to a new business entity that is 100% owned and controlled by the transferring owners. It does not include a Transfer in (a) or (b) that results in the Responsible Owner owning less than 20% of the franchised business.

“Responsible Owner” means the owner you appoint and we approve with primary responsibility for the overall management and operation of your Business.

“Technology Systems” means all information and technology systems we designate including computer and point-of-sale systems, client billing systems, payroll processing systems, telecommunications systems, security systems, AI technology and similar systems, together with the associated hardware, software (including cloud-based software) and related equipment, applications and third-party services relating to the establishment, use, maintenance, monitoring, security or improvement of these systems.

“Transfer” means a transfer or assignment of: (a) the Franchise Agreement; (b) your Business assets (other than the sale of furniture, fixtures or equipment in the ordinary course); (c) an ownership interest in the entity that is the “franchisee”; or (d) the franchised business you conduct under the Franchise Agreement.

“Travel Expenses” means all travel, meals, lodging, local transportation and other living expenses incurred: (a) by us and our trainers, field support personnel, auditors or other representatives to visit your Territory; or (b) by you or your personnel to attend training programs or conferences.

3. **CPI Adjustment:** All fees (including minimum fees and fee caps) and annual Gross Sales brackets expressed as a fixed dollar amount are subject to adjustment based on changes to the Consumer Price Index in the United States (CPI). We may periodically review and increase the amounts up to the increase in the CPI, but only if the increase to CPI is more than 5% higher than the corresponding CPI in effect on: (a) the effective date of the Franchise Agreement (for the initial CPI adjustment); or (b) the date we implemented the last CPI adjustment (for subsequent CPI adjustments). We will notify you of any CPI adjustment at least 60 days before it goes into effect. We may implement no more than 1 CPI adjustment during any 5-year period.
4. **Fee Increases:** We may increase the \$750 training fees cap and \$175 technology fee cap by not more than 20% per year. If we choose not to apply a fee increase in a given year, any unapplied increase may be carried forward and applied in a subsequent year.
5. **Liquidated Damages:** You must pay us liquidated damages if: (a) we terminate the Franchise Agreement due to your default; or (b) you terminate the Franchise Agreement prior to its expiration date (except in accordance with the provisions governing your right to terminate following our uncured breach). Liquidated damages are calculated as the sum of average weekly royalty fees and brand fund fees imposed during the 52-week period preceding termination (or your entire period of operation if less than 52 weeks) multiplied by the lesser of: (a) 104; or (b) the total number of weeks remaining under the term. If you pay us liquidated damages in a timely manner, we may not pursue a claim against you for lost profits (but we may still seek other damages we incur due to your breach).

ITEM 7 ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT				
TYPE OF EXPENDITURE ¹	AMOUNT	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
Initial Franchise Fee	\$49,900	Lump sum	At time you sign Franchise Agreement	Us

YOUR ESTIMATED INITIAL INVESTMENT				
TYPE OF EXPENDITURE ¹	AMOUNT	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
Onboarding Fee ²	\$9,100	Lump Sum	At time you sign Franchise Agreement	Us
Territory Fee ³	\$0 to \$5,000	Lump sum	At time you sign Franchise Agreement	Us
Startup Package ⁴	\$5,000	Lump sum	At time you sign Franchise Agreement	Us
Marketing Fee ⁵	\$39,600	Lump sum	At time you sign Franchise Agreement	Us
Initial Training Expenses ⁶	\$2,000 to \$3,000	As incurred	During training	Suppliers
MB Vehicle ⁷ (before & 3 months after opening)	\$4,250 to \$5,000	As incurred	Before and after opening	Suppliers
Deposits & Rent ⁸ (3 months' rent)	\$2,500 to \$5,000	As incurred	Rent paid monthly; deposits paid before open	Landlord & utility companies
Office Renovations, Furniture, Equipment & Supplies ⁹	\$1,500 to \$5,300	As incurred	Before opening	Suppliers
Computer System ¹⁰	\$1,700 to \$2,700	Lump sum	Before opening	Suppliers
Insurance & Bond ¹¹	\$1,500 to \$2,500	As incurred	Before opening	Suppliers
Business License	\$25 to \$500	As Arranged	Prior to Opening	Government agency
Initial Advertising ¹² (before & 3 months after opening)	\$4,500 to \$11,000	As incurred	Monthly	Suppliers
Professional Fees ¹³	\$0 to \$3,000	As incurred	Before opening	Lawyer & accountant
Additional Funds ¹⁴ (3 months)	\$33,000 to \$43,000	As incurred	As incurred	Suppliers, employees & us
Total Initial Investment ¹⁵	\$154,575 to \$189,600			

Notes:

1. Financing and Refunds: We do not offer direct or indirect financing. No amounts paid to us are refundable. We are not aware of any amounts paid to third-party suppliers that are refundable, although your landlord may refund your security deposit at the end of the lease if you do not damage the property or default.
2. Onboarding Fee: This fee covers initial training for up to 2 trainees. If you send more than 2 trainees to initial training (which we do not expect to occur), you must pay us an additional training fee of \$400 for each trainee you send to initial training in excess of the 2 trainees covered by the onboarding fee.
3. Territory Fee: Most territories include between 20,000 and 35,000 Qualified Households. A territory with more than 30,000 Qualified Households requires payment of an additional territory fee calculated as \$1 for every Qualified Household in excess of 30,000. The high estimate assumes 35,000 Qualified Households.
4. Startup Package: Includes your initial supply of cleaning equipment and supplies, cleaning solutions, employee uniforms and advertising and marketing materials, excluding equipment and supplies you must purchase from third-party suppliers (see Note 9).
5. Marketing Fee: We apply the Marketing Fee as follows: (a) during the 12-month period after your opening date, we spend (or pay to a marketing company) \$3,000 per month for digital marketing to promote your Business; and (b) we retain \$3,600 as a management fee.
6. Initial Training Expenses: This estimates your expenses to send 2 people to one of our designated training centers for approximately 5 days of initial training. Your actual training expenses may vary depending on: (a) the number of people you send to training; (b) the distance they must travel; and (c) the level and quality of accommodations, travel and dining selected.

7. **MB Vehicle:** You must purchase or lease at least 1 clean, relatively new 4-door compact car for purposes of transporting cleaning crews (and cleaning equipment and supplies) to and from job sites (your “**MB Vehicle**”). You will need 1 MB Vehicle per cleaning team. You must purchase and install the vehicle wrap we designate. You may not use your MB Vehicle for purposes unrelated to your Business without our approval. As your Business grows, you may need to purchase or lease additional MB Vehicles. The estimated cost includes a down payment, taxes, title and registration fees and 3 monthly lease/finance payments for the MB Vehicle as well as the cost to purchase and install our designated vehicle wrap. Your total cost may vary depending on factors such as: the make, model and year of the vehicle; whether the vehicle is new or used; the condition of the vehicle (if used); whether you lease, finance or purchase the vehicle; local market conditions; and your credit rating. Your actual financing or lease terms may vary depending on your credit score, the price of the vehicle, the amount of your down payment, the duration of your lease or financing term, financing/lease rates in your market and other factors. The estimated costs in this table assume will lease or finance the purchase of the vehicle. If you purchase the vehicle without financing, your initial investment may be higher.
8. **Deposits & Rent:** You must operate from an approved MB Office. Most MB Offices consist of an executive suite (or similar office) ranging in size from 800 to 1,200 square feet. Rent varies depending on factors such as the size and location of the premises and local market conditions. The estimate in the table includes: (a) estimated lease and security deposits; and (b) the first 3 months’ rent.
9. **Office Renovations, Furniture, Equipment & Supplies:** Includes the cost to furnish and equipment your MB Office. At this time, we do not require franchisees to complete any significant construction, renovations or leasehold improvements, although minor improvements may be needed (for example, adding water access). If you lease an executive suit, you may not need to purchase additional furniture. The estimate also include your cost to purchase any equipment and supplies that are not included in the Startup Package.
10. **Computer System:** Includes the cost for your computer hardware and a \$700 setup fee paid to the supplier of MaidCentral (required software).
11. **Insurance & Bond:** You must purchase the minimum insurance we require as well as a \$10,000 blanket fidelity bond for each cleaner you employ. Insurance premiums vary based on numerous factors including your Territory location, claims history and number of employees. This estimate includes the cost of the fidelity bond and 3 months of insurance premium for our minimum required (not recommended) policies.
12. **Initial Advertising:** This estimate includes: (a) your Employee Advertising Commitment for 3 months (\$500 per month) and (b) your Local Marketing Commitment for 3 months (\$1,000 per month after \$3,000 credit from Marketing Fee). The high estimate also includes an additional discretionary spend on local advertising to promote your Business prior to your opening date. This estimate does not include any digital advertising costs covered by the Marketing Fee for your first 12 months of operation.
13. **Professional Fees:** This includes the estimated fees for professionals you may choose to hire in order to:
- assist you in reviewing this Disclosure Document and negotiating your Franchise Agreement
 - advise you regarding local laws and regulations applicable to an MB Business
 - form a business entity (the high estimate includes incorporation costs)
 - set up your books, records and accounts
 - develop a business plan and budget for the development and operation of your Business
- These services are optional but highly recommended.
14. **Additional Funds:** This estimates your expenses during the first 3 months of operation including: payroll costs (excluding any wage or salary paid to you); technology fees paid to us (\$100 per week for 12 weeks); third-party software fees; background check/employee recruitment costs; additional operating supplies; gas and vehicle-related expenses; and other miscellaneous expenses and required working capital. Your initial 3 months of rent, insurance premium and marketing costs are listed separately in the table. These figures are estimates based on our franchisees’ experience developing, opening and operating MB Businesses. The Additional Funds listed in the table covers a 3-month period. However, we strongly recommend you have enough funds to cover a 1-year period after opening, which we estimate to be \$132,000 to \$172,000 (this

range includes the \$33,000 to \$43,000 for Additional Funds for the initial 3-month period).

15. **Initial Investment Report:** Within 60 days after your opening date, you must send us a report, in the form we designate, listing the expenses you incur to develop and open your MB Business. We may use this data to update the initial investment estimate in future versions of our Franchise Disclosure Document.

ITEM 8 RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Source-Restricted Purchases and Leases - Generally

You must purchase or lease certain source-restricted goods and services to develop and operate your MB Business. “Source-restricted” means the good or service must meet our specifications or must be purchased from an approved or designated supplier (in some cases, an exclusive designated supplier, which may be us or an affiliate). The Manual includes our specifications (if any) and supplier list. We may notify you of changes to our specifications and suppliers by email notification, updates to the Manual or other means of communication.

Supplier Criteria

Our criteria for evaluating suppliers include standards for: (a) quality, performance, design, appearance and price of the product or service; and (b) dependability, production capabilities, reputation and financial strength of the supplier. Upon request, we may provide you with objective specifications we use to evaluate suppliers or products, although certain important subjective criteria (e.g., product appearance, design, functionality, etc.) are important to our evaluation but cannot be described in writing. At this time, however, we do not share our confidential specifications with franchisees or suppliers.

If you wish to purchase or lease a source-restricted item from a non-approved supplier, you must send us: (a) a written request for approval; (b) product samples for testing purposes; and (c) all additional information we request. The supplier must agree to comply with our minimum insurance, indemnification, confidentiality and reporting requirements for system suppliers and allow us to periodically inspect their facility. We try to notify you of our decision within 30 days after we receive all required information and product samples. We may periodically reinspect approved products and suppliers and revoke our approval if they fail to meet our then-current criteria. You must reimburse all costs we incur to evaluate products and suppliers you propose.

Current Source-Restricted Purchases and Leases

We estimate 90% of the total purchases and leases to develop an MB Business and 55% to 60% of ongoing operating expenses consist of source-restricted goods or services, as further described below.

MB Vehicle

You must purchase or lease at least MB Vehicle consisting of a clean, relatively new 4-door compact car for purposes of transporting cleaning crews (and cleaning equipment and supplies) to and from job sites. You may purchase or lease your MB Vehicle from any supplier of your choosing. You must purchase and install the vehicle wrap we designate.

Cleaning Equipment and Operating Supplies

All cleaning equipment and cleaning supplies must meet our standards and specifications and be purchased from suppliers we designate or approve. You must purchase your initial supply of most cleaning equipment and supplies exclusively from us as part of our Startup Package. When providing MB Services, your cleaners must only use the bags, cleaners, mops, brooms, brushes, uniforms, receipts and other items bearing our Marks. Once your Business achieves average weekly Gross Sales of at least \$9,000 per week over a 12-week period, you must purchase and use a larger e-water generator from a supplier we designate or approve.

Uniforms

Your employees must wear the uniforms we designate. You must purchase your initial supply of uniforms exclusively from us as part of our Startup Package.

Technology Systems

Your Technology Systems (including hardware, software, equipment, applications and similar items) must meet our standards and specifications. You must purchase the computer system, office management software and

VOIP phone system that we designate. Certain Technology System components must be purchased from approved or designated suppliers. Other components may be purchased from any supplier of your choosing. We may require you to purchase certain services relating to the establishment, use, maintenance, monitoring, security or improvement of Technology Systems from approved or designated suppliers.

Marketing Materials and Services

All marketing materials must comply with our brand standards and other requirements. We must approve your marketing materials prior to use. You must purchase branded marketing materials only from us or other suppliers we designate or approve. You must purchase an initial supply of advertising materials exclusively from us as part of our Startup Package. You must pay us the Marketing Fee, which includes \$36,000 that we (or a supplier we designate) will apply towards digital marketing to promote your Business during your initial 12-month period of operations. We may require that you contract with and utilize a company we designate to: (a) develop and/or implement your grand opening marketing campaign; and/or (b) manage your social media.

Call Center

We reserve the right to implement a call center. The call center could be administered by us or a third-party supplier we designate. If we implement a call center, you must participate in accordance with our policies and procedures and pay all associated fees.

Insurance Policies

You must obtain the minimum insurance coverage we require (whether in the Franchise Agreement or in the Manual) from licensed insurance carriers rated A or better by AM Best, including the following:

REQUIRED INSURANCE	
Policy Type	Minimum Coverage
All Risk Property Insurance	Full replacement cost
Comprehensive General Liability Insurance	\$1,000,000 per occurrence and \$1,000,000 in the aggregate
Theft and Dishonesty Insurance	\$25,000 per occurrence
Automobile Liability Insurance	\$1,000,000 per occurrence and \$1,000,000 in the aggregate
Commercial Umbrella Insurance	\$1,000,000 per occurrence and \$1,000,000 in the aggregate
Employer's Liability Insurance	\$100,000 per occurrence (or higher amount required by law)
Worker's Compensation Insurance	As required by law
Insurance Required By Law/Landlord	As required by law or lease, as applicable

We also recommend, but do not currently require, the following additional insurance policies:

RECOMMENDED (OPTIONAL) INSURANCE	
Policy Type	Recommended Minimum Coverage
Privacy and Cyber Security Liability Insurance	\$1,000,000 per occurrence and \$1,000,000 in the aggregate
Business Interruption Insurance	6 to 12 months' coverage (including fees owed to us)

The required coverage and policies are subject to change. Each policy must be endorsed to: (a) name us and our owners, officers and directors as additional insureds; (b) waive all subrogation rights against us; and (c) provide us with 30 days' prior written notice of the termination, expiration, cancellation or modification of the policy. You must also purchase a \$10,000 blanket fidelity bond for each cleaner you employ.

Purchase Agreements

We may attempt to negotiate purchase agreements with suppliers, including favorable pricing terms, for the benefit of franchisees. As of the date of this Disclosure Document, we have negotiated purchase agreements (including pricing terms) with suppliers for various software and Technology Systems, employee uniforms, merchandise and other branded products and print materials. We may also purchase items in bulk and resell them to you at our cost plus a markup. Currently there are no purchasing cooperatives but we may establish them in the future. You do not receive any material benefits for using designated or approved suppliers other

than having access to any discounted pricing we negotiate.

Franchisor Revenue from Source-Restricted Purchases

We are currently the exclusive designated supplier for: (a) all items included in the Startup Package; (b) digital advertising services for your initial 12-month period of operation, which are covered by the \$39,600 Marketing Fee (we retain \$3,600 or the Marketing Fee as a management fee); (c) the various software, technology and related tools we provide in exchange for our current technology fee; and (d) in-house call center services (which we expect to implement in 2026 or 2027, either directly or through an affiliate). We may designate ourselves or an affiliate as an approved or designated supplier for other goods or services in the future. We and our affiliates may generate a profit from these purchases. No person affiliated with us is currently an approved (or the only approved) supplier. There are no approved or designated suppliers in which any of our officers own an interest.

We may receive rebates, payments or other material benefits from suppliers based on your purchases and leases. We have no obligation to pass these amounts through to you or use them in any particular manner. Our parent, Evive, receives a rebate of up to 5% of the cost of employee uniforms, merchandise and other branded products and print materials purchased through our online store (this rebate become effective in 2026). There are no other currently-effective supplier relationships involving rebates, payments or other material benefits to us or our affiliates.

Our total revenue during the 2025 fiscal year was \$1,361,019. During that year, we generated \$69,897 in revenue as a result of franchisee purchases or leases, which represents 5.1% of our total revenue for that year.

ITEM 9 FRANCHISEE'S OBLIGATIONS

This table lists your principal obligations under the Franchise Agreement and other agreements. It will help you find more detailed information about your obligations in these agreements and other items in this Disclosure Document.

OBLIGATION	SECTIONS IN AGREEMENT	DISCLOSURE DOCUMENT ITEM
a. Site selection and acquisition/lease	7.1 & 7.2	Item 7 & Item 11
b. Pre-opening purchases/leases	6.2, 7.3, 7.4, 11.6, 16.1 & 16.5	Item 7, Item 8 & Item 11
c. Site development and other pre-opening requirements	7.2, 7.3 & 7.4	Item 6, Item 7 & Item 11
d. Initial and ongoing training	5	Item 6 & Item 11
e. Opening	7.5	Item 11
f. Fees	3.1, 3.4, 4.2, 5.4, 5.5, 8.5, 10, 11.6, 11.9, 11.10, 11.13, 11.15, 14, 16.1, 17, 20.2, 20.3 & 22.3	Item 5 & Item 6
g. Compliance with standards and policies/Operating Manual	6.1, 7.1, 7.2, 7.4, 10.3, 11 & 18.1	Item 11
h. Trademarks and proprietary information	18	Item 13 & Item 14
i. Restrictions on products/services offered	11.2 & 11.3	Item 16
j. Warranty and client service requirements	11.12 & 11.13	Not Applicable
k. Territorial development and sales quotas	12	Item 12
l. Ongoing product/service purchases	11.6	Item 8
m. Maintenance, appearance and remodeling requirements	11.7 & 11.8	Item 11
n. Insurance	16.1	Item 6, Item 7 & Item 8
o. Advertising	10	Item 6, Item 7 & Item 11

OBLIGATION	SECTIONS IN AGREEMENT	DISCLOSURE DOCUMENT ITEM
p. Indemnification	19	Item 6
q. Owner's participation/management/staffing	8	Item 11 & Item 15
r. Records/reports	16.2, 16.3 & 16.6	Item 6
s. Inspections/audits	17	Item 6 & Item 11
t. Transfer	20	Item 17
u. Renewal	4	Item 17
v. Post termination obligations	22	Item 17
w. Non-competition covenants	15	Item 17
x. Dispute resolution	23	Item 17
y. Owner Agreement (brand protection covenants, transfer restrictions and financial assurance for owners and spouses)	9 & <u>ATTACHMENT "C"</u>	Item 15

ITEM 10 FINANCING

We do not offer direct or indirect financing. We do not guarantee any of your notes, leases or obligations.

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

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

Before you open your MB Business, we will:

1. Provide access to our Manual which will help you develop and operate your MB Business. The Manual includes 207 pages. The Table of Contents is attached as EXHIBIT "E". (§6.1 & 11.1)
2. Evaluate sites you propose for your MB Office, as discussed below under *Site Selection*. (§7.1)
3. Provide our written specifications for goods and services you must purchase to develop, equip and operate your MB Business and a list of suppliers. (§11.1)
4. Sell and deliver to you the items included in our Startup Package. We do not deliver or install any other items you purchase. (§6.2 & 11.6)
5. Provide access to approved advertising materials, as discussed below under *Advertising*. (§6.2 & 10.2)
6. Provide an initial training program, as discussed below under *Training*. (§5.1)
7. Issue you a Certificate of Opening, authorizing you to open your Business, after we review and confirm that you: (a) completed initial training to our satisfaction; (b) properly equipped your MB Office and purchased required cleaning equipment and supplies; (c) secured access to a suitable MB Vehicle and installed our designated vehicle wrap; (d) hired and trained the necessary staff; (e) secured all required permits, licenses and authorizations; and (f) obtained required insurance policies and blanket fidelity bond. (§7.5)

During the operation of your MB Business, we will:

1. Offer guidance, advice and recommendations in response to your questions or to improve the operation of your Business. (§6.3)
2. Provide periodic training programs, as discussed below under *Training*. (§5.2)
3. Maintain a corporate website to promote our brand and a local webpage to promote your MB Business, as discussed below under *Advertising*. (§6.6 & 10.3)
4. Administer the Brand Fund, as discussed below under *Advertising*. (§10.1)
5. Provide you with our suggested retail pricing. You may deviate from our suggested pricing except: (a) we

may require you to offer limited time promotional pricing or charge pricing we negotiate for MB Services you provide under a Strategic Relationship program; and (b) we may, to the extent permitted by applicable law, set maximum or minimum prices on the goods and services you sell. (§11.4)

During the operation of your MB Business, we may, but need not:

1. Conduct periodic field visits to provide onsite consultation, assistance and guidance. (§6.4)
2. Administer a call center (either ourselves or through a third-party provider) to answer client calls, set client appointments, route new client leads to an appropriate MB Business and/or provide other services we deem appropriate. If we establish a call center program, you must participate and pay the associated fees. (§6.8)
3. Develop and implement Strategic Relationships, as discussed below under *Strategic Relationships*. (§6.5)
4. Develop new MB Services, merchandise, retail products or other goods or services you may sell. (§6.9)
5. Negotiate supplier agreements to obtain favorable pricing. (§6.7)
6. Host periodic conferences to discuss relevant business and operational topics. (§5.5)
7. Provide additional training or assistance you request, as discussed below under *Training*. (§5.2)

Training (§5)

Initial Training Program

We will provide an initial training program for your Responsible Owner (you may send other owners to initial training but it is not required) and Designated Manager (if any) (“Initial Trainees”). Initial Trainees must successfully complete initial training to our satisfaction within 90 days after you sign the Franchise Agreement (and prior to opening).

Initial training currently includes:

1. **Virtual Training:** includes approximately 40 hours of virtual training that must be completed prior to Initial Training.
2. **Initial Training:** includes approximately 5 days of franchise management and operations training that takes place at one of our corporate training centers (our current training facility rotates among 3 franchised MB Businesses located in Gaithersburg, Maryland, Houston, Texas and Tigard, Oregon), including 3 days of classroom training and 2 days of field training.

We reserve the right to conduct all training programs virtually. The training materials include the Manual, videos, cleaning equipment and supplies and MaidCentral. There are no additional fees for training materials. We can modify the training program at our discretion based on our subjective assessment of the skills, abilities and prior experience of the Initial Trainees. We will offer initial training as often as reasonably necessary to enable you to complete it prior to your opening deadline.

Our initial training program covers all aspects of operating an MB Business including (among other topics): MB Services; customer relations; Heart at Work (the Maid Brigade culture for fostering great relationships); sales techniques; marketing and advertising; time management; performance analysis; and administrative matters. Initial training currently covers the following topics:

TRAINING PROGRAM

VIRTUAL TRAINING			
SUBJECT	HOURS OF CLASSROOM TRAINING	HOURS ON THE JOB TRAINING	LOCATION
Marketing	6	0	Virtual
Sale Training	6	0	Virtual
Recruiting/Hiring	4	0	Virtual
CRM Training	10	0	Virtual
Business Set Up	6	0	Virtual

VIRTUAL TRAINING			
SUBJECT	HOURS OF CLASSROOM TRAINING	HOURS ON THE JOB TRAINING	LOCATION
Clean Training	8	0	Virtual
Total	40	0	

INITIAL TRAINING			
SUBJECT	HOURS OF CLASSROOM TRAINING	HOURS ON THE JOB TRAINING	LOCATION
Cleaning Training	1	10	Training Facility in MD, TX or OR
Sales	3	3	Training Facility in MD, TX or OR
Customer Service	2	1	Training Facility in MD, TX or OR
Recruiting/Retention	3	1	Training Facility in MD, TX or OR
Marketing	2	3	Training Facility in MD, TX or OR
Risk Management	3	0	Training Facility in MD, TX or OR
Day to Day Coverage	0	4	Training Facility in MD, TX or OR
CRM	0	4	Training Facility in MD, TX or OR
Total	14	26	

Post-Opening Training Programs

From time to time, we may offer additional training programs at the time and in the manner we designate. We may require one or more members of your management team to attend, and successfully complete, any additional training we designate. You are responsible for providing initial and ongoing training to all employees other than your Designated Manager.

Instructors

Greg Nicklas is in charge of our training program. Greg has been part of the Maid Brigade system since 2002. He has been part of our corporate team for the past 13 years, currently serving as one of our Franchise Business Consultants. Before joining our corporate team, he served as a General Manager for a franchised MB Business. Greg has a total of 24 years of experience in the relevant field, all of which has been with MAID BRIGADE®. Greg may recruit assistance from other instructors, each of whom will have at least 1 year of experience in the relevant field.

Training Fees and Costs

You pay us a \$9,100 onboarding fee which covers initial training for up to 2 trainees. We may charge an additional initial training fee of up to \$750 (currently \$400) for each initial trainee you send in excess of the 2 trainees covered by the onboarding fee. We may charge you a training fee of up to \$750 (currently \$400) per person per day for each person who attends: (a) refresher or supplemental training; (b) initial training after you open (e.g., new Responsible Owner or Designated Manager); (c) remedial training; or (d) additional training you request. We may increase the \$750 training fee by not more than 20% per year (we may also increase the fee based on CPI increases not more than once every 5 years). You must also reimburse our Travel Expenses for onsite training.

Site Selection (§7.1)

A typical MB Office consists of an executive suite (or similar office) ranging in size from 800 to 1,200 square

feet. We do not select the site for your MB Office and we do not purchase the premises and lease it to you. We must approve the site for your MB Office before you sign a lease for the premises (and before you open). We may terminate your Franchise Agreement if you fail to meet this deadline or if we cannot agree on a site.

Your MB Office must be located in your Territory and conform to our minimum demographic/geographic requirements, which vary by region. You must send us a complete site report that includes all information we require about your proposed site. We approve or disapprove sites within 30 days after receiving the site report. We primarily consider the following factors when evaluating sites: (a) local demographics; (b) visibility, size, condition, configuration and characteristics of the building; (c) accessibility and availability of parking; and (d) potential lease terms.

We do not help you negotiate your lease.

Site Development (§7.2)

The Manual includes our standards and specifications for the layout, equipping and trade dress for an MB Office. You must, at your expense, develop and equip your MB Office to conform to the specifications in the Manual. We do not expect you will need to significantly remodel, renovate or structurally alter the premises to conform to our specifications. Your MB Office must present a professional appearance and be kept in good order. You must purchase (or lease) and install all furniture, equipment, signs and other items we require. We do not require you to remodel or renovate your MB Office during the term of the Franchise Agreement.

Opening Requirements (§7.5)

We expect most franchisees will open within 2 to 3 months after signing the Franchise Agreement. Factors that may affect this time include the amount of time needed to: (a) find an approved site; (b) secure financing, insurance, fidelity bond, licenses, and permits; and (c) hire staff and complete training. Your opening could also be delayed due to bad weather or delayed delivery or installation of furniture or equipment. You may not open without our approval.

Advertising (§10)

You must participate at your own expense in all advertising, promotional and marketing programs we require. There is currently no franchisee advertising council that advises us on marketing and advertising matters.

Our Advertising Obligations

We have no obligation to conduct advertising for the franchise system except as stated below. We (or a supplier we designate) will apply \$36,000 of the Marketing Fee towards digital advertising to promote your Business during the 12-month period after your opening date. We include an initial supply of advertising materials in the Startup Package that you purchase from us. We may also create and provide you with access to local advertising assets such as print marketing materials, posters, banners, social media templates and stock photography. We may: (a) use the Brand Fund to pay for the creation and distribution of these materials, in which case there will be no additional charge other than the cost to reproduce and ship the materials; (b) provide online access to these materials, in which case you must print the materials at your expense; or (c) contract with third-party suppliers to create and sell these materials to you.

Your Advertising Obligations

After you open, you must spend at least \$4,000 per month on local advertising to promote your Business (i.e., your Local Marketing Commitment). During the first 12 months, you receive a \$3,000 monthly credit for the Marketing Fee (you must spend another \$1,000 per month to meet the \$4,000 minimum spend). You must send us with copies of receipts and evidence of your compliance with the Local Marketing Commitment. If you do not expend the minimum required amount on local advertising, we may require you to pay us the deficiency.

In addition to consumer advertising, you must spend at least \$500 per month on advertising directed towards the solicitation and recruitment of cleaners/employees (i.e., your Employee Advertising Commitment). If we agree to waive this requirement for any given period of time, you must spend the \$500 monthly amount on local advertising to promote your Business, which would be in addition to your Local Marketing Commitment.

You may develop your own advertising and marketing materials and programs but we must approve them prior to use. We must also approve the media you intend to use. You may not use any advertising materials, programs

or media that we have not approved.

Websites, Social Media and Digital Advertising

We maintain a corporate website to promote our brand. We will also create and host a local webpage for your MB Business that will be linked to our corporate website and list information about your MB Business we deem appropriate. We can modify or discontinue our website and/or your MB Business's webpage at any time.

Except for the webpage we provide, you may not: (a) develop, host or otherwise maintain a website (or other digital presence) bearing our Marks; (b) conduct digital or online advertising or marketing (except as we require or approve); or (c) engage in ecommerce. However, we do permit you to market your Business through approved social media channels, subject to the following requirements:

- you may only conduct social media utilizing social media platforms we approve
- you must strictly comply with our social media policy, as revised from time to time
- you must immediately remove any post we disapprove
- we may require that you contract with and utilize a social media company we designate
- you must provide us with full administrator rights to your social media accounts
- we must retain ownership of all social media accounts relating to your MB Business

Gift Card and Loyalty Programs

We may require that you participate in a gift card or other customer loyalty program in accordance with our policies and procedures. In order to participate, you may be required to purchase additional equipment, software and/or Apps and pay fees relating to the use of that equipment, software and/or Apps. We have the right to determine how proceeds from gift card sales are divided or otherwise accounted for and we may retain proceeds from unredeemed gift cards. You must follow all policies we establish for gift card and/or loyalty programs.

Advertising Cooperatives

We may, but need not, establish regional advertising cooperatives for purposes of pooling advertising funds to be used in discrete regions. We determine the boundaries of the cooperative, which usually coincide with zip codes, designated marketing areas or municipal boundaries. If your MB Business is located in a region subject to an advertising cooperative you must: (a) participate in the cooperative according to its rules and procedures and abide by its decisions; and (b) pay a cooperative advertising fee. We may set the minimum cooperative advertising fee or we may allow the cooperative to set the fee based on majority vote of its members. In either case, the cooperative advertising fee will not exceed the Local Marketing Commitment unless 2/3 of the cooperative members vote in favor of a higher fee. All cooperative advertising fees you pay are credited against your Local Marketing Commitment. Company-owned MB Businesses located in cooperatives contribute on the same basis as franchisees.

We specify the manner in which the cooperative is organized and governed. We may administer the cooperative ourselves. Or we may establish an advertising council, comprised by the cooperative's members, to administer the cooperative. We may require that cooperatives operate in accordance with written bylaws, organizational documents or other governing documents we approve. Advertising cooperatives are not required to prepare annual or periodic financial statements, but we may change this policy. Any financial statements that are prepared will be made available to you upon request. We reserve the right to form, change, merge or terminate advertising cooperatives at any time. No advertising cooperatives were in effect on December 31, 2025.

Brand and System Development Fund

We currently administer a Brand Fund to promote public awareness of our brand and improve our System. We may use the Brand Fund to pay for any of the following:

- developing, distributing or administering advertising and marketing materials and programs
- conducting and administering promotions, contests or giveaways
- public and consumer relations and publicity
- brand development

- sponsorships and charitable and nonprofit donations and events
- research and development of technology, products and services
- website development and search engine optimization
- development, maintenance and promotion of an ecommerce platform
- development and implementation of quality control programs
- conducting market research
- reimbursing costs we incur to host franchisee conferences not covered by registration fees
- changes and improvements to the System
- fees and expenses charged by advertising agencies we engage to provide marketing services
- collecting and accounting for brand fund fees and preparing financial accountings of the Brand Fund
- any other programs or activities we deem appropriate to promote or improve the System
- reimbursing us for administrative, overhead and other expenses we incur to administer the Brand Fund, including compensation paid to our personnel for time spent working on Brand Fund matters

We direct and have complete control and discretion over all advertising programs paid for by the Brand Fund, including the creative concepts, content, materials, endorsements, frequency, placement and media used. Advertising may be local, regional or national in coverage and utilize any media we deem appropriate (e.g., digital, print, television, radio or billboard). The Brand Fund will not be used to pay for advertisements principally directed at selling additional franchises, although consumer advertising may include notations such as “franchises available” and one or more pages on our website may promote the franchise opportunity.

You must pay the brand fund fee we specify from time to time (not to exceed 2% of Gross Sales). Company-owned MB Businesses (if any) contribute to the Brand Fund on the same basis as franchisees. All monies deposited into the Brand Fund that are not used in the fiscal year in which they accrue will be used in a subsequent year. Any surplus of monies may be invested and we may lend money if there is a deficit. Brand fund fees are kept in a separate account and not commingled with our other funds. An unaudited financial accounting of Brand Fund contributions and expenditures will be prepared annually and made available to you upon request. During the 2025 fiscal year we spent the marketing funds in the following manner:

Allocation of Marketing Expenditures (2025)				
Use of Funds	Production	Media Placement	Administrative Expenses	Other*
Allocation	0%	39%	59%	2%

* Other includes credit card fees and other miscellaneous fees.

The Brand Fund is not a trust. We have no fiduciary obligations or liability to you with respect to our administration of the Brand Fund. Once established, we may discontinue the Brand Fund on 30 days’ notice.

Strategic Relationships (§6.5)

We may (but need not) negotiate strategic business relationships with Strategic Relationship Partners to enhance our System or expand the potential client base for MB Businesses (“Strategic Relationships”). A “Strategic Relationship Partner” means a business, organization, association, Regional Referral Source (as described in Item 12) or other institution that is comprised by or has relationships with members, employees, clients or other constituents who: (a) may be in need of MB Services, or may be in a position to refer clients in need of MB Services; and (b) are located or reside within the territories of multiple MB Businesses. It also includes a commercial client who contracts for MB Services involving facilities located in multiple territories. A “Strategic Relationship Client” means a person who: (a) is a member, employee, client or other constituent of, or who is referred by, a Strategic Relationship Partner; and (b) receives MB Services from an MB Business in accordance with the terms of a contract we negotiate with the Strategic Relationship Partner.

You must participate in all Strategic Relationships we establish and honor the terms we negotiate with the Strategic Relationship Partner (including, if applicable, negotiated pricing terms). The Manual describes our

current Strategic Relationship programs (if any) and the terms of participation, including the compensation paid to MB Businesses. We reserve the right to collect payments from Strategic Relationship Partners and remit them to you. These programs and Strategic Relationships may change from time to time. We have no obligation to maintain Strategic Relationships or develop new ones. We have the exclusive right to establish Strategic Relationships and enter into contracts with Strategic Relationship Partners. You are prohibited from doing so. You must refer all potential Strategic Relationship opportunities to us.

Advisory Council (§13)

We may, but need not, create a franchise advisory council to provide us with suggestions to improve the System, including matters such as marketing, operations or new products or services. We would consider suggestions in good faith, but would not be bound by them. The council would be established and operated according to rules and regulations we periodically approve, including procedures governing the selection of council representatives to communicate with us on matters raised by the council. You would have the right to be a member of the council as long as you comply with your Franchise Agreement and do not act in a disruptive or abusive manner, as determined by us in our discretion. As a member, you would be entitled to all voting rights and privileges granted to other council members. Any company-owned MB Business would also be a member of the council. Each member would be granted 1 vote on all matters on which members are authorized to vote. We would have the power to form, change or dissolve the advisory council in our discretion.

Computer System (§11.6, 11.8, 11.9, 16.2, 16.3, 16.7 & 17.1)

Description of Computer System

You must purchase and use all Technology Systems we designate, including a computer system that includes:

- 1 computer with Windows Professional operating system and Microsoft Office
- 1 20" widescreen HD color monitor
- 1 color printer
- MaidCentral operating software
- QuickBooks Online (financial accounting software)

We require a minimum 25 Mbps broadband internet connection. We may change the required Technology Systems from time to time, including your computer system. We may also change required operating software.

Description of How Computer System is Used

You will use your computer system to help you manage and operate your Business. MaidCentral handles most business functions. You will use MaidCentral to:

1. Manage your operations by: tracking leads; scheduling jobs; measuring and monitoring team/employee efficiency and productivity; preparing detailed payroll reports and summaries; maintaining a client database with information such as name, address, directions, service history, pricing and prior payments.
2. Manage your finances by: generating weekly performance analysis reports; measuring productivity and generating productivity reports; and calculating employee gross pay and personal vehicle mileage reimbursements.
3. Manage your marketing by: collecting data regarding leads, bookings, conversions and cancellations (broken down by advertising source); collecting and compiling client information used for marketing purposes; producing mailing lists and mailing labels for follow-up mailings; tracking effectiveness of your sales representatives; and recording weekly advertising expenditures.

You will use QuickBooks Online to perform financial and accounting functions and generate financial reports. We provide you with up to 3 MAID BRIGADE® email addresses in exchange for our standard technology fee. You must exclusively use these email addresses for all communications with us, customers, suppliers and other persons relating to your Business. We may also provide you with a designated phone number for your business. If we do not provide a phone number, you must notify us of the primary phone number associated with your business. We will own all MAID BRIGADE® email addresses and your primary business phone number (whether provided by us or you), but allow you to use them during the term of the Franchise Agreement.

Fees and Costs

We estimate the initial cost of your computer system is \$1,000 to \$2,000 plus a \$700 initial setup fee for MaidCentral. As further detailed in Item 6, you pay us a technology fee for any software, technology and related services we provide. The technology fee will not exceed \$175 per week. The table below estimates your ongoing fees and costs pay for software, technology, Apps, subscriptions and related services (including the software, technology and related services covered by the technology fee):

COMPUTER SYSTEM – ONGOING FEES AND COSTS ¹			
Item	Fees and Costs		To Whom Paid?
	Weekly/Monthly	Annual	
Technology Fee	Up to \$175/week ² (currently \$100/week)	Up to \$9,100 (currently \$5,200)	Us
MaidCentral	\$450 to \$1,000/month ³	\$5,400-\$12,000	Third-Party Licensor
QuickBooks Online	\$90 to \$130/month ⁴	\$1,080 to \$1,560	Third-Party Licensor

1. Fees charged by third-party licensors are subject to change.
2. We may increase the \$175 weekly technology fee cap by up to 20% per year. We may also increase the weekly fee cap based on CPI increases (but no more frequently than once every 5 years). The current technology fee (\$100 per week) covers your webpage, up to 3 MAID BRIGADE® email addresses, your primary business phone number and access to LMS. If you require more than 3 email accounts, you must pay an additional technology fee of \$7 per week (\$364 per year) for each email account you require in excess of 3 (subject to the \$175 weekly fee cap).
3. The monthly fee for MaidCentral varies depending on the number of services rendered per month.
4. The monthly fee for QuickBooks varies depending on the version you select and whether you purchase the optional QuickBooks Payroll program.

Maintenance, Support, Updates and Upgrades

In exchange for the monthly fees listed above, the licensors of the software programs will provide any required maintenance or updates for the software. You are responsible for hardware repairs and replacement of system components no longer covered under warranty. We are not aware of any optional or required maintenance, updating, upgrading or support contracts. Neither we nor any other party has any obligation to provide ongoing maintenance, repairs, upgrades or updates to your computer system except as disclosed above. We estimate the cost of annual updates and maintenance to be approximately \$100 per year.

Collection and Sharing of Data

Your computer system will collect various financial and operational data pertaining to your Business (including client names, addresses, payment information, service history and contact information). We have independent unlimited access to the data collected on your computer system and there are no contractual limits imposed on our access.

Computer System Maintenance and Changes

You must maintain the computer system in good condition at your cost. We may require that you upgrade, update or otherwise change your computer system and other Technology Systems to conform to our then-current specifications. There is no contractual limitation on the frequency or cost of these updates, upgrades or changes.

ITEM 12 TERRITORY

You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control.

Location of MB Office

The Franchise Agreement grants you the right to operate your Business solely within your Territory (subject to limited exceptions described below) from the MB Office we approve. You may relocate your MB Office with

our approval. If we allow you to relocate you must: (a) obtain our approval of the site for your new MB Office (which must be in your Territory); (b) develop and equip your new MB Office to conform to our then-current System standards and specifications; (c) sign a general release (subject to state law); (d) remove trade dress and alter the premises of your former MB Office to eliminate any resemblance to a MAID BRIGADE® office; and (e) close your MB Office for no more than 3 days* while you move equipment and fixtures (you must to continue to operate your Business at all times).

* If your MB Office is destroyed, condemned or otherwise rendered unusable due to the physical condition of the premises, you have 180 to relocate and open your new MB Office.

Territory Description

Most territories include 20,000 to 35,000 Qualified Households (30,000 is ideal). Your Territory will include at least 20,000 Qualified Households unless you specifically request a Territory comprised by a metropolitan area with fewer than 20,000 Qualified Households. We may designate the boundaries of your Territory in any manner we deem appropriate. We have no obligation to modify your Territory based on changes to the number of Qualified Households during the term of the Franchise Agreement. Upon renewal, we reserve the right to modify the boundaries of your Territory in accordance with our then-current territory guidelines and criteria.

Territorial Protections and Limitations

Although we do not grant exclusive territories, we do grant you the territorial protections described below:

MB Offices

During the term of your Franchise Agreement we will not authorize another MB Business (other than a Converted Outlet) to operate from an MB Office in your Territory. We reserve the right to acquire (or be acquired by) another company or system that sells goods or services the same as or similar to the MB Services you provide, and any outlet of the acquired or acquiring company that is located in your Territory may be converted into an MB BUSINESS (a “Converted Outlet”). A Converted Outlet may engage in the same business activities as you within your Territory.

Clients

During the term of your Franchise Agreement we will not authorize another MB Business (other than a Converted Outlet) to provide MB Services to clients in your Territory unless any of the following apply:

- the client requests service from another MB Business with whom the client has a pre-existing relationship
- the client is a Strategic Relationship Client and any of the following apply: (a) you are in default under the Franchise Agreement; (b) you fail to satisfy minimum criteria for participation in the Strategic Relationship program; or (c) the Strategic Relationship Partner objects to you servicing the Strategic Relationship Client
- the client requires service at a time when you lack a state license necessary to lawfully operate your Business
- the client submits a formal complaint to us about your MB Business and we decide to provide assistance or support to the client through another MB Business in response to the complaint

Referral Sources

During the term of your Franchise Agreement we will not authorize another MB Business (other than a Converted Outlet) to solicit referrals from referral sources in your Territory unless the referral source is a Regional Referral Source. A “Regional Referral Source” means a referral source who regularly refers, or who we believe is in a position to regularly refer, clients to MB Businesses located in multiple markets or regions.

Targeted Marketing

During the term of your Franchise Agreement we will not authorize another MB Business (other than a Converted Outlet) to conduct “targeted marketing” (described further below) within your Territory for purposes of soliciting clients or referral sources (other than Regional Referral Sources).

Minimum Performance Criteria

During each 3-month period (a “Quarter”), commencing with the 2nd anniversary of your opening date, you must generate Gross Sales equal to or greater than the Minimum Quarterly Gross Sales Amount (the “Minimum Sales”).

Criteria”). The Minimum Quarterly Gross Sales Amount is calculated as \$6 multiplied by the total number of Qualified Households in your Territory divided by 4. The Minimum Sales Criteria is measuring during each Quarter (with the first Quarter commencing with the beginning of the 25th month after your opening date). If you fail to achieve the Minimum Sales Criteria for 3 consecutive Quarters we may elect to: (a) reduce the size of your Territory; (b) eliminate your territorial rights and protections; or (c) terminate the Franchise Agreement. Your territorial protections do not depend on achieving any other sales volume, market penetration, or other contingency.

Alternative Channels of Distribution

We may sell, and license third parties to sell, goods and services that are the same as or similar to MB Services (under the Marks or different trademarks) within your Territory through Alternative Channels of Distribution. An “Alternative Channel of Distribution” means any channel of distribution other than the sale or rendering of MB Services from an MB Office or within a client’s home or business premises. Examples include the sale of MB Services (or any other goods or services): (a) through direct marketing, such as the Internet or telemarketing; (b) through retail stores that do not operate under the Marks; or (c) at wholesale. You are not entitled to any compensation for sales that take place through Alternative Channels of Distribution.

Vacant Territories

You may request the right to operate your Business in a Vacant Territory. A “Vacant Territory” means any geographic area adjacent to your Territory that, as of the relevant date, is neither assigned to nor serviced by another MB Business. We may approve or reject your request. If approved, you may operate your Business in the Vacant Territory (including soliciting, advertising and providing MB Services to clients who reside in the Vacant Territory and soliciting referral sources in the Vacant Territory), subject to the following:

- you may only operate in the Vacant Territory we designate
- you must demonstrate you are reasonably capable of consistently providing MB Services to clients in the Vacant Territory in accordance with our standards, policies and procedures
- you must maintain all licenses necessary to lawfully operate in the Vacant Territory
- you receive no territorial rights or protections with respect to the Vacant Territory
- we may at any time for any reason (or for no reason) revoke our approval

If we revoke our approval, you must immediately discontinue Business operations in the Vacant Territory, send us copies of all data and contracts relating to clients and referral sources in the Vacant Territory, and help transition those clients and referral sources to another MB Business we designate (unless we agree otherwise).

Restrictions on Sales and Marketing Activities

You can market and advertise outside your Territory as long as you: (a) comply with all policies and procedures in the Manual governing extra-territorial marketing; and (b) do not engage in targeted marketing directed into another MB Business’s territory (unless conducted as part of an advertising cooperative that includes the affected territory). Marketing that is distributed, circulated or received in both your Territory and another MB Business’s territory is not “targeted marketing” if: (a) you use reasonable efforts to limit circulation or distribution of the advertising to areas in your Territory; and (b) most recipients of the advertising are located in your Territory and there is only incidental circulation or distribution in another MB Business’s territory. The meaning of “targeted marketing” that is “directed into a territory” may be further defined in the Manual. Examples include direct mail sent to addresses in a given territory, digital advertising sent to devices with IP addresses registered in a given territory and conducting promotional events in a given territory.

You cannot service a client outside your Territory unless: (a) the client has a pre-existing relationship with you and requests service from you; (b) the client is located in a Vacant Territory we authorize you to service; or (c) we otherwise authorize you to service the client.

You may not market or sell using Alternative Channels of Distribution (such as the Internet, catalog sales, telemarketing or other direct marketing) either inside or outside your Territory. Your marketing activities are also subject to the restrictions described in Item 11 under *Websites, Social Media and Digital Advertising*.

There are no other restrictions on your right to solicit clients from inside or outside your Territory.

Additional Franchises and Territories

We do not grant options, rights of first refusal or similar rights to acquire additional territories or franchises.

Competing Businesses Under Different Marks

Neither we nor our affiliates currently intend to operate or franchise another business under a different trademark that sells products or services similar to MB Services but we reserve the right to do so.

ITEM 13 TRADEMARKS

We registered the following Marks with the United States Patent and Trademark Office:

Mark	Registration No.	Registration Date (Renewal Date)	Register (Principal or Supplemental)
MAID BRIGADE	6,659,732	March 1, 2022	Principal
PUREMIST	5,875,400	October 1, 2019 (October 2, 2025)	Principal
PURE CLEANING	5,942,713	December 24, 2019 (February 3, 2026)	Principal
	5,295,625	September 26, 2017 (November 21, 2023)	Principal
	6,657,295	March 1, 2022	Principal
	5,942,715	December 24, 2019 (October 23, 2025)	Principal

All required affidavits have been filed and we intend to file all renewals by the required renewal date.

We may change the trademarks you may use from time to time, including by discontinuing use of the Marks listed in Item 13. If this happens, you must change to the new trademark at your expense.

You must notify us immediately if you discover an infringing use (or challenge to your use) of the Marks. We will take the action we deem appropriate. We are not required to take any action if we do not feel it is warranted. You may not control any proceeding or litigation involving our Marks. We will indemnify you against and reimburse you for: (a) all damages for which you are held liable in a judicial or administrative proceeding based on your use of our primary Mark (i.e., MAID BRIGADE®) in compliance with the Franchise Agreement and Manual; and (b) all costs you reasonably incur in defending against any such claim. Our indemnification obligation only applies if you notify us of the claim or proceeding in a timely manner and you are in full compliance with the Franchise Agreement and Manual.

Except as disclosed above, the Franchise Agreement does not require that we: (a) protect your right to use the Marks; (b) protect you against claims of infringement or unfair competition arising out of your use of the Marks; or (c) participate in your defense or indemnify you for expenses or damages you incur if you are a party to an administrative or judicial proceeding involving our Marks or if the proceeding is resolved in a manner unfavorable to you.

There are currently no: (a) effective material determinations of the Patent and Trademark Office, the Trademark Trial and Appeal Board, the trademark administrator of this state or any court; (b) pending infringements, oppositions or cancellations; (c) pending material litigation matters involving any of the Marks; (d) infringing uses we are aware of that could materially affect your use of the Marks; or (e) agreements that limit our right to use or sublicense use of the Marks.

ITEM 14 PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

Patents and Copyrights

No patents or pending patent applications are material to the franchise. Although we have not filed an application for copyright registration for the Manual, our website or our marketing materials, we do claim a copyright to these items. There are no current material determinations of the United States Patent and Trademark Office, the United States Copyright Office, or any court regarding any patents or copyrights material to an MB Business.

Confidential Information

During the term of the Franchise Agreement, we allow you to develop and operate your MB Business using certain confidential and proprietary information (some of which constitute “trade secrets”) including: methods; techniques; policies; procedures; standards and specifications; housecleaning techniques, equipment and supplies; supplier lists, customer lists and information regarding suppliers and customers; marketing strategies; and information comprising the System. We provide access to our confidential information through the Manual, training programs and other periodic support and guidance. We own all ideas, improvements, inventions, marketing materials and other concepts you develop relating to an MB Business. We also own all operational and customer data pertaining to your MB Business. You must treat this all of this data and information as confidential and proprietary.

You may not disclose our confidential information to anyone other than your employees, on a need-to-know basis, without our prior permission. Your employees and representatives must sign our current form of Confidentiality Agreement before you give them access to our confidential information. You may not enter any of our confidential or proprietary information into public/open AI models or any other AI model that uses such information to train the AI without our prior approval.

Infringements

You must promptly notify us if you discover an unauthorized use of our proprietary information or copyrighted materials. We are not required to act, but will respond as we deem appropriate. You may not control any proceeding or litigation involving allegations of unauthorized use of our proprietary information or copyrighted materials. We have no obligation to indemnify you for any expenses or damages you incur as a result of any such proceeding or litigation. There are no infringements known to us at this time.

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

Owner Participation

You must designate an owner with overall responsibility for your Business (the “Responsible Owner”). The Responsible Owner must: (a) be approved by us; (b) have binding decision-making authority on matters involving the Business; (c) successfully complete all training programs we require; (d) dedicate full-time best efforts to the Business; (e) manage and supervise the Business any time the Designated Manager is not available; and (f) at all times hold at least a 20% ownership interest in the franchise. Any new Responsible Owner you appoint must successfully complete initial training before managing your Business.

Except as otherwise provided above with respect to your Responsible Owner, we do not require that your owners personally participate in the management or operation of your Business. If you are an entity, each person holding a direct or indirect ownership interest in the entity and their spouse must sign the Owner Agreement attached to the Franchise Agreement. By signing the Owner Agreement, the owner (or spouse of the owner) agrees to: (a) comply with all brand protection covenants (except to the extent prohibited by law), covenants that protect our intellectual property and transfer restrictions set forth in the Franchise Agreement; and (b) guarantee the franchisee’s financial obligations.

Designated Manager

You must appoint a Designated Manager with primary responsibility for the management of your Business. Your Designated Manager must: (a) be approved by us; (b) successfully complete all training programs we require; (c) dedicate full-time best efforts to the Business; and (d) sign a Confidentiality Agreement. The

Responsible Owner may, but need not, serve as the Designated Manager. If the Responsible Owner does not serve as the Designated Manager, the Responsible Owner must supervise the Designated Manager to ensure the Business is operated in compliance with the Franchise Agreement and Manual. We do not require that your Designated Manager own an equity interest in the franchise.

ITEM 16 RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

We must approve all goods and services you sell. You must offer all goods and services we require, subject to applicable law (including any applicable licensure requirements). You may not offer heavy janitorial services or any other goods or services we disapprove. At any time, we may change the goods and services you sell and you must comply with the change. We may require you to participate in gift card and loyalty programs in accordance with our policies and procedures. If we negotiate a contract with a Strategic Relationship Partner, you must provide MB Services to the Strategic Relationship Clients in accordance with the terms we negotiate.

ITEM 17 RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION

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

THE FRANCHISE RELATIONSHIP		
PROVISION	SECTIONS IN AGREEMENT	SUMMARY
a. Length of franchise term	1 (definition of Term) & 4.1	Term is equal to 10 years.
b. Renewal or extension of the term	4.1 & 4.2	You do not have the contractual right to renew (subject to state law). If we offer you the right to renew, the renewal term will be 10 years.
c. Requirements for you to renew or extend	4.1 & 4.2	If we decide to offer you the right to renew (or if mandated by state law), then in order to renew you must: not be in default; give us timely notice; sign then-current form of franchise agreement; sign general release (subject to state law); update furniture, fixtures and equipment to current standards; pay renewal fee; and extend lease term. If you renew, you may be required to sign a contract with materially different terms and conditions than the original contract.
d. Termination by you	21.1	You can terminate if we default and fail to timely cure.
e. Termination by us without cause	21.3	We can terminate without cause if you provide your written consent.
f. Termination by us with cause	21.2	We can terminate if you default.
g. "Cause" defined - curable defaults	21.2	You have the following cure periods: (a) 24 hours for health or safety hazards; (b) 3 days for sale of unauthorized goods/services or failure to offer required goods/services; (c) 10 days for financial defaults; (d) 20 days for loss of a required license/permit; (e) 30 days for other defaults (other than a default described below under "non-curable defaults").

THE FRANCHISE RELATIONSHIP		
PROVISION	SECTIONS IN AGREEMENT	SUMMARY
h. "Cause" defined - non-curable defaults	21.2	The following defaults cannot be cured: insolvency, bankruptcy or asset seizure; failure to successfully complete training; failure to find approved site or open in timely manner; abandonment; certain criminal convictions or administrative enforcement actions; violation of material law; acts that may adversely affect reputation of System or Marks; knowingly maintaining false books or records; material misrepresentation or false report; 2 nd underreporting of Gross Sales by 2% or more; 2 nd rejection of ACH debit for insufficient funds; unauthorized Transfers; failure to adequately respond to client complaints 7 times in 12-month period; unauthorized use of intellectual property; failure to notify us of matter listed in §16.6; breach of minimum sales criteria (for 3 consecutive quarters), brand protection covenant, legal compliance representation or Owner Agreement; 2 or more default notices in 12-month period; or termination of any other agreement between you (or your affiliate) and us (or our affiliate) due to your default.
i. Your obligations on termination/non-renewal	22.1	Obligations include: remove trade dress and alter premises to eliminate resemblance to an MB Office; remove wrap from MB Vehicle; cease use of intellectual property; cancel fictitious names; return Manual and branded materials; assign telephone numbers, listings and domain names; assign client/referral source data and contracts; return client keys and property; help transition clients to MB Business we designate; comply with data retention policies; provide final accounting and pay amounts due (including liquidated damages, if applicable) (also see "r", below).
j. Assignment of contract by us	20.1	No restriction on our right to assign.
k. "Transfer" by you – definition	1 (definition of Transfer) & 20.2	Includes ownership change or transfer of contract or assets.
l. Our approval of transfer by you	1 (definition of Permitted Transfer), 20.2 & 20.3	You may engage in Permitted Transfers (defined in Note 2 in Item 6) without approval. We must approve other Transfers but will not unreasonably withhold approval.
m. Conditions for our approval of transfer	20.2 & 20.3	<i>[Permitted Transfers]</i> You must: be compliant with Franchise Agreement; provide corporate documents (if assignee is an entity); and sign general release (subject to state law).
		<i>[Other Transfers]</i> Transferee must: submit Franchise Application; meet our qualifications; successfully complete training (or arrange to do so); obtain required licenses and permits; assume your obligations under Business contracts; sign then-current form of franchise agreement for remaining term or, at our option, assume your Franchise Agreement; and upgrade furniture, fixtures and equipment to current standards within 1 year of Transfer or such shorter period of time we specify. You must: be compliant with Franchise Agreement; send us notice describing Transfer; assign lease; pay transfer fee (subject to state law); subordinate transferee's ongoing payments to you (if any) to transferee's payments owed to us; and sign general release (subject to state law). We must notify you that we will not exercise our right of first refusal.
n. Our right of first refusal to acquire your business	20.5	We can match any offer for your business.
o. Our option to purchase your business	22.2	We have an option to purchase your Business (or the assets we designate) for fair market value when your franchise terminates or expires.

THE FRANCHISE RELATIONSHIP		
PROVISION	SECTIONS IN AGREEMENT	SUMMARY
p. Your death or disability	20.4	Within 180 days, interest must be assigned by estate to an assignee in compliance with conditions for other Transfers. We may designate a manager to operate the Business prior to Transfer.
q. Non-competition covenants during the term of the franchise	15.3	You may not: have any involvement with a competing business (subject to state law); divert business from us or other MB Businesses; or induce clients to cease working with any MB Business.
r. Non-competition covenants after the franchise is terminated or expires	15.3 & 22.1	For 2 years you may not: be involved with a competing business that operates in your Territory or a territory assigned to another MB Business (subject to state law); divert business from us or other MB Businesses; or induce clients to cease working with any MB Business. You must cease communicating with clients except as needed to comply with your post-term obligations.
s. Modification of the agreement	25.3 & 25.8	We may unilaterally change the Franchise Agreement (to reduce scope of restrictive covenants or conform to state law) and Manual. Other changes require a written agreement signed by both parties.
t. Integration/merger clause	25.8	Only terms of the Franchise Agreement and its attachments are binding (subject to state law). Any representations or promises made outside the Disclosure Document and Franchise Agreement may not be enforceable. Nothing in the Franchise Agreement or related agreements is intended to disclaim any representations we made in this Disclosure Document. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the beginning of the franchise relationship has the effect of (a) waiving any claim under applicable state franchise law, including fraud in the inducement, or (b) disclaiming reliance on any statement made by us or any franchise seller or other person acting on our behalf. This provision supersedes any other term of any document signed in connection with the franchise.
u. Dispute resolution by arbitration or mediation	23	Subject to state law, all disputes must be mediated before litigation, except for certain disputes involving our intellectual property or compliance with restrictive covenants or post-term obligations.
v. Choice of forum	23	Subject to state law, mediation and litigation must take place in county where we maintain our principal place of business at time dispute arises (currently Maricopa County, Arizona).
w. Choice of law	25.1	Subject to state law, Arizona law governs.

ITEM 18 PUBLIC FIGURES

We do not use any public figures to promote our franchise.

ITEM 19 FINANCIAL PERFORMANCE REPRESENTATIONS

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

Defined Terms

For purposes of this FPR, the following terms have the meanings given to them below.

“Company-Owned Outlet” means any MB Business owned by us, our affiliate or a person listed in Item 2 of this Disclosure Document if that person also manages the MB Business.

“Converted Outlet” means an MB Business that was a Company-Owned Outlet sold to a franchisee, or a Franchised Outlet reacquired by us or our affiliate, during the Measuring Period.

“FPR” means the financial performance representation set forth in Item 19 of this Disclosure Document.

“Franchised Outlet” means any MB Business owned by a franchisee.

“Gross Sales” means the total gross sums that: (a) are billed or invoiced for all goods and services sold from or relating to the Business (including amounts billed but not collected); (b) we or our affiliate pay for servicing a strategic relationship account; or (c) otherwise relate to the Business, including advertising revenue, sponsorship fees and business interruption insurance proceeds. Gross Sales excludes: (a) sales or use taxes; (b) revenue from the sale of furniture, fixtures or equipment in the ordinary course; and (c) tips paid to and retained by staff members as a gratuity.

“Measuring Period” means the period of time beginning January 1, 2025 and ending December 31, 2025.

“Qualifying Franchisee” means a franchisee who: (a) operated their Franchised Outlet throughout the Measuring Period; and (b) is not a Converted Outlet.

System Statistics

This FPR excludes data from Company-Owned Outlets.

This FPR includes data for all Qualifying Franchisees. As of December 31, 2025, there were 71 open franchisees (with 275 territories), 67 of whom are Qualifying Franchisees. We excluded data for 1 franchisee (with 1 territory) who opened in 2025 and was not open the entire Measuring Period. We have also excluded data for 3 franchisees (with 20 territories) who purchased existing Company-Owned Outlets in 2025, which were not operated as Franchised Outlets for the entire Measuring Period. The table below summarizes the franchisee statistics and the number of Qualifying Franchisees. Each Qualifying Franchisee may be referred to as an “outlet”.

2025 Outlet Statistics*				Converted Outlets	Qualifying Franchisees
Open Jan 1, 2025	Opened in 2025	Closed in 2025	Open Dec 31, 2025		
69	4**	2	71	3**	67

* There are no excluded outlets in this FPR that closed during 2025 after being open less than 12 months.

** Three (3) of the 4 openings in 2025 consist of Company-Owned Outlets acquired by franchisees in 2025 (i.e., Converted Outlets). However, they are not “new” openings.

There are no material differences between the operations of the MB Businesses operated by the Qualifying Franchisees and the franchised business offered under this Disclosure Document.

Subsets Utilized

For purposes of this FPR, each franchisee is considered a separate “outlet” even though some franchisees operate multiple territories. The 67 Qualifying Franchisees operate a total of 254 territories as of December 31, 2025. We created the following subsets based on the number of territories owned by Qualifying Franchisees:

Subset	Number of Territories Owned*	Number of Qualifying Franchisees	Total Number of Territories
1	All Franchisees	67	254
2	Franchisees Operating 1 Territory	13	13
3	Franchisees Operating 2 Territories	16	32
4	Franchisees Operating 3 Territories	11	33
5	Franchisees Operating 4 Territories	8	32
6	Franchisees Operating 5 Territories	7	35

Subset	Number of Territories Owned*	Number of Qualifying Franchisees	Total Number of Territories
7	Franchisees Operating 6 Territories	5	30
8	Franchisees Operating 7 Territories	2	14
9	Franchisees Operating 8 Territories	N/A	N/A
10	Franchisees Operating 9 Territories	1	9
11	Franchisees Operating 10 Territories	2	20
12	Franchisees Operating >10 Territories	2	36

* Qualifying Franchisees are assigned to subsets based on the number of territories owned at the end of the Measuring Period. For example, a Qualifying Franchisee who starts the Measuring Period with 2 territories and ends the Measuring Year with 1 territory would be assigned to Subset 2 (Franchisees Operating 1 Territory). If a Qualifying Franchisee changes the number of territories owned during the Measuring Period, we exclude data from each territory that is acquired or closed during the Measuring Period. In other words, we only include data attributable to territories that were open the entire Measuring Period.

Of the 67 Qualifying Franchisees, none reduced or increased the number of territories owned during the course of the Measuring Period.

Financial Performance Representation

The following table presents Gross Sales generated during the Measuring Period by the Qualifying Franchisees:

2025 GROSS SALES – FRANCHISED OUTLETS						
Subset	Qualifying Franchisees	Lowest	Highest	Median	Average	Number & Percent that Achieved/Surpassed Average
Subset 1 (All)	67	\$59,232	\$5,758,990	\$637,111	\$946,763	25 of 67 (37%)
Subset 2 (1 Territory)	13	\$59,232	\$1,331,850	\$388,298	\$463,961	5 of 13 (38%)
Subset 3 (2 Territories)	16	\$95,216	\$830,386	\$491,794	\$433,527	9 of 16 (56%)
Subset 4 (3 Territories)	11	\$204,169	\$2,087,375	\$717,310	\$931,740	5 of 11 (45%)
Subset 5 (4 Territories)	8	\$413,075	\$1,746,868	\$1,122,814	\$1,129,214	4 of 8 (50%)
Subset 6 (5 Territories)	7	\$372,351	\$3,037,087	\$1,352,433	\$1,435,491	3 of 7 (43%)
Subset 7 (6 Territories)	5	\$269,288	\$1,606,511	\$1,063,317	\$930,109	3 of 5 (60%)
Subset 8 (7 Territories)	2	\$2,155,134	\$2,836,015	\$2,495,575	\$2,495,575	1 of 2 (50%)
Subset 9 (8 Territories)	N/A	N/A	N/A	N/A	N/A	N/A
Subset 10 (9 Territories)	1	\$2,847,377	\$2,847,377	\$2,847,377	\$2,847,377	1 of 1 (100%)
Subset 11 (10 Territories)	2	\$527,005	\$645,180	\$586,092	\$586,092	1 of 2 (50%)
Subset 12 (>10 Territories)	2	\$1,713,643	\$5,758,990	\$3,736,316	\$3,736,316	1 of 2 (50%)

Notes:

1. Source of Data: We prepared this FPR using data from Gross Sales reports submitted by Qualifying Franchisees. The data has not been audited.
2. Historical Results: This FPR reflects the historical results achieved by Qualifying Franchisees.
3. No Expenses: This FPR does not include any expense information.

Some MB Businesses have sold this amount. Your individual results may differ. There is no assurance that you will sell as much.

Written substantiation for this financial performance representation will be made available to you upon your reasonable written request.

Other than the preceding financial performance representation, we do not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting our Chief Financial Officer, Gregory Esgar, at MB Franchise Holdings, Inc. 8100 E. Indian School Road, Suite 201, Scottsdale, Arizona 85251, (770) 551-9630, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20 OUTLETS AND FRANCHISEE INFORMATION

TABLE 1 - SYSTEM-WIDE OUTLET SUMMARY FOR YEARS 2023 TO 2025				
Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2023	68	71	+3
	2024	71	69	+2
	2025	69	71	+2
Company-Owned	2023	2	2	0
	2024	2	3	+1
	2025	3	0	-3
Total Outlets	2023	70	73	+3
	2024	73	72	-1
	2025	72	71	-1

TABLE 2 - TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS (OTHER THAN FRANCHISOR) FOR YEARS 2023 TO 2025		
State	Year	Number of Transfers
Arizona	2023	0
	2024	1
	2025	0
California	2023	0
	2024	0
	2025	1
Colorado	2023	1
	2024	0
	2025	0
Florida	2023	1
	2024	0
	2025	0

TABLE 2 - TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS (OTHER THAN FRANCHISOR) FOR YEARS 2023 TO 2025

State	Year	Number of Transfers
Illinois	2023	1
	2024	0
	2025	0
New Jersey	2023	1
	2024	0
	2025	0
North Carolina	2023	0
	2024	1
	2025	1
Texas	2023	2
	2024	0
	2025	0
Wisconsin	2023	0
	2024	1
	2025	0
Total	2023	6
	2024	3
	2025	0

TABLE 3 - STATUS OF FRANCHISED OUTLETS FOR YEARS 2023 TO 2025

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at End of Year
Alabama	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Arizona	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
California	2023	7	0	0	0	0	0	7
	2024	7	0	0	0	0	0	7
	2025	7	1	0	0	0	0	8
Colorado	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Connecticut	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
Florida	2023	6	3	0	0	0	0	9
	2024	9	0	0	0	0	0	9
	2025	9	1	0	0	0	1	9

TABLE 3 - STATUS OF FRANCHISED OUTLETS FOR YEARS 2023 TO 2025

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at End of Year
Georgia	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Hawaii	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Idaho	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Illinois	2023	3	0	0	0	0	1	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
Indiana	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Kentucky	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Maryland	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
Massachusetts	2023	1	1	0	0	0	0	2
	2024	2	0	0	0	0	1	1
	2025	1	0	0	0	0	0	1
Michigan	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Minnesota	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Missouri	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	1	0
	2025	0	0	0	0	0	0	0
Nebraska	2023	1	0	0	0	0	0	1
	2024	1	0	1	0	0	0	0
	2025	0	0	0	0	0	0	0
Nevada	2023	2	0	0	0	0	1	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1

TABLE 3 - STATUS OF FRANCHISED OUTLETS FOR YEARS 2023 TO 2025								
State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at End of Year
New Jersey	2023	3	0	0	0	0	0	3
	2024	3	0	0	0	0	1	2
	2025	2	0	0	0	0	0	2
New Mexico	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
New York	2023	5	0	0	0	0	0	5
	2024	5	0	0	0	0	0	5
	2025	5	0	0	0	0	0	5
North Carolina	2023	2	0	0	0	0	0	2
	2024	2	1	0	0	0	0	3
	2025	3	0	0	0	0	0	3
Oklahoma	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Oregon	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
Pennsylvania	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	1	0
Tennessee	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	1	0	0	0	0	2
Texas	2023	9	0	0	0	0	0	9
	2024	9	0	0	0	0	0	9
	2025	9	0	0	0	0	0	9
Utah	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Virginia	2023	3	0	0	0	0	0	3
	2024	3	0	0	0	0	0	3
	2025	3	1	0	0	0	0	4
Washington	2023	4	0	0	0	0	0	4
	2024	4	0	0	0	0	0	4
	2025	4	0	0	0	0	0	4
Wisconsin	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1

TABLE 3 - STATUS OF FRANCHISED OUTLETS FOR YEARS 2023 TO 2025								
State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at End of Year
Totals	2023	68	5	0	0	0	2	71
	2024	71	2	1	0	0	3	69
	2025	69	4	0	0	0	2	71

TABLE 4 - STATUS OF COMPANY-OWNED OUTLETS FOR YEARS 2023 TO 2025							
State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired From Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of Year
Florida	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	1	0
Tennessee	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	1	0
Virginia	2023	0	0	0	0	0	0
	2024	0	0	1	0	0	1
	2025	1	0	0	0	1	0
Totals	2023	2	0	0	0	0	2
	2024	2	0	1	0	0	3
	2025	3	0	0	0	3	0

TABLE 5 - PROJECTED OPENINGS AS OF DECEMBER 31, 2025			
State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
Florida	1	1	0
Texas	1	1	0
Totals	2	2	0

Notes:

1. Some franchisees operate multiple territories from a single MB Office. For purposes of Table 3, each outlet represents 1 MB Office.

A list of all current franchisees is attached to this Disclosure Document as EXHIBIT "F" (Part A), including their names and the addresses and telephone numbers of their outlets as of December 31, 2025. In addition, EXHIBIT "F" (Part B) lists the name, city and state, and the current business telephone number (or, if unknown, the last known home telephone number) of every franchisee who had an outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during our most recently completed fiscal year or who has not communicated with us within 10 weeks of the issuance date of this Disclosure Document. **If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.**

In the last 3 fiscal years, some franchisees have signed confidentiality agreements with us. In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with us. You may wish to speak with current and former franchisees, but be aware that not all such franchisees will be able to communicate with you.

There are no: (a) trademark-specific franchisee organizations associated with the franchise system being offered that we have created, sponsored or endorsed; or (b) independent franchisee organizations that have asked to be included in this Disclosure Document.

ITEM 21 FINANCIAL STATEMENTS

Our fiscal year ends on December 31st. Attached to this Disclosure Document as EXHIBIT "G"-1 are audited financial statements of EHC Holding Company, LLC, our parent, for the fiscal years ended December 31, 2025, December 31, 2024 and December 31, 2023. Our parent, EHC Holding Company, LLC, guaranteed our performance with you. Attached to this Disclosure Document as EXHIBIT "G"-2 is a copy of the guarantee of performance signed by our parent.

ITEM 22 CONTRACTS

Attached to this Disclosure Document (or the Franchise Agreement attached to this Disclosure Document) are copies of the following franchise and other contracts or agreements proposed for use or in use in this state:

Exhibits to Disclosure Document

- EXHIBIT "C" Franchise Agreement
- EXHIBIT "D"-1 State Addenda
- EXHIBIT "D"-2 Franchisee Disclosure Questionnaire (**Questionnaire may not be signed or used if the franchisee resides within, or the franchised business will be located within, a franchise registration state**)
- EXHIBIT "D"-3 General Release

Attachments to Franchise Agreement

- ATTACHMENT "B" Form of Site Approval Notice
- ATTACHMENT "C" Owner Agreement
- ATTACHMENT "D" ACH Authorization Form
- ATTACHMENT "E" Tradename Approval Notice

ITEM 23 RECEIPT

EXHIBIT "I" to this Disclosure Document are detachable receipts. You are to sign both, keep one copy and return the other copy to us.

EXHIBIT "A"
TO DISCLOSURE DOCUMENT

LIST OF STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS

<u>CALIFORNIA</u> Commissioner of Financial Protection & Innovation Department of Financial Protection & Innovation 320 West 4th Street, #750 Los Angeles, CA 90013 (213) 576-7500 1-866-275-2677 www.dfpi.ca.gov Ask.DFPI@dfpi.ca.gov <u>HAWAII</u> Commissioner of Securities of the State of Hawaii 335 Merchant Street, Room 203 Honolulu, Hawaii 96813 (808) 586-2722 <u>Agents for Service of Process:</u> Commissioner of Securities of the State of Hawaii Department of Commerce and Consumer Affairs Business Registration Division 335 Merchant Street, Room 203 Honolulu, Hawaii 96813 (808) 586-2722 <u>ILLINOIS</u> Illinois Attorney General Chief, Franchise Division 500 South Second Street Springfield, IL 62706 (217) 782-4465 <u>INDIANA</u> Secretary of State Securities Division Room E-018 302 West Washington Street Indianapolis, IN 46204 (317) 232-6681	<u>MARYLAND</u> Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, Maryland 21202 (410) 576-6360 <u>Agent for Service of Process:</u> Maryland Securities Commissioner 200 St. Paul Place Baltimore, Maryland 21202-2020 <u>MICHIGAN</u> Franchise Section Consumer Protection Division 525 W. Ottawa Street, G. Mennen Williams Building, 1st Floor Lansing, MI 48913 (517) 335-7567 <u>MINNESOTA</u> Commissioner of Commerce Director of Registration 85 Seventh Place East, #280 St. Paul, Minnesota 55101-3165 (651) 539-1500 <u>NEW YORK</u> NYS Department of Law Investor Protection Bureau 28 Liberty Street, 21st Floor New York, NY 10005 Phone: (212) 416-8222 <u>Agents for Service of Process:</u> Secretary of State 99 Washington Avenue Albany, NY 12231 <u>NORTH DAKOTA</u> North Dakota Securities Department State Capitol, 5th Floor, Dept 414 600 East Boulevard Avenue Bismarck, North Dakota 58505 (701) 328-4712	<u>RHODE ISLAND</u> Department of Franchise Regulation 1511 Pontiac Avenue, John O. Pastore Complex, Bldg 69-1 Cranston, Rhode Island 02920 (401) 462-9527 <u>SOUTH DAKOTA</u> Department of Labor and Regulation Division of Insurance Securities Regulation 124 S Euclid, 2nd Floor Pierre, South Dakota 57501 (605) 773-3563 <u>VIRGINIA</u> State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street, 9th Floor Richmond, Virginia 23219 (804) 371-9051 <u>Agents for Service of Process:</u> Clerk of the State Corporation Commission 1300 East Main Street, 1st Floor Richmond, Virginia 23219 <u>WASHINGTON</u> Department of Financial Institutions Securities Division 150 Israel Road SW Tumwater, WA 98501 (360) 902-8760 <u>Mailing Address:</u> Department of Financial Institutions Securities Division PO BOX 41200 Olympia, WA 98504-1200 <u>WISCONSIN</u> Department of Financial Institutions Division of Securities 201 W Washington Avenue, Suite 500, Madison, WI 53703 (608) 261-9555
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EXHIBIT "B"
TO DISCLOSURE DOCUMENT
FRANCHISOR'S AGENT FOR SERVICE OF PROCESS

CT Corporation System
289 S. Culver St.
Lawrenceville, Georgia 30046-4805

In states listed in EXHIBIT "A", the additional agent for Service of Process is listed in EXHIBIT "A".

EXHIBIT "C"
TO DISCLOSURE DOCUMENT

FRANCHISE AGREEMENT

[See Attached]

MAID BRIGADE FRANCHISE AGREEMENT

FRANCHISEE:

DATE:

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ATTACHMENTS

ATTACHMENT "A"	Deal Terms
ATTACHMENT "B"	Form of Site Approval Notice
ATTACHMENT "C"	Owner Agreement
ATTACHMENT "D"	ACH Authorization Form
ATTACHMENT "E"	Tradename Approval Form

MAID BRIGADE FRANCHISE AGREEMENT

This Maid Brigade Franchise Agreement (this “Agreement”) is entered into as of _____, 202__ (the “Effective Date”) between MB Franchise Holdings, Inc., a Georgia corporation (“we” or “us”) and _____, a(n) _____ (“you”).

1. **DEFINITIONS.** Capitalized terms not defined above have the meanings given to them below:

“Account” means the checking account you designate from which we deduct fees and other amounts owed to us and our affiliates in accordance with §14.5.

“ACH Agreement” means the ACH Authorization Agreement attached as ATTACHMENT "D"

“Acquisition” means either: (a) a competitive or non-competitive company, franchise system, network or chain directly or indirectly acquiring us, whether in whole or in part, including by asset or stock purchase, change of control, merger, affiliation or otherwise; or (b) us, or our affiliate or parent, directly or indirectly acquiring another competitive or non-competitive company, franchise system, network or chain, whether in whole or in part, including by asset or stock purchase, change of control, merger, affiliation or otherwise.

“Acquired Assets” means any assets associated with your MB Business that we elect to purchase upon termination or expiration of this Agreement, as further described in §22.2(a).

“AI Technology” means an engineered or machine-based system designed to simulate human intelligence that exhibits adaptiveness after deployment and/or generates outputs (e.g., predictions, recommendations or decisions) for a given set of inputs/objectives, including systems employing computation techniques to simulate intelligent behavior or automate complex tasks (e.g., machine learning, deep learning, natural language processing, computer vision, neural networks, generative artificial intelligence, predictive analytics, intelligent automation tools and algorithmic processing systems).

“Alternative Channels of Distribution” means any channel of distribution other than the sale or rendering of MB Services from an MB Office or within a client’s home or business premises. Examples include the sale of MB Services (or any other goods or services): (a) through direct marketing, such as the Internet or telemarketing; (b) through retail stores that do not operate under the Marks; or (c) at wholesale.

“Anti-Terrorism Law” means Executive Order 13224 issued by the U.S. President (or any successor Order), the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act (USA PATRIOT Act) of 2001 (or any successor legislation) and all other present and future Laws addressing or in any way relating to terrorist acts and acts of war.

“Appraised Value” means the fair market value of the Acquired Assets as determined by one (1) or more independent appraisers in accordance with §22.2(b).

“Business” means the franchised business you operate pursuant to this Agreement.

“Business Data” means, collectively or individually, Client Data and Operational Data.

“Claim” means any action, allegation, assessment, claim, demand, litigation, proceeding or regulatory procedure, investigation or inquiry.

“Client Data” means and includes all data and information pertaining to residential clients and commercial clients, including name, address, contact information, date of birth (if applicable), purchase/service history and other information collected for any purpose.

“Competing Business” means any business that meets at least one of the following criteria: (a) any business that generates, or is reasonably likely to generate, at least 40% of its total revenue from the sale of residential and/or commercial cleaning or janitorial services that are the same as or similar to MB Services offered by MB Businesses; (b) any business that solicits, offers or sells franchises or licenses for a business that meets the criteria in clause (a) of this definition; and/or (c) any business that services, trains, supports, consults with, advises or otherwise assists any Person with respect to the development, management and/or operation of a business that meets the criteria in clause (a) of this definition. A Competing Business does not include any MB Business operated pursuant to a valid franchise agreement or license agreement with us or our affiliate.

“Confidential Information” means and includes: (a) Know-How; (b) Business Data; (c) information in the Manual or comprising the System; (d) terms of Definitive Agreements and any amendments thereto; and (e) all other concepts, ideas, trade secrets, financial information, marketing strategies, expansion strategies, studies, supplier information, client information, franchisee information, investor information, flow charts, inventions, mask works, improvements, discoveries, standards, specifications, formulae, recipes, designs, sketches, drawings, policies, processes, procedures, methodologies and techniques, together with analyses, compilations, studies or other documents that are: (i) designated as confidential; (ii) known by you to be considered confidential by us; and/or (iii) reasonably to be considered confidential due to their nature. Confidential Information does not include information that: (a) is now, or subsequently becomes, generally available to the public (except as a result of a breach of confidentiality obligations by you or your Owners, employees or other constituents); (b) you can demonstrate was rightfully possessed by you or an Owner, without obligation of nondisclosure, before we disclosed the information to you or the Owner; (c) is independently developed by you or an Owner without any use of, or reference to, any Confidential Information; or (d) is rightfully obtained from a third party who has the right to transfer or disclose the information to you or an Owner without breaching a confidentiality covenant imposed on such third party.

“Confidentiality Agreement” means our current form of Confidentiality Agreement attached to the Manual.

“Copyrighted Materials” means all copyrightable materials for which we or our affiliate claim or secure common law or registered copyright protection and that we allow franchisees to use, sell or display in connection with the marketing and/or operation of an MB Business.

“Cleaning Technician” means any Person who provides MB Services at job sites on behalf of your MB Business.

“Definitive Agreements” means, collectively: (a) this Agreement; (b) other Franchise Agreements between you (or your affiliate) and us (or our affiliate) for an MB Business or any other franchised concept; and (c) all ancillary agreements related to any of the foregoing, including Owner Agreements.

“Designated Manager” means the Person you designate and we approve with primary responsibility for the full-time management and supervision of your MB Business in accordance with §8.2.

“Dispute” means any Claim or dispute between the parties that involves or relates to a Definitive Agreement, the offer or sale of franchise rights or the relationship between the parties.

“Employee Advertising Commitment” means the minimum amount of money you must spend each month to solicit and recruit employees in accordance with §8.3.

“Entity” means a corporation, partnership, limited liability company or other form of association.

“Equity Interest” means a direct or indirect ownership or other beneficial interest in a business or Entity.

“Excluded Claim” means any Claim that, according to §23, is not subject to mandatory mediation.

“Force Majeure” means acts or circumstances beyond a party’s control, including fire, storm, flood, earthquake, explosion or accident, acts of war or terrorism, rebellion, insurrection, sabotage, epidemic, failures or delays of transportation and strikes, provided that: (a) the non-performing party promptly notifies the other party of the Force Majeure event; (b) the non-performing party is without fault and could not have prevented the delay or failure with reasonable precautions; (c) nothing herein excuses or permits delays or failures to pay fees or other amounts owed on the applicable due date; (d) insolvency, lack of required funds or financing, currency fluctuations, currency devaluations, foreign exchange controls or inflation shall never be deemed Force Majeure; and (e) an epidemic or pandemic of a contagious illness or disease, or economic or financial changes caused by an epidemic or pandemic of a contagious illness or disease, shall never be deemed Force Majeure except to the extent a Governmental Authority mandates closure (or prevents the opening) of the MB Business as a result of such epidemic or pandemic.

“Franchisee Entity” means an Entity that: (a) signs this Agreement as the franchisee (if this Agreement is signed by an Entity); or (b) assumes this Agreement subsequent to its execution by the original Owners.

“General Release” means our then-current form of Waiver and Release of Claims you and your Owners must sign pursuant to §4.2 (to renew), §7.6 (to relocate) or §20.2 (to Transfer).

“Governmental Authority” means any national, provincial, state, county, local, municipal or other government, or any ministry, department, agency or subdivision thereof, whether administrative or regulatory, or any other body that exercises similar functions, including courts and taxing authorities.

“Gross Sales” means the total gross sums that: (a) you bill or invoice for all goods and services sold from or in connection with your MB Business (including amounts you bill but are unable to collect); (b) we or our affiliate pay you in accordance with §6.5 for MB Services rendered by you to a Strategic Relationship Client; or (c) otherwise relate to your MB Business, including advertising revenue, sponsorship fees and business interruption insurance proceeds. Gross Sales includes all forms of consideration including cash, credit, barter, digital currency or otherwise. In calculating Gross Sales, you must include the full retail value of any free or discounted cleaning services you or your staff provide, unless the same pricing is available to the general public as part of an approved promotional program in effect at the time. Gross Sales excludes: (a) sales or use taxes you pay to a Governmental Authority; (b) revenue derived from the sale of furniture, fixtures or equipment in the ordinary course; and (c) tips paid to and retained by Cleaning Technicians members as a gratuity. The Manual may include policies governing the calculation of Gross Sales relating to: (a) proceeds from the sale of gift cards and memberships; and/or (b) qualifying purchases and redemptions by members under loyalty or membership programs.

“Improvement” means any idea, addition, modification or improvement to the (a) goods or services offered or sold at an MB Business, (b) method of operation of an MB Business, (c) processes, systems or procedures utilized by an MB Business, (d) marketing, advertising or promotional materials, programs or strategies utilized by an MB Business or (e) trademarks, service marks, logos or other intellectual property utilized by an MB Business, whether developed by you, an Owner, an employee or any other Person.

“Indemnified Parties” means and includes us and each of our past, present and future owners, members, officers, directors, employees and agents, as well as our parents, subsidiaries and affiliates, and each of their past, present and future owners, members, officers, directors, employees and agents.

“Intellectual Property” means, collectively or individually, the Business Data, Copyrighted Materials, Improvements, Know-how, Marks and System.

“Interim Manager” means a Person we designate to temporarily manage your Business pursuant to §8.5.

“Interim Term” means a month-to-month Term extension under the circumstances described in §4.3.

“IP Dispute” means any: (a) actual or suspected infringement of the Intellectual Property; (b) challenge to your use of the Intellectual Property; or (c) claim by any Person, other than us or our affiliate, of any rights in or to the Intellectual Property.

“Know-how” means and includes our (and our affiliates’) trade secrets and other proprietary information relating to the design or development of an MB Office or the marketing or operation of an MB Business including: standards and specifications for an MB Office; site selection criteria; methods and techniques; standards and specifications; policies and procedures; supplier lists and information; client lists and information; marketing strategies; merchandising strategies; information regarding Strategic Relationships; and information comprising the System or included in the Manual.

“Law” means and includes laws, rules, regulations and ordinances as well as judgments, decrees, orders, advisory opinions, directives, interpretive statements and releases issued by Governmental Authorities.

“Licenses” means and includes any and all licenses, permits, certifications, accreditations and other authorizations or approvals that (a) are issued by a Governmental Authority or national accreditation organization and (b) are required Law (or are required by us) for the operation of an MB Business.

“Local Marketing Commitment” means the minimum amount of money you must spend each month on local advertising and marketing to promote your Business and solicit clients in accordance with §10.3(a).

“Losses” means and includes: costs, expenses, liabilities and financial loss; actual, compensatory, exemplary, punitive and other damages (including damage to reputation or goodwill); fines and penalties; settlement amounts; judgments; attorneys’ fees; experts’ fees; court costs; Travel Expenses and other costs associated with investigating or defending a Claim.

“Management Training” means our then-current franchise operations and management training program.

“Manual” means our Brand Standards Manual described in §11.1 for the operation of an MB Business.

“Marks” means and includes all service marks, trademarks, trade names and logos that we designate from time to time and authorize MB Businesses to use, including MAID BRIGADE® and the associated logos. The Marks also include any distinctive trade dress used to identify an MB Office.

“MB Business” means any residential and commercial cleaning business that we authorize to operate under the Marks and use our System.

“MB Office” means the authorized office or facility from which an MB Business operates.

“MB Services” means and includes all services we require or authorize MB Businesses to offer and sell, including team-supervised professional daytime cleaning services for residential and commercial properties. We may change the services that comprise MB Services at any time in our commercially reasonable discretion, including by removing or modifying existing services or adding new services. We may also designate certain MB Services that: (a) are optional; (b) can only be offered by MB Businesses meeting certain experience, training, licensure or other criteria; and/or (c) can only be offered in certain regions or to certain types of clients.

“MB Vehicle” means a vehicle meeting our standards and specifications that is used to transfer cleaning crews and cleaning equipment and supplies to and from job sites, as further described in §7.4.

“Minimum Sales Criteria” means the minimum performance requirements described in §12.

“Operational Data” means and includes all data and information pertaining to the operation of your Business including employee data, expense data, financial accounting data and Gross Sales data.

“Owner” means a Person who either: (a) directly signs this Agreement as the franchisee, either alone or in conjunction with one or more other Persons; or (b) directly or indirectly through one or more intermediaries owns an Equity Interest in the Business or Franchisee Entity.

“Owner Agreement” means the Owner Agreement attached as ATTACHMENT "C".

“PCI-DSS” means the payment card industry data security standard, which is a set of security requirements established by the following major credit card brands from time to time: American Express, Discover Financial Services, JCB International, MasterCard Worldwide, and Visa Inc., which standards are set forth at <https://www.pcisecuritystandards.org> as of the Effective Date.

“Permitted Transfer” means a Transfer: (a) between existing Owners; or (b) by the Owners to a new Franchisee Entity for which such Owners collectively own and control 100% of the Equity Interests; *provided, however*, that a Permitted Transfer does not include a Transfer that results in the Responsible Owner owning less than 20% of the Equity Interests in the Business or Franchisee Entity.

“Person” means an individual, Entity, unincorporated organization, joint venture, Governmental Authority, estate (or executor thereof) or trust (or trustee thereof).

“Post-Term Restricted Period” means, with respect to you, the two-year period after the termination, expiration or Transfer of this Agreement; *provided, however*, that if a court of competent jurisdiction determines the two-year period is too long to be enforceable then Post-Term Restricted Period means the one-year period after the termination, expiration or Transfer of this Agreement.

“Post-Term Restricted Period” means, with respect to an Owner, the two-year period after the earlier to occur of: (a) the termination, expiration or Transfer of this Agreement; or (b) the date on which the Owner no longer owns an Equity Interest in the Business or Franchisee Entity; *provided, however*, that if a court of competent jurisdiction determines the two-year period is too long to be enforceable then Post-Term Restricted Period means the one-year period after the earlier to occur of: (a) the termination, expiration or Transfer of this Agreement; or (b) the date on which the Owner no longer owns an Equity Interest in the Business or Franchisee Entity.

“Program Participation Rules” means the policies, procedures, fees and other requirements pertaining to any gift card, loyalty, membership or other system-wide program we implement pursuant to §11.10.

“Prohibited Activities” means and includes any of the following: (a) owning, operating or having any other interest (e.g., as a director, officer, employee, manager, consultant, creditor, representative, agent or in any similar capacity) in a Competing Business, other than owning less than 5% of the Equity Interests in a Competing Business that is a publicly-traded company; (b) disparaging or otherwise making negative comments about us, our affiliate, the System or any MB Business (this provision does not prohibit disclosure of truthful information to Governmental Authorities); (c) diverting or attempting to divert any potential business or Strategic Relationship opportunity from us or our affiliate; and/or (d) inducing any Person to transfer their business from an MB Business to a competitor.

“Qualified Household” is a household with annual income in excess of \$100,000 as of the relevant date.

“Referral Source” means a Person who refers, or is in a position to refer, clients to an MB Business.

“Regional Referral Source” means a Referral Source who regularly refers, or who we believe is in a position to regularly refer, clients to MB Businesses located in multiple markets or regions. A Referral Source is not deemed a Regional Referral Source unless we designate such Person as a Regional Referral Source in the Manual.

“Reportable Event” means any event or occurrence described in §16.6 that you must report to us.

“Responsible Owner” means the Owner you designate and we approve with primary responsibility for the overall management and supervision of your MB Business in accordance with §8.1.

“Restricted Territory” means the geographic area within: (a) your Territory (including the premises of your MB Office); and (b) any territory assigned to another MB Business that is open or under development when the Post-Term Restricted Period begins; *provided, however*, that if a court of competent jurisdiction determines the foregoing Restricted Territory is too broad to be enforceable then Restricted Territory means the geographic area within your Territory.

“Site Approval Notice” means the Site Approval Notice attached as ATTACHMENT "B".

“Strategic Relationship” means a strategic business relationship that we may, from time to time, establish with a Strategic Relationship Partner in order to enhance our System or expand the potential client base for EHC Businesses, as further described in §6.5.

“Strategic Relationship Client” means a Person who: (a) is a member, employee, client or other constituent of, or who is referred by, a Strategic Relationship Partner; and (b) receives MB Services from an MB Business in accordance with the terms of a Strategic Relationship Contract.

“Strategic Relationship Contract” means a contract or other arrangement we (or our affiliate) negotiate with a Strategic Relationship Partner governing the terms pursuant to which one or more MB Businesses will provide MB Services to Strategic Relationship Clients associated with or referred by the Strategic Relationship Partner. Strategic Relationship Contracts may include any terms we accept in our commercially reasonable discretion, including discounted pricing and other nonstandard terms.

“Strategic Relationship Partner” means a business, organization, association, Regional Referral Source or other institution that is comprised by (or has a relationship with) members, employees, clients or other constituents who: (a) may be in need of MB Services or may be in a position to refer clients in need of MB Services; and (b) are located or reside within the territories of multiple MB Businesses. It also includes a commercial client who contracts for MB Services involving facilities located in multiple territories.

“Successor Agreement” means our then-current form of Franchise Agreement you must sign pursuant to §4.2 in connection with a renewal of your franchise rights.

“System” means our system developed for the operation of an MB Business, the distinctive characteristics of which include: business methods; administrative procedures; client assessment/intake protocols and procedures; quality and uniformity of MB Services; distinctive branding; development and implementation of Strategic Relationships; comprehensive training programs; advertising and marketing strategies; business forms; and operating system.

“Technology Systems” means all information and communication technology systems we specify from time to time including computer and point-of-sale systems, client billing systems, payroll processing systems,

telecommunications systems, AI Technology, security systems and similar systems, together with the associated hardware, software and related equipment, applications and third-party services relating to the establishment, use, maintenance, monitoring, security or improvement of these systems.

“Term” means the period of time beginning on the Effective Date and expiring on the earlier to occur of: (a) the 10th anniversary of the Effective Date; or (b) the date this Agreement is effectively terminated.

“Territory” means the protected territory we designate for your MB Business as further described in §3.

“Third-Party Technology” means any Technology Systems (or components thereof) owned by Persons who are not affiliated with us.

“Tradenname Approval Notice” means the Tradenname Approval Notice attached as ATTACHMENT "E".

“Transfer” means any direct or indirect, voluntary or involuntary, assignment, sale, sublicense or other transfer or disposition of: (a) this Agreement (or any interest therein); (b) the franchise or intellectual property rights granted by this Agreement (or any interest therein); (c) the Business you conduct pursuant to this Agreement (or any interest therein); (d) your Business assets, excluding the sale of furniture, fixtures or equipment in the ordinary course; or (e) an Equity Interest in the Business or Franchisee Entity; including by: merger or consolidation; judicial award, order or decree; issuance of additional Equity Interests (including public and private offerings); foreclosure of a security interest by a lender; or operation of Law, will or a trust upon an Owner’s death (including via the Laws of intestate succession).

“Travel Expenses” means and includes all travel, meals, lodging, local transportation and other living expenses incurred: (a) by us and our trainers, field support personnel, auditors or other representatives to visit your MB Office or Territory; or (b) by you and your personnel to attend training or conferences.

“Vacant Territory” means any geographic area adjacent to your Territory that, as of the relevant date, is neither assigned to nor serviced by any other franchised or company-owned MB Business.

2. **GRANT OF FRANCHISE.** We hereby grant you the right, license and obligation to develop and operate one (1) MB Business using our Intellectual Property. You must operate your Business: (a) only from the MB Office we approve in accordance with §7.1; and (b) only within your assigned Territory, except to the extent permitted by §3.2 or §3.3. We reserve all rights not expressly granted to you.

3. **TERRITORY.**

3.1. **Territory Description & Designation.**

- (a) Territory Designation. We hereby grant you a territory comprised by the geographic area described in Part D of ATTACHMENT "A" (your “Territory”). Your Territory will include at least 20,000 Qualified Households as of the date we designate your Territory; *provided, however*, that your Territory will have less than 20,000 Qualified Households if you specifically request a Territory comprised by a metropolitan area with less than 20,000 Qualified Households. We may use data from any source we deem appropriate to determine the number of Qualified Households in the territory. In Part D of ATTACHMENT "A" we specify: (i) the total number of Qualified Households in your Territory as of the date we determine your Territory; and (ii) the territory fee you must pay us (if applicable) in accordance with §3.1(c).
- (b) Territory Changes. We do not modify your Territory based on population changes or changes to the number of Qualified Households during the Term. We may modify your Territory in accordance with our then-current territory guidelines and criteria at such time that: (i) you renew your franchise rights; or (ii) we allow you to relocate your MB Office to a new site located outside your original Territory.
- (c) Territory Fee. If your original Territory includes more than 30,000 Qualified Households, you must pay us an additional territory fee calculated as \$1 for every Qualified Household in excess of 30,000. If, after opening, you request that we expand your Territory to include additional area and we grant your request, you must pay us an additional territory fee calculated as \$1 for every Qualified Household within the additional territory as of the date we expand the Territory. We may increase the \$1 multiplier in the preceding sentence based on CPI increases in accordance

with §14.6.

3.2. Territorial Protections, Limitations & Restrictions.

- (a) MB Office. During the Term we will not authorize any MB Business (other than yours) to operate from an MB Office located in your Territory except as otherwise provided in this Section. At any time during the Term we may engage in Acquisitions and any outlet of the acquired or acquiring company located in your Territory may be converted into an MB Business (a “Converted Outlet”). A Converted Outlet may engage in the same business activities as you within the Territory.
- (b) Clients. During the Term we will not authorize another MB Business (other than a Converted Outlet) to provide MB Services to clients in your Territory unless any of the following circumstances apply: (i) the client requests service from another MB Business with whom the client has a pre-existing relationship; (ii) the client is a Strategic Relationship Client and you are not eligible to participate in the Strategic Relationship Program for any reason set forth in §6.5; (iii) you lack a material License necessary to lawfully operate your Business; or (iv) we decide to provide assistance or support to the client through another EHC Business in response to a complaint against you in accordance with §11.13. Similarly, you may service a client in a territory assigned to another MB Business if any of the foregoing circumstances apply to you
- (c) Referral Sources. During the Term we will not authorize another MB Business (other than a Converted Outlet) to solicit referrals from Referral Sources in your Territory unless the Referral Source is a Regional Referral Source. Similarly, you may not solicit referrals from Referral Sources (other than Regional Referral Sources) in territories assigned to other MB Businesses.
- (d) Targeted Marketing. During the Term we will not authorize another MB Business (other than a Converted Outlet) to conduct “targeted marketing” (as described in §10.3(c)) within your Territory for purposes of soliciting clients or Referral Sources (other than Regional Referral Sources). Similarly, you may not conduct targeting marketing within territories assigned to other MB Businesses (other than to solicit referrals from Regional Referral Sources).
- (e) Alternative Channels of Distribution. We reserve the right to sell, and license third parties to sell, goods and services that are the same as or similar to MB Services (including under the Marks) within the Territory through Alternative Channels of Distribution.

3.3. Vacant Territories. You may request the right to operate your MB Business in a Vacant Territory. We may approve or reject your request in our sole discretion. If we grant our approval, you may operate your MB Business in the Vacant Territory we designate, including soliciting, advertising, and providing MB Services to clients who reside in the Vacant Territory and soliciting Referral Sources in the Vacant Territory, subject to the following:

- (a) you may not operate in any Vacant Territory other than the Vacant Territory we designate;
- (b) you must demonstrate, on a continuing basis, that you are reasonably capable of consistently providing MB Services to clients in the Vacant Territory in accordance with our standards, policies and procedures;
- (c) you must maintain all Licenses necessary to lawfully operate in the Vacant Territory;
- (d) you will receive no territorial rights or protections with respect to the Vacant Territory; and
- (e) we may at any time for any reason (or for no reason) revoke our approval for you to operate in the Vacant Territory.

If we revoke our approval, you must: (a) immediately discontinue all Business operations within the Vacant Territory (including advertising, soliciting and providing MB Services to clients, and soliciting or accepting referrals from Referral Sources); (b) provide us with a copy of all Client Data pertaining to clients and Referral Sources in the Vacant Territory and copies of all related agreements; and (c) upon request, transition all clients and Referral Sources in the Vacant Territory to another MB Business we designate. Notwithstanding the foregoing, we may, in our sole

discretion, permit you to continue to service one or more clients in the Vacant Territory.

- 3.4. **Unauthorized Extraterritorial Sales.** Except as otherwise provided in §3.2 and §3.3, you are strictly prohibited from operating your Business outside your Territory. If you operate your Business outside your Territory in breach of this Agreement, you must pay us an amount calculated as 120% of the total revenue you generate as a result of such unauthorized extraterritorial business operations. Our collection of this fee does not preclude us from terminating this Agreement as a result of your breach or exercising any of our other rights or remedies.
- 3.5. **Breach of Minimum Sales Criteria.** If you fail to achieve the Minimum Sales Criteria for three (3) consecutive Quarters we may, in accordance with §12, choose to either: (a) reduce the size of your Territory; (b) eliminate your territorial rights and protections; or (c) terminate this Agreement.

4. TERM AND RENEWAL.

- 4.1. **Generally.** This Agreement grants you the right to operate your MB Business during the Term. We do not grant you the right to renew, but may offer you renewal rights at our discretion (or if required by state Law). If we offer you renewal rights, you have the option to renew your franchise by signing a Successor Agreement for a 10-year renewal term provided that you satisfy all renewal conditions specified in this Agreement or the Successor Agreement you wish to renew, as applicable. The Successor Agreement will be the current form of franchise agreement we use to grant franchises as of the expiration of the Term or renewal term, as applicable, the terms of which may vary materially and substantially from the terms of this Agreement. If this Agreement is a Successor Agreement, the Term of this Agreement and your remaining renewal rights, if any, are governed by your original franchise agreement.
- 4.2. **Renewal Requirements.** In order to renew, you and the Owners (as applicable) must:
- (a) send us a notice of your intent to enter into a Successor Agreement not less than nine (9) months nor more than 12 months before the expiration of the Term or renewal term, as applicable;
 - (b) not be in default under any Definitive Agreement at the time you send the renewal notice or sign the Successor Agreement;
 - (c) sign the Successor Agreement no later than 30 days after we send it to you and pay us a renewal fee calculated as 25% of our then-current, non-discounted, initial franchise fee;
 - (d) sign a General Release;
 - (e) upgrade all furniture, fixtures and equipment in your MB Office to conform to our then-current standards and specifications; and
 - (f) extend the lease term for your MB Office to coincide with the renewal term.

If we elect not to renew or offer you the right to renew, we will send you a notice of non-renewal at least 180 days before the expiration date that sets forth the basis for our decision. If you object to our non-renewal notice or dispute the basis for our decision, you must send us a notice of objection that sets forth the basis for your objection. Failure to send us an objection notice within 30 days after you receive our non-renewal notice constitutes your consent to the non-renewal of your franchise.

- 4.3. **Interim Term.** If you do not sign a Successor Agreement but continue to operate your MB Business after the Term expires, we may either treat this Agreement as: (a) expired as of the Term expiration date with you operating in violation of our rights; or (b) continued on a month-to-month basis (the “Interim Term”) until either party provides the other party with 30 days’ prior notice of termination of the Interim Term. All your obligations remain in full force and effect during the Interim Term as if this Agreement had not expired, and all obligations imposed on you upon expiration of the Term will take effect upon termination of the Interim Term.

5. TRAINING AND CONFERENCES

- 5.1. **Initial Training.** Your Responsible Owner and Designated Manager must successfully complete our franchise operations and management training program (“Management Training”) within 90 days

after the Effective Date. Prior to attending Management Training, the trainees must complete all virtual training we require. Initial training may also include a series of remote calls for sales training and support.

- 5.2. **Post-Opening Training.** Any new Responsible Owner or Designated Manager appointed or hired after your Business opens must successfully complete Management Training prior to managing your Business. We may offer periodic refresher or supplemental training courses for your Responsible Owner, Designated Manager and other staff. We may designate each course as mandatory or optional. If we determine your MB Business is not operating in full compliance with this Agreement or the Manual, we may require that your Responsible Owner and Designated Manager attend remedial training relevant to your operational deficiencies. We may, but need not, provide additional assistance or training requested by you at a mutually convenient time.
- 5.3. **Training Locations.** Our training programs may take place at any location we designate. We reserve the right to conduct training programs virtually.
- 5.4. **Training Fees & Expenses.** At the time you sign this Agreement, you must pay us a \$9,100 onboarding fee that covers our preopening initial training program for up to two (2) trainees. We may allow you to send more than two (2) trainees if additional space is available and you pay us an additional \$400 training fee for each trainee you send in excess of two (2). We may charge a training fee of up to \$750 per Person per day for any Person who attends: (a) Management Training after your MB Business opens; (b) remedial training; (c) additional training you request; or (d) refresher or supplemental training. We may increase the \$750 training fee cap by not more than 20% per year upon 30 days' notice. If we provide onsite training or assistance, you must also reimburse our Travel Expenses. You are responsible for all wages and Travel Expenses you and your personnel incur to attend training.
- 5.5. **Conferences & Meetings.** We may hold periodic conferences to discuss business and operational matters relevant to MB Businesses. Attendance by your Designated Manager and Responsible Owner is mandatory unless we designate attendance as optional or waive your obligation to attend for good cause. We may charge you a conference registration fee of up to \$2,000 per Person per conference (our current fee is \$250 per Person per conference). You are responsible for the conference registration fee if your Responsible Owner or Designated Manager fail to attend a required conference without a waiver. You are also responsible for wages and Travel Expenses you and your personnel incur to attend conferences. Your Designated Manager and Responsible Owner must also attend all in-person meetings and remote meetings we require.

6. OTHER FRANCHISOR ASSISTANCE.

- 6.1. **Manual.** We provide you with access to our Manual during the Term. The Manual will help you develop and operate your MB Business. The information in the Manual is confidential and proprietary and may not be disclosed to third parties without our prior approval. We may provide access to the Manual via a MAID BRIGADE[®] intranet, extranet or private website.
- 6.2. **Startup Package.** At the time you sign this Agreement, you must purchase our designated startup package from us as part of our centralized purchasing program. Our current startup package includes your initial supply of: cleaning equipment and supplies; cleaning solutions; advertising and marketing materials; and employee uniforms, but excludes certain equipment and supplies you must purchase from third-party suppliers. We ship these items to you before opening. You must pay the associated purchase price (currently \$5,000, but subject to change) within 10 days after invoicing. After opening, you must purchase your ongoing supply of items included in the startup package exclusively from us (or other suppliers we designate). We may at any time change the items included in the startup package and the associated cost. We purchase the items included in the startup package from third-parties and resell them to you as a convenience. We make no representations or warranties regarding items included in the startup package and you hereby waive any and all Claims against us relating to these items and/or any defects in these items. We reserve the right to require you to purchase some (or all) items in the startup package directly from third-party suppliers that we designate (or from an affiliate).

- 6.3. **General Guidance.** We will periodically review and evaluate your MB Business, and reports you send us, and provide our guidance and recommendations on ways to improve your Business operations. We will be available to render advice, discuss problems and offer general guidance to you during normal business hours by phone, email or other means of communication.
- 6.4. **Field Visits.** We may, but need not, conduct periodic field visits to provide onsite consultation, assistance and guidance regarding MB Business operations. We will provide a report detailing any problems or concerns observed during the visit together with our instructions to address or resolve them. You must implement all mandatory corrective measures in the time and manner we specify.
- 6.5. **Strategic Relationships.** From time to time we may, but need not, establish Strategic Relationships in order to enhance our System or expand the potential client base for MB Businesses. You must participate in all Strategic Relationships in accordance with the terms and conditions of any Strategic Relationship Contract we negotiate with the Strategic Relationship Partner. We may designate any program involving a Strategic Relationship as a system-wide program subject to the terms of §11.10, including any Program Participation Rules we establish for the program. Strategic Relationships, and the associated programs, may change from time to time. We have no obligation to maintain existing Strategic Relationships or develop new ones. We have the exclusive right to establish Strategic Relationships and enter into agreements with Strategic Relationship Partners. You are prohibited from doing so. You must refer all potential Strategic Relationship opportunities to us. We may prohibit you from participating in a Strategic Relationship program if: (a) you are in default under any Definitive Agreement; (b) you fail to satisfy any minimum eligibility, performance, client service or other criteria we (or the Strategic Relationship Partner) establish for participation in the program; or (c) the Strategic Relationship Partner objects to you servicing the account. If you are prohibited from participating in a program, another company-owned or franchised MB Business may provide MB Services to Strategic Relationship Clients located in your Territory and you will not be entitled to any compensation in connection with such services or business activities.
- 6.6. **Website.** We currently maintain a corporate website for our brand. We will also create and host a webpage for your MB Business that will be linked to our corporate website and list information about your MB Business we deem appropriate. We control all content on your webpage but will consider your suggestions in good faith. We will own your webpage and domain name. We may change or discontinue our website and/or your webpage at any time.
- 6.7. **Purchase Agreements.** We may, but need not, negotiate purchase agreements with suppliers to obtain discounted prices for franchisees. We will arrange for you to be able to purchase the goods or services directly from the supplier at the discounted prices we negotiate (subject to any rebates the supplier pays to us). We or our affiliate may also purchase goods from suppliers in bulk and resell them to you at our cost plus shipping fees and a markup.
- 6.8. **Call Center.** We may operate, or designate a third-party provider to operate, a call center to answer calls, set client appointments, route new client leads to an appropriate MB Business and provide other related services. You must participate in the call center program and pay all reasonable setup and monthly fees designated by us or the third-party provider (not to exceed the greater of \$150 per month or 3% of monthly Gross Sales, if paid to us or our affiliate). Participation in the program may include: (a) using and publishing a telephone number that we designate; (b) engaging a designated service provider (which may be us, our affiliate or a third party); (c) acquiring, installing and using related technology; and (d) executing any related user or service agreement designated by us or a third-party provider.
- 6.9. **New Developments.** We may, but need not, develop new MB Services, merchandise, retail items or other goods or services that you may sell. You must comply with any minimum inventory stocking requirements in the Manual applicable to retail items (if any) offered for sale.

7. ESTABLISHING YOUR BUSINESS

- 7.1. **Site Selection.** You must identify and obtain our approval of the site for your MB Office before you open and before you sign the lease. The site must be located in the Territory and conform to our

minimum site selection criteria. You must send us a complete site report that includes all information, photos and video we require. We may accept or reject sites you propose in our commercially reasonable judgment. We try to notify you of our decision within 30 days after we receive all requisite materials. Your site is deemed disapproved if we do not issue our approval within the 30-day period. If we approve your site before signing this Agreement, we list the address in Part C of ATTACHMENT "A". Otherwise, we send you a Site Approval Notice that lists the address of your approved site within 15 days after site approval. Within five (5) business days after we send you the Site Approval Notice, you must sign and date the franchisee acknowledgment section and send us a copy for our records. Our approval of the site is immediately effective and binding at the time we issue the Site Approval Notice even if you do not send us a signed acknowledgment. Our approval of the site is not a representation or warranty of any kind, express or implied, regarding the potential success or profitability of the site. It only means we believe the site meets our minimum criteria.

- 7.2. **MB Office.** Your MB Office may be an executive suite or other office facility ranging in size from approximately 800 to 1,200 square feet. You must, at your expense, develop and equip your MB Office to conform to the specifications in the Manual. We do not expect you will need to significantly remodel, renovate or structurally alter the premises to conform to our specifications. Your MB Office must present a professional appearance and be kept in good order. You must purchase (or lease) and install all equipment, fixtures, signs and other items we require.
- 7.3. **Cleaning Equipment & Supplies.** The startup package includes most of the cleaning equipment and supplies necessary to commence business operations. Once your Business achieves average weekly Gross Sales of at least \$9,000 per week over a 12-week period, you must purchase and use a larger e-water generator in order to keep up with demand. This generator must be purchased from a supplier we designate (which might not be us).
- 7.4. **MB Vehicle.** Prior to opening, you must purchase or lease at least one (1) vehicle that complies with our minimum standards and specifications for use in the operation of your Business (an "MB Vehicle"). You must purchase and install our designated "wrap" on your MB Vehicle. You must use your MB Vehicle (and only your MB Vehicle) to transport cleaning crews and cleaning equipment and supplies to and from job sites. However, you may use an alternate vehicle in emergency situations if your MB Vehicle is undergoing maintenance/repairs or is inoperable. Without our prior approval, you may not use your MB Vehicle for any purpose unrelated to your MB Business. You must keep your MB Vehicle in good maintenance and repair and ensure it is consistently washed and kept in clean condition. Each Person who drives your MB Vehicle must: (a) be appropriately licensed and insured; and (b) drive in a safe manner in compliance with all applicable Laws. You must acquire one (1) MB Vehicle for each cleaning team.
- 7.5. **Opening.** You must open your MB Business to the public within 180 days after the Effective Date. You must notify us of your proposed opening date at least 30 days before opening. We may conduct a preopening inspection of your MB Office. You must make all changes we require before you open. You may not open prior to receipt of our written authorization to open, which we will not issue before: (a) the Responsible Owner and Designated Manager successfully complete initial training; (b) you secure all required Licenses and send us copies of same; (c) you purchase all required insurance policies and provide us with evidence of coverage; (d) we review and approve the layout and equipping of your MB Office; (e) you purchase or lease your MB Vehicle and install our designated wrap; (f) you purchase all required cleaning equipment and supplies; (g) you hire and train the initial staff necessary to operate the Business; and (h) you fulfill your other preopening obligations under this Agreement and the Manual.
- 7.6. **Relocation.** You may relocate your MB Office to a new site in your Territory with our prior approval, which we will not unreasonably withhold. If we allow you to relocate you must: (a) obtain our approval of the new site for your MB Office; (b) comply with §7.1, §7.2 and §7.5 with respect to your new MB Office (excluding the opening deadline); (c) deidentify your former MB Office in accordance with §22.1(k); (d) sign a General Release; and (e) open your new MB Office not more than three (3) days after closing your former MB Office; *provided, however*, that if you relocate

because your MB Office is destroyed, condemned or otherwise rendered unusable due to the physical condition of the premises, then you have 180 days after closing to reopen your MB Office at the new site. We may, in our sole discretion, prohibit you from relocating your MB Office outside the Territory. You must continue to operate your Business throughout the relocation process.

8. MANAGEMENT AND STAFFING.

- 8.1. Owner Participation.** You must designate an Owner with primary responsibility for your MB Business (the “Responsible Owner”). The Responsible Owner must: (a) be approved by us; (b) have binding decision-making authority on matters involving your MB Business; (c) successfully complete all training programs we require; (d) dedicate full-time and best efforts to the Business; (e) manage and supervise the Business any time the Designated Manager is not available; and (f) at all times own at least 20% of the Equity Interests in the Business or Franchisee Entity, unless we waive this requirement.
- 8.2. Designated Manager.** You must appoint a Person with primary responsibility for the management of your Business (the “Designated Manager”). The Designated Manager must: (a) be approved by us; (b) successfully complete all training programs we require; (c) dedicate full-time and best efforts to the management of your Business; and (d) sign a Confidentiality Agreement. The Responsible Owner may, but need not, serve as the Designated Manager. If the Responsible Owner does not serve as the Designated Manager, the Responsible Owner must supervise the Designated Manager to ensure your Business is operated in compliance with this Agreement and the Manual.
- 8.3. Cleaning Technicians.** No Person may render MB Services other than your Responsible Owner, Designated Manager and Cleaning Technicians. Because the safety and wellbeing of clients is our highest priority, all Cleaning Technicians must pass a background check before having any contact with clients or entering their homes. You must ensure the results of the background check do not indicate the Person presents a significant risk to the safety or wellbeing of clients or otherwise fails to adhere to the highest standards of honesty, integrity, fair dealing, and ethical conduct. All Cleaning Technicians must sign a Confidentiality Agreement and wear our designated uniforms while at job sites. You must spend at least \$500 per month on advertising directed towards the solicitation and recruitment of Cleaning Technicians (the “Employee Advertising Commitment”) unless we waive the requirement, in which case you must spend an additional \$500 per month on local advertising in accordance with §10.3(a).
- 8.4. Employees Generally.** You must determine appropriate staffing levels for the MB Business to ensure full compliance with this Agreement and our system standards. You will hire, train and supervise employees necessary to operate the MB Business. You must pay all associated wages, commissions, benefits, worker’s compensation premiums and payroll taxes (and other withholdings required by Law). These employees will be employees of yours and not of ours. We do not control the day-to-day activities of your employees or the manner in which they perform their assigned tasks. You must inform your employees that you exclusively supervise their activities and dictate the manner in which they perform their assigned tasks. In this regard, you must use your legal business Entity name (not our Marks or a fictitious name) on employee applications, paystubs, pay checks, employment agreements and similar documents. We do not control the hiring or firing of your employees. You have sole authority and responsibility for employment-related decisions, including hiring, promotion, hours worked, rates of pay, benefits, work assignments, training and working conditions. We do not provide guidance or advice on these matters. You must ensure each employee signs our prescribed acknowledgment form explaining the nature of the franchise relationship and clarifying you are his or her sole employer. You must also post a conspicuous notice for employees in the back-of-house area explaining your franchise relationship with us and that you (and not we) are their sole employer. We may prescribe the form and content of this notice.
- 8.5. Interim Manager.** We may, but need not, designate a Person (an “Interim Manager”) to manage your MB Business if: (a) your Responsible Owner ceases to perform the responsibilities of a Responsible Owner and you fail to appoint an approved and fully-trained replacement within 30 days thereafter; or (b) you fail to cure a material breach before the expiration of the cure period. The

Interim Manager will cease to manage your MB Business at the time you appoint an approved and fully-trained replacement Responsible Owner or you cure the material breach, as applicable. If we appoint an Interim Manager, you agree to: (a) pay us a management fee we designate (not to exceed 10% of Gross Sales generated during the time the Interim Manager manages your MB Business); and (b) reimburse all Travel Expenses the Interim Manager incurs. The Interim Manager has no liability to you except for gross negligence or willful misconduct. We have no liability to you for an Interim Manager's actions unless we are grossly negligent in appointing the Interim Manager.

9. **FRANCHISEE ENTITY.** You represent that Part A of ATTACHMENT "A" includes a complete and accurate list of your Owners. Upon request, you must send us a resolution of the Franchisee Entity authorizing the execution of this Agreement, a copy of the Franchisee Entity's organizational documents and a current Certificate of Good Standing. Each Owner of the Franchisee Entity, and the spouse of each Owner who is a natural Person, must sign an Owner Agreement.

10. **ADVERTISING & MARKETING.**

- 10.1. **Brand Fund.** We administer a brand and system development fund to promote public awareness of our brand and improve our System. On each royalty fee due date, you must pay us a brand fund fee equal to 2% of Gross Sales for the prior reporting period. We may use the fund to pay for:

- (a) developing, administering or distributing advertising and marketing materials and programs;
- (b) conducting and administering promotions, contests or giveaways;
- (c) public and consumer relations and publicity;
- (d) brand development;
- (e) sponsorships and charitable and non-profit donations and events;
- (f) research and development of technology, products and services;
- (g) website development and search engine optimization;
- (h) developing, maintaining and promoting an ecommerce platform;
- (i) developing and implementing quality control programs and client satisfaction surveys;
- (j) conducting market research;
- (k) researching, developing, testing and implementing changes and improvements to the System;
- (l) reimbursing costs we incur to host franchisee conferences not covered by registration fees;
- (m) fees and expenses charged by advertising agencies we engage to provide marketing services;
- (n) collecting and accounting for brand fund fees and preparing financial accountings of the fund;
- (o) any other programs or activities we deem appropriate to promote or improve the System; and
- (p) direct or indirect labor, administrative, overhead and other expenses incurred by us and/or our affiliates relating to any of these activities, including salary, benefits and other compensation of any of our (and any of our affiliate's) officers, employees or independent contractors based on time spent working on any brand fund matters described above.

We have sole discretion in determining the content, concepts, materials, media, endorsements, frequency, placement, location and all other matters pertaining to marketing or advertising activities. Any surplus in the fund may be invested and we may lend money to the fund if there is a deficit. The fund is not a trust and we have no fiduciary obligations to you with respect to our administration of the fund. In terms of marketing activities paid for by the fund, we do not ensure that: (a) expenditures in (or affecting) a given geographic area are proportionate or equivalent to brand fund fees paid by franchisees in that geographic area; or (b) franchisees benefit directly or in proportion to their brand fund fees. We will prepare, and make available to you upon request, an annual statement of fund operations, including deposits and disbursements. We may suspend or discontinue the fund at any time upon 30 days' prior notice.

10.2. Marketing Assistance From Us. We will provide reasonable marketing consulting, guidance and support throughout the Term on an as-needed basis. We may also provide access to a required or recommended marketing plan, which may be included in the Manual. We include an initial supply of marketing materials in the startup package you purchase from us. We may create and provide you with access to local advertising assets such as print marketing materials, posters, banners, social media templates and stock photography. We may: (a) use the brand fund to pay for the creation and distribution of these materials, in which case there will be no additional charge other than the cost to reproduce and ship the materials; (b) provide online access to these materials, in which case you must print the materials at your expense; and/or (c) contract with third-party suppliers to create and sell these materials to you. You must pay us \$39,600 upon execution of this Agreement (“Marketing Fee”) which we apply as follows: (a) we spend (or pay to a marketing company) \$3,000 per month for digital marketing during the 12-month period after your opening date; and (b) we retain \$3,600 as a management fee. The \$3,000 monthly amount that we (or a marketing company) spend on digital advertising is credited against your Local Marketing Commitment and you must spend an additional \$1,000 per month to satisfy the \$4,000 Local Marketing Commitment during such 12-month period.

10.3. Your Marketing Activities.

- (a) Generally. You must participate in all advertising, promotional and marketing programs we require at your expense, including any advertising cooperative we establish pursuant to §10.4. After opening, you must spend at least \$4,000 each month on local advertising to promote your MB Business (your “Local Marketing Commitment”), subject to the \$3,000 monthly credit referenced in §10.2 that applies during the initial 12-month period. We measure your compliance on a rolling six-month basis, meaning as long as your average monthly expenditure on local advertising over the six-month period equals or exceeds the Local Marketing Commitment, you are deemed in compliance even if your expenditure in a given month is less than the Local Marketing Commitment. Your Grand Opening Expenditure, Employee Advertising Commitment, and brand fund fees are in addition to, and not credited towards, your Local Marketing Commitment. If you fail to spend an amount equal to or greater than your Local Marketing Commitment, we may require you to pay us the difference.
- (b) Advertising Standards. All your advertising must be completely factual, conform to the highest standards of ethical advertising and comply with all Laws. You must ensure your advertising does not infringe upon the intellectual property rights of others. You must comply with any policies we establish pertaining to minimum advertised pricing.
- (c) Extraterritorial Advertising. You may advertise and market outside your Territory as long as you: (i) comply with all policies and procedures in the Manual governing extra-territorial marketing; and (ii) do not engage in targeted marketing directed into another MB Business’s territory (unless conducted as part of an advertising cooperative that includes the affected territory). Marketing that is distributed, circulated or received in both your Territory and the territory of another MB Business is not “targeted marketing” if: (i) you use reasonable efforts to limit circulation or distribution of the advertising to areas in your Territory; and (ii) most recipients of the advertising are located in your Territory and there is only incidental circulation or distribution in another MB Business’s territory or a third-party provider (e.g., Val Pak) distributes the advertising to a pre-determined mailing area that includes area inside and outside your Territory. The meaning of “targeted marketing” that is “directed into a territory” may be further defined in the Manual. Examples include direct mail sent to addresses in a given territory, digital advertising sent to devices with IP addresses registered in a given territory and conducting promotional events in a given territory.
- (d) Advertising Approval. Prior to use, we must approve all advertising and marketing programs and materials you intend to use, including all materials we did not prepare or previously approve, or that we prepare or approve and you modify. We must also approve the media you use. You may not use any advertising materials, programs or media that we have not approved or that we approve and later disapprove. We have 15 days to review and approve or disapprove advertising and marketing materials and programs you submit. Our failure to approve them

within the 15-day period constitutes our disapproval. Any advertising you propose and we approve is an "Improvement" for purposes of §18.6.

- (e) **Social Media.** You may promote your MB Business using social media provided that: (i) you only use social media platforms we approve; (ii) you strictly comply with our social media policy; (iii) you immediately remove any post we disapprove; (iv) you contract with any social media company we designate upon request; and (v) we own all social media accounts relating to your MB Business and retain full administrator rights.
- (f) **Internet & Websites.** Without our prior approval, you may not: (i) develop, host, or otherwise maintain a website (or other digital presence) that references our Marks; (ii) conduct digital or online advertising or marketing (except as we require or approve); or (iii) engage in ecommerce.

10.4. Advertising Cooperative. We may, but need not, establish regional advertising cooperatives to create and/or purchase advertising that benefits all MB Businesses in the region. We may: (a) determine the boundaries of the cooperative; (b) specify the manner in which the cooperative is organized and governed; (c) require the cooperative to be administered in accordance with written bylaws, organizational documents or other governing documents we approve; and (d) require you to participate in the cooperative according to its rules and procedures and abide by its decisions. You must pay a cooperative advertising fee on each royalty fee due date or such other date specified by the cooperative. We may set the minimum cooperative advertising fee or we may allow the cooperative to set the fee based on majority vote of its members. In either case, the fee will not exceed the Local Marketing Commitment unless a higher fee is approved by 2/3 majority vote of the cooperative's members. We may either: (a) collect cooperative advertising fees and remit them to the cooperative; or (b) require you to pay these fees directly to the cooperative. All cooperative advertising fees you pay are credited towards your Local Marketing Commitment. We may form, change, merge or dissolve advertising cooperatives in our discretion.

10.5. Use of Name & Image. You and the Owners hereby grant us the right, without compensation to you or the Owners, to use in our franchise sales process and/or in any publication about the System: (a) your name and address; (b) Owner names and biographical information; and (c) photos, videos and other recordings of you and your Owners, staff, MB Office, MB Vehicles and business operations.

11. OPERATING STANDARDS.

11.1. Manual. You must develop and operate your MB Business in full compliance with this Agreement, the Manual and our standards in order to maintain the goodwill associated with the Marks. The Manual may contain, among other things:

- (a) specifications for the layout, equipping and trade dress for an MB Office;
- (b) a list of (i) goods and services (or specifications for goods and services) you must purchase to develop and operate your MB Business and (ii) designated and approved suppliers;
- (c) a description of MB Services and retail items (if any) we require or authorize MB Businesses to sell;
- (d) specifications, techniques, methods, operating procedures and quality standards;
- (e) employee uniforms;
- (f) client service standards;
- (g) business forms; and
- (h) policies and procedures pertaining to any matters we deem appropriate such as: reporting and data entry; accounting and bookkeeping; insurance; marketing and advertising; gift card, loyalty and Strategic Relationship programs; AI Technology; and data ownership, use, encryption, transfer and protection.

The Manual is designed to protect our brand standards and ensure the uniformity and quality of the goods and services offered by MB Businesses. We can modify the Manual at any time.

Modifications are binding at the time we notify you of the change, subject to any “grace period” we provide to implement the change. All mandatory provisions in the Manual (whether included now or in the future) are binding on you. The Manual may consist of written text as well as videos, tutorials, training modules, recordings and/or other means of communication.

- 11.2. Authorized Goods & Services.** You must offer all goods and services we require from time to time in our commercially reasonable discretion. You may not offer any other goods or services without our prior approval. You must perform “in-home confirmations” for prospective clients and utilize our designated selling processes and methods, as outlined in the Manual. We may change authorized goods and services at any time and you must comply with our instructions regarding same. In providing MB services, you must only use the bags, cleaners, mops, brooms, brushes, uniforms, receipts and other items bearing the Marks. You must at all times maintain sufficient staff, materials and supplies to meet anticipated client demand.
- 11.3. Sales Restrictions.** Unless you receive our prior approval, you may not: (a) operate your Business from any location other than your MB Office; (b) produce, sell or provide goods or services through any other channel of distribution, including through an ecommerce site; (c) sell goods or services to any Person for purposes of resale; or (d) use your MB Business or MB Office, or permit them to be used, for any purpose other than offering the goods and services we authorize. You may not operate your Business outside your Territory except to the extent permitted by §3.2 or §3.3.
- 11.4. Pricing.** We will provide you with our suggested retail pricing. You may deviate from our suggested pricing at your discretion; *provided, however*, that we may: (a) require you to offer all limited time promotions we designate; (b) require you to charge the pricing we negotiate under Strategic Relationship programs; and (c) to the extent permitted by applicable Law, set maximum or minimum prices on goods and services you sell.
- 11.5. Client Payments.** You must, at your expense, lease or purchase the necessary equipment and/or software and have arrangements in place with Visa, MasterCard, American Express and all other credit card issuers we designate, in order for you to be able to accept such methods of payment from clients. You must accept debit cards, credit cards, stored value cards, and other non-cash systems (including, for example, Apple Pay and/or Google Wallet) that we specify. You must acquire and install all necessary hardware and/or software used in connection with these non-cash systems.
- 11.6. Suppliers & Purchasing.**
- (a) Generally. You must purchase, lease or license, as applicable, all goods, services and other items required by the Manual. You must only purchase goods and services that satisfy all standards and specifications we designate. You must comply with all sourcing and supplier restrictions we impose from time to time. We may require you to participate in a purchasing cooperative or national or regional purchasing program.
 - (b) System Suppliers. You must, in accordance with the Manual, purchase certain goods and services exclusively from suppliers we designate or approve. The Manual may designate us or our affiliate as a designated or approved supplier. We and our affiliates may generate a profit from these purchases. We are currently the exclusive designated supplier for all items included in the startup package. You may not purchase your ongoing supply of these items exclusively from us or other suppliers we designate or approve. Our right to specify the suppliers you use is necessary so we can control the uniformity and quality of goods and services used, sold or distributed in connection with the development and operation of MB Businesses, protect our trade secrets, negotiate bulk purchase discounts and protect the reputation and goodwill associated with our System and Marks. You must immediately discontinue purchasing from any supplier we disapprove.
 - (c) Approval Process. If you wish to purchase alternative goods or services, or purchase from alternative suppliers, you must send us a request for approval that: (i) identifies the proposed supplier and the goods/services to be purchased; (ii) includes all information we require about the goods/services and the supplier (including the supplier’s qualifications, reputation, financial

strength and production capabilities); and (iii) includes product samples for examination and testing purposes. We may condition our approval on the supplier's agreement to comply with our minimum insurance, indemnification, reporting and confidentiality requirements for system suppliers. We will approve or disapprove your request within 30 days after we receive all required information and samples. Your request is deemed disapproved if we fail to issue our approval within the 30-day period. You must reimburse all costs we incur to review suppliers or goods/services you propose. We need not consider substitute goods or alternative suppliers for goods that are proprietary or branded with our Marks.

- (d) Payment Disputes. You understand that: (i) your failure to timely pay a system supplier may jeopardize the supplier's relationship with us and other franchisees; and (ii) a supplier's termination of its relationship with us or refusal to supply goods or services to our franchisees may cause significant harm to us and our franchisees. Accordingly, you agree to promptly pay all amounts owed to system suppliers except as otherwise permitted by this Section. If you have a bona-fide dispute with a supplier that you believe justifies non-payment or partial payment, you must promptly notify the supplier of the particulars of your Claim and diligently pursue resolution of the Claim. Any trade debt that remains unpaid more than 30 days after its due date constitutes a material breach of this Agreement unless, before the end of the 30-day period: (i) you and the supplier agree to alternative payment terms; or (ii) you initiate appropriate legal action to contest the trade debt.
 - (e) Supplier Payments. We may receive rebates, benefits and other consideration from suppliers based on your purchases, leases or licenses. We may retain these payments as compensation and reimbursement for time and expenses we incur to negotiate and manage supplier relationships. We have no obligation to pass them through to you or use them for any particular purpose.
 - (f) Disclaimer of Liability. Provided that we designate or approve system suppliers in good faith, we have no liability to you for their acts, errors or omissions, including defective or tainted goods, delayed delivery or inability to meet demand. With respect to goods purchased from us or our affiliate, you acknowledge that we or our affiliate purchase the goods from third-party manufacturers or suppliers and resell them to you as a convenience. If you have any type of Claim relating to the purchase of goods or services from a system supplier, your sole recourse shall be against the supplier. If we or our affiliate are the supplier, your sole recourse shall be against the manufacturer or supplier from whom we or our affiliate acquired the goods unless both: (i) the Claim arises from our (or our affiliate's) failure to supply the goods in breach of our obligations under this Agreement; and (ii) our (or our affiliate's) failure to supply the goods is not caused by a Force Majeure event. ***We and our affiliates make no warranties or representations and expressly disclaim all warranties and representations, including the implied warranties of merchantability and fitness for a particular purpose, with respect to goods or services you purchase from system suppliers.***
- 11.7. Office Maintenance.** You must maintain your MB Office in good order and condition, reasonable wear and tear excepted, and make all necessary repairs, including replacements, renewals and alterations, at your sole expense, to conform to our standards and specifications. Without limiting the generality of the foregoing, you agree to take the following actions at your expense: (a) thorough cleaning, repainting, redecorating of the interior and exterior of the premises at the intervals we prescribe (or at such earlier times that such actions are required or advisable); and (b) interior and exterior repair of the premises as needed. You must comply with any maintenance, cleaning or facility upkeep schedule we prescribe.
- 11.8. Equipment Maintenance & Changes.** You must maintain your equipment in good condition and promptly repair or replace damaged or obsolete equipment. We may require that you change your equipment. Our right to require these changes is critical to our ability to administer and change the System and you must comply with these changes within the time period we reasonably prescribe.

11.9. Technology Systems.

- (a) Generally. You must acquire and utilize all Technology Systems we require from time to time. Technology Systems may relate to matters such as: purchasing; pricing; accounting; order entry; inventory control; scheduling; billing; security; data storage, retrieval and transmission; client information; client loyalty; marketing; communications; copying, printing and scanning; or any other business purpose we deem appropriate. We may require that you acquire new or substitute Technology Systems and/or replace, upgrade or update existing Technology Systems at your expense upon reasonable prior notice. You are solely responsible for: (i) the acquisition, operation, maintenance, updating and upgrading of your Technology Systems; (ii) the manner in which your Technology Systems integrate and interface with our computer system and those of third parties; and (iii) any consequences resulting from improper use or operation, or failure to properly maintain, update or upgrade, Technology Systems.
- (b) Use & Access. You must use Technology Systems in accordance with the Manual and comply with all associated data entry policies. You must promptly schedule all cleanings and appointments using our designated scheduling software. You may not load or permit any unauthorized programs or games on your Technology Systems. You must ensure your employees are adequately trained in the use of the Technology Systems. You agree to take all steps necessary to provide us with independent and unlimited access to data collected by or through your Technology Systems, including Gross Sales data for purposes of calculating fees owed. You must also obtain any necessary signed consents from clients in order for us to access Client Data. Upon request, including upon termination or expiration of this Agreement, you must provide us with user IDs and passwords for your Technology Systems.
- (c) AI Technology. Except as otherwise provided below or in the Manual, you may not use AI Technology without our approval. You do not need our approval to use commercially available off-the-shelf productivity software with embedded AI Technology features (e.g., Microsoft Office with Copilot or Google Workspace with Gemini) for internal business purposes provided that: (i) you only use commercially available standard features and configurations (e.g., no beta, preview, experimental or custom features, third-party plugins, extensions or integrations); (ii) you do not input, upload, submit, expose or otherwise make available to AI Technology any Confidential Information; (iii) you do not authorize, permit or enable training, fine-tuning, grounding or improvement of any AI models, algorithms, products or services based on Confidential Information (if available, you must affirmatively opt out of any such training or improvement features and send us confirmation of same upon request); (iv) you do not use AI Technology (1) for consumer-facing, client-facing or other external communications, content or materials, (2) for marketing analytics, targeting, lead qualifying, profiling or other activities involving clients or third parties, (3) in violation of any Law, (4) in a manner that may cause physical or psychological harm or materially impact the health, safety or fundamental rights of any natural Person or (5) in any other manner prohibited by the Manual; and (v) you maintain commercially reasonable security measures to prevent unauthorized access to or disclosure of any data processed through such AI Technology and immediately notify us of any suspected or actual data breach, security incident or unauthorized use involving AI Technology.
- (d) Disruptions. You are solely responsible for protecting against computer viruses, bugs, power disruptions, communication line disruptions, internet access failures, internet content failures, date-related problems and attacks by unauthorized Persons. Upon request, you must obtain and maintain cyber insurance and business interruption insurance for technology disruptions. ***We and our affiliates: (i) make no representations or warranties that the Technology Systems will be free from defects or that your use of the Technology Systems will be uninterrupted or error-free; and (ii) have no liability for any indirect, consequential, incidental, special or punitive damages (including damages associated with loss of use, interruption of business, loss of data or loss of profits) arising from or relating to the Technology Systems.***
- (e) Third-Party Technology. You understand and agree that we and our affiliates: (i) do not own certain Technology Systems (or components thereof) you must use to operate your MB

Business (i.e., Third-Party Technology); and (ii) have no liability to you for any Losses you incur as result of Third-Party Technology not functioning properly. Accordingly, you hereby: (i) waive any and all Claims against us or our affiliates relating to Third-Party Technology; and (ii) acknowledge your sole recourse for any Losses you incur due to improperly functioning Third-Party Technology shall be against the owner or licensor of such Third-Party Technology.

- (f) Email Accounts & Phone Number. At no additional charge beyond our standard technology fee, we provide you with: (i) up to three (3) MAID BRIGADE® email addresses (“MB Email Addresses”); and (ii) the primary phone number associated with your Business (the “Designated Phone Number”). If we do not provide you with the Designated Phone Number, you must notify us of the Designated Phone Number you intend to use. You must exclusively use the: (i) Designated Phone Number as the primary phone number associated with your Business; and (ii) MB Email Addresses for all email communications with us, clients, suppliers and other Persons relating to your Business. You may not use them for any purpose unrelated to your Business. Your advertising may not list any email address or phone number other than the MB Email Addresses and Designated Phone number. We own all MB Email Addresses and the Designated Phone Number but allow you to use them during the Term. If we provide the Designated Phone Number, we may either: (i) require you to pay monthly phone charges directly to the provider; or (ii) pay your monthly phone charges on your behalf and add such charges to your technology fee. If we provide more than three (3) MB Email Addresses, we may charge you a fee for each additional MB Email Address we provide and add this fee to your technology fee.
- (g) Fees & Costs. You are responsible for all fees, costs and expenses associated with acquiring, licensing, utilizing, updating and upgrading Technology Systems. Certain Technology Systems must be purchased or licensed from third-party suppliers. We and/or our affiliate may develop proprietary Technology Systems (or components thereof) that become part of our System. If this occurs, you agree to: (i) pay us (or our affiliate) commercially reasonable licensing, support and maintenance fees; and (ii) upon request, sign our prescribed form of license agreement governing use of proprietary Technology Systems (or components thereof). We may enter into master agreements with licensors of Third-Party Technology and charge you for amounts we pay them based on your use of their Third-Party Technology. We may charge you a technology fee, which includes all amounts you pay us and our affiliates relating to Technology Systems, including amounts paid for proprietary items and amounts we collect from you and remit to suppliers of Third-Party Technology. The technology fee may change based on changes to Technology Systems or prices charged by third parties with whom we enter into master agreements. The technology fee may include a reasonable administrative fee for the time, money and resources we invest to administer the technology platform and associated components, negotiate and manage contracts with third-party licensors, and collect and remit technology fees owed to third-party licensors on behalf of franchisees under master license arrangements. The technology fee does not include amounts you pay directly to third-party suppliers. The technology fee is due on each royalty fee due date or as we otherwise specify. We list the current technology fee in the Manual, but we will not require you to pay a technology fee in excess of the fee cap which is currently \$175 per week. We may increase the \$175 weekly fee cap by not more than 20% per year upon 30 days’ notice.

11.10. System Programs.

- (a) Generally. We may periodically develop and implement membership, loyalty, gift card, Strategic Relationship and other system-wide programs. You must fully participate in all programs we designate as mandatory. In order to participate you must: (i) comply with all policies and procedures we establish for program participation; (ii) purchase or license and utilize all equipment, software, mobile applications, technology and others items we designate as being necessary for program participation and pay all associated fees and costs; and (iii) pay all program fees, contributions or other amounts we require for program participation to the designated third-party provider (collectively, “Program Participation Rules”). Program Participation Rules may be set forth in the Manual. We may change Program Participation

Rules at any time and you must comply with the change. We may develop and implement new or successor programs and/or modify or terminate existing programs at any time.

- (b) **Loyalty Program.** You must fully participate and implement all required client loyalty, rewards and other affinity programs designed to increase client loyalty, generate new clients or improve overall demand for MB Services offered by MB Businesses.
 - (c) **Gift Card Program.** You must participate in any gift card program we establish and honor all gift cards, even if purchased from us or another MB Business. You may not sell gift cards we have not approved. We have the right to: (i) determine how gift card proceeds are divided or otherwise accounted for; (ii) require that gift card proceeds be paid to us or deposited into a trust account we control for subsequent disbursement to the MB Business(s) where the gift card is redeemed; and (iii) retain proceeds from unredeemed gift cards.
- 11.11. Hours of Operation.** Your MB Business must be open for business during the minimum days and hours of operation set forth in the Manual, subject to any conflicting requirements imposed by Law. You must establish specific days and hours of operation and submit them to us for approval. If we do not implement a call center, you must answer all phone calls live from 8:30 AM to 5:00 PM (local time) Monday through Friday.
- 11.12. Standards of Service & Professionalism.** You must treat your employees and clients, and our staff, with honesty and respect. You and your staff must provide prompt, courteous, friendly and efficient service to all clients and ensure all client interactions are conducted in a dignified, professional and ethical manner. You must guarantee your services and promptly respond to all client inquiries and complaints to ensure client satisfaction. You must: (a) contact each client at least three (3) times per 12-month period to inquire about job performance, areas for improvement and overall client satisfaction; and (b) comply with all other client surveying and satisfaction procedures we prescribe from time to time.
- 11.13. Client Complaints.** You must respond to all complaints by clients or prospective clients within 48 hours of receipt of the complaint. You must follow the complaint resolution process we specify to protect the goodwill associated with the Marks. If (a) we receive a client complaint regarding your Business and (b) we decide to provide the client with assistance or support (either directly or through another MB Business) in response to the complaint, we may charge you a client support fee calculated as 120% of the actual costs incurred by us or such other MB Business to provide such MB Services or support to the client in response to the complaint.
- 11.14. Quality Assurance Programs.** For quality control purposes we may periodically: (a) inspect your MB Office and business operations in accordance with §6.4 and §17.1; (b) hire mystery shoppers or quality assurance firms to inspect your MB Business; and/or (c) implement client satisfaction programs (including use of evaluation cards and surveys). These inspections and programs may address a variety of issues including: client service; client safety; client satisfaction; utilization of required policies, procedures and protocols; etc. You must fully cooperate with all inspections. We may implement a scoring system pursuant to which each MB Business receives a “grade” or “score” based on inspection or survey results. Failure to achieve a passing grade or score constitutes a default under this Agreement. You must implement all corrective measures we require, in the time we specify, to rectify any noncompliance issues revealed by an inspection or survey.
- 11.15. Failure to Comply with Standards.** You acknowledge the importance of every one of our standards and operating procedures to the reputation and integrity of the System and goodwill associated with the Marks. If we notify you of a breach of our standards or operating procedures (including failure to submit required reports in a timely manner) and you fail to cure within the time period we prescribe, we may (in addition to our other remedies under this Agreement) impose a noncompliance fee of \$500 per occurrence. We may impose a separate \$500 fee every 48 hours the same noncompliance issue remains uncured after we impose the initial fee. Any noncompliance fees we collect are paid in consideration of us refraining from exercising our contractual right to terminate this Agreement. If you fail to cure a breach before the expiration of the cure period (if any) and we take steps to cure the breach (for example, obtaining required insurance coverage on your behalf or paying amounts you

owe to system suppliers), then you must: (a) reimburse all costs and expenses we directly or indirectly incur in connection with our efforts to cure the default; and (b) pay us an administrative fee calculated as 20% of the total amount of such costs and expenses. Your payment of noncompliance fees and default expense reimbursements does not preclude us from terminating this Agreement in accordance with §21.2 if the default continues after we collect these amounts.

12. MINIMUM PERFORMANCE REQUIREMENTS. During each three (3) month period (a “Quarter”), commencing with the second (2nd) anniversary of your opening date, you must generate Gross Sales equal to or greater than the Minimum Quarterly Gross Sales Amount (the “Minimum Sales Criteria”). The Minimum Quarterly Gross Sales Amount is calculated as \$6 multiplied by the total number of Qualified Households in your Territory divided by 4. The Minimum Sales Criteria is measuring during each Quarter (with the first Quarter commencing with the beginning of the 25th month after your opening date). Failure to achieve the Minimum Sales Criteria for a given Quarter is not a default under this Agreement; *provided, however*, that if you fail to achieve the Minimum Sales Criteria for three (3) consecutive Quarters we may, at our option, elect to: (a) reduce the size of your Territory; (b) eliminate your territorial rights and protections; or (c) terminate this Agreement. For purposes of calculating the Minimum Sales Criteria for a given 12-month period, we measure the number of Qualified Households in your Territory at the beginning of each 12-month period (commencing with your opening date).

13. FRANCHISE ADVISORY COUNCIL. We may, but need not, create a franchise advisory council (FAC) to provide us with suggestions to improve the System, including matters such as marketing, operations and new product or service suggestions. We consider all suggestions in good faith but are not bound by them. The FAC would be established and operated according to rules and regulations we periodically prescribe or approve, including procedures governing the selection of FAC representatives to communicate with us on matters raised by the FAC.

14. FEES

14.1. Initial Franchise Fee. You agree to pay us an initial franchise fee in one lump sum at the time you sign this Agreement. The amount of your initial franchise fee is listed in Part B of ATTACHMENT "A". The initial franchise fee is fully earned by us and nonrefundable once this Agreement is signed.

14.2. Royalty Fee. On the day we designate from time to time (the “royalty fee due date”) you must pay us a royalty fee for each reporting period, calculated in the manner set forth below. The current reporting period is a weekly period that begins with the opening of business on Monday and ends with the close of business on Sunday. The current royalty fee due date is the fourth (4th) day after the end of the reporting period. We may change the reporting period and/or royalty fee due date through updates to the Manual. The royalty fee is determined as the greater of the percentage-based royalty or the minimum royalty. The percentage-based royalty is calculated by applying the “applicable royalty rate” to Gross Sales generated during the reporting period falling within the annual Gross Sales “bracket” (the first 12-month Gross Sales measuring period begins on your opening date). The annual Gross Sales brackets and applicable royalty rate are set forth in the table below:

Gross Sales Bracket (Resets each 12-month period)		Applicable Royalty Rate
<i>Minimum</i>	<i>Maximum</i>	
\$0	\$299,999	6.9%
\$300,000	\$699,999	6.0%
\$700,000	\$899,999	5.0%
\$900,000	\$1,499,999	4.5%
\$1,500,000	\$1,999,999	4.0%
\$2,000,000	No Maximum	3.5%

Notwithstanding the above, the Applicable Royalty Rate shall be 6.9% of all Gross Sales generated during any period of time that you are in default under this Agreement, and the declining royalty rate shall not apply to any such Gross Sales. The minimum royalty, which varies by Territory size and

period of operation, is determined in accordance with the table below:

Period of Operation (Measured from Opening Date)	Minimum Weekly Royalty
Weeks 1 through 52	\$0
Weeks 53 through 104	\$200 + \$0.005 for every Qualified Household in excess of 30,000
Weeks 105 through 208	\$275 + \$0.005 for every Qualified Household in excess of 30,000
Week 209 and after	\$350 + \$0.005 for every Qualified Household in excess of 30,000 (capped at \$750 per week)

For purposes of calculating the minimum weekly royalty, we measure the number of Qualified Households in your Territory at the beginning of each 12-month period (commencing with your opening date). We reserve the right to adjust the Gross Sales brackets and the minimum royalty fee based on changes in CPI in accordance with §14.6. For the sake of clarity, if you own multiple MB Businesses, the Applicable Royalty Rate is separately determined based on Gross Sales generated by each MB Business under each Franchise Agreement and is not determined based on the combined Gross Sales generated by all MB Businesses that you own and operate.

- 14.3. Other Fees & Payments.** You must pay all other fees, expense reimbursements and other amounts specified in this Agreement in a timely manner as if fully set forth in §14. You also agree to promptly pay us an amount equal to all taxes levied or assessed against us based on goods or services you sell or goods or services we furnish to you, excluding income taxes imposed on us based on fees you pay us under this Agreement.
- 14.4. Due Date & Late Fee.** Payments are due 10 days after invoicing unless otherwise specified. If any sum due under this Agreement is not received by us when due or there are insufficient funds in your Account to cover the sum when due, then in addition to this sum you must pay us a late fee equal to 10% of the past due amount plus default interest on the amount past due at a rate equal to the lesser of 18% per annum (pro-rated on a daily basis) or the highest rate permitted by applicable Law. We will not impose a late fee or charge default interest for any amount paid pursuant to §14.5 if, but only to the extent that, sufficient funds were available in your Account to be applied towards the payment when due; *provided, however*, that if we are unable to determine the amount due because you fail to record sales or submit Gross Sales reports in a timely manner, we may assess a late fee and default interest on the entire amount that was due. This §14.4 does not constitute our agreement to accept late payments or extend credit to you. Fees are nonrefundable unless otherwise noted.
- 14.5. Method of Payment.** No later than 15 days after the Effective Date, you must complete and send us a signed ACH Agreement authorizing us to electronically debit your designated Account for all amounts owed to us and our affiliates on the applicable due date, excluding amounts due less than 15 days after the Effective Date. You must sign all other documents required by us or your bank to enable us to debit your Account for amounts owed. You must deposit all Gross Sales into the Account and ensure sufficient funds are available for withdrawal before each payment due date. If there are insufficient funds in your Account, any excess amounts you owe will be payable upon demand together with any late fee imposed pursuant to §14.4. If (a) there are insufficient funds in your Account to cover amounts owed when due or (b) a check you issue to us is returned for insufficient funds, we may impose (in addition to any applicable late fee) an NSF fee equal to the lesser of \$50 or the maximum NSF fee permitted by applicable Law. You may not assign or pledge any current or future accounts receivable to another Person without our prior consent.
- 14.6. CPI Adjustments.** We may periodically adjust all fees (including minimum fees, fee caps and Gross Sales brackets) expressed as a fixed dollar amount based on changes to the U.S. Consumer Price Index (CPI). We may periodically review and increase these fees up to the increase in the CPI, but only if the then-current CPI ("Current CPI") is more than 5% higher than the corresponding CPI in effect on: (a) the Effective Date of this Agreement (for the initial fee adjustment); or (b) the date we implemented the last fee adjustment (for subsequent fee adjustments) ("Baseline CPI"). The adjusted fee is calculated by multiplying the current fee by the sum of one (1) plus a fraction: (a) the

numerator of which is Current CPI minus Baseline CPI; and (b) the denominator of which is Baseline CPI. We may utilize any CPI index series published by the U.S. Department of Labor or any comparable Governmental Authority that we deem appropriate. We currently use the following index: All Urban Wage Earners and Clerical Workers (CPI-W), U.S. City Average (1982-84 = 100), "All Items". We will notify you of any CPI adjustment at least 60 days before it becomes effective. We may implement no more than one (1) fee adjustment during any five (5) year period. If we decline to exercise our right to increase fees in a given five (5) year period despite a 5% or greater CPI increase, that potential fee increase will accumulate and may be carried forward and applied to a subsequent fee adjustment. We may also adjust the \$6 multiplier (used to calculate the Minimum Annual Gross Sales Amount for purposes of §12) and \$1 multiplier (used to calculate the territory fee for purposes of §3.1(c)) at the same time, and in the same manner, as we adjust fees in accordance with this Section.

15. BRAND PROTECTION COVENANTS.

- 15.1. Reason for Covenants.** The Intellectual Property, training and assistance we provide would not be acquired except through implementation of this Agreement. You agree that competition by you, the Owners or Persons associated with you or the Owners (including family members) could seriously jeopardize our franchise system because you and the Owners receive an advantage through knowledge of our day-to-day operations and Know-how. You and the Owners agree to comply with the covenants in §15 to protect the Intellectual Property and our franchise system.
- 15.2. Intellectual Property & Confidential Information.** You and the Owners agree to: (a) refrain from using any Intellectual Property or Confidential Information in any business or for any purpose other than the operation of your MB Business pursuant to this Agreement; (b) maintain the confidentiality of our Confidential Information at all times; (c) refrain from making unauthorized copies of documents containing Confidential Information; (d) take all steps we reasonably require to prevent unauthorized use or disclosure of Confidential Information; and (e) stop using the Intellectual Property and Confidential Information immediately upon the expiration, termination or Transfer of this Agreement (any Owner who ceases to be an Owner before the expiration, termination or Transfer of this Agreement must stop using the Intellectual Property and Confidential Information immediately at the time he or she ceases to be an Owner).
- 15.3. Unfair Competition.** You and the Owners may not engage in any Prohibited Activities during the Term or Post-Term Restricted Period. Notwithstanding the foregoing, you and the Owners may have an interest in a Competing Business during the Post-Term Restricted Period as long as the Competing Business is not located (and does not operate) within the Restricted Territory. If you or an Owner engage in a Prohibited Activity during the Post-Term Restricted Period (except as permitted by this Section), then the Post-Term Restricted Period applicable to you or the non-compliant Owner, as applicable, shall be extended by the period of time during which you or the non-compliant Owner, as applicable, engaged in the Prohibited Activity. For purposes of clarity, you and the Owners remain bound by non-competition covenants in other Definitive Agreements that remain in effect for a period of time that extends beyond the expiration of the Post-Term Restricted Period under this Agreement, and the expiration of the Post-Term Restricted Period under this Agreement does not diminish your or the Owners' obligation to comply with such covenants.
- 15.4. Family Members.** Because (a) an Owner could circumvent the intent of §15 by disclosing Confidential Information to an immediate family member (i.e., spouse, parent, sibling, child or grandchild) and (b) it would be difficult for us to prove whether the Owner disclosed Confidential Information to the family member, each Owner agrees that he or she will be presumed to have violated the terms of §15 if any member of his or her immediate family engages in any Prohibited Activity during the Term or Post-Term Restricted Period or uses or discloses Confidential Information. However, the Owner may rebut this presumption with evidence conclusively showing he or she did not disclose Confidential Information to the family member.
- 15.5. Employees.** All employees, officers, directors, independent contractors and other Persons associated with you or your MB Business must sign and send us a Confidentiality Agreement before accessing

our Confidential Information. You must: (a) use best efforts to ensure these individuals comply with the Confidentiality Agreements; (b) immediately notify us of any breach that comes to your attention; and (c) reimburse all expenses we incur to enforce a Confidentiality Agreement, including attorneys' fees and court costs.

15.6. Covenants Reasonable. You and the Owners agree that: (a) the covenants in §15 are reasonable both in duration and geographic scope; (b) our use and enforcement of similar covenants with other franchisees benefits you and the Owners by preventing them from unfairly competing with your MB Business; and (c) you and the Owners have sufficient resources, business experience and opportunities to earn an adequate living while complying with the covenants in §15.

15.7. Breach of Covenants. You and the Owners agree that: (a) any breach of §15 is likely to cause substantial and irreparable damage to us and/or other franchisees for which there is no adequate remedy at Law; and (b) we are entitled to injunctive relief if you or an Owner breach §15, together with any other relief available at equity or Law. We will notify you if we intend to seek injunctive relief but we need not post a bond. If a court requires us to post a bond despite our agreement to the contrary, the bond amount may not exceed \$1,000. No remedy available to us under this Agreement is exclusive of any other, but may be combined with others under this Agreement, or at Law or in equity, including injunctive relief, specific performance and recovery of monetary damages.

16. YOUR OTHER RESPONSIBILITIES

16.1. Insurance. For your protection and ours, you agree to maintain the following insurance policies:

- (a) "all risk" property insurance, including coverage for fire, vandalism and malicious mischief, with minimum coverage for full replacement cost, covering all assets including inventory, furniture, fixtures, equipment and other property used to operate the MB Business;
- (b) comprehensive general liability insurance against claims for bodily and personal injury, death and property damage caused by or occurring in conjunction with the operation of your MB Business (with no "care, custody and control" exclusion), with minimum liability protection of \$1,000,000 combined single limit per occurrence and \$1,000,000 in the aggregate, plus a minimum of \$150,000 in coverage for damage to a customer's property caused by your work;
- (c) theft and dishonesty insurance with minimum liability protection of \$25,000 combined single limit per occurrence;
- (d) blanket fidelity bond in the minimum amount of \$10,000 for each Cleaning Technician you employ (or such higher amount required by Law);
- (e) automobile liability and property damage insurance covering all loss, liability, claim or expense of any kind whatsoever resulting from the use, operation, or maintenance of your MB Vehicle(s) owned, leased or used by you or your employees or agents in the operation of your MB Business, with minimum liability protection of \$1,000,000 combined single limit per occurrence and \$1,000,000 in the aggregate;
- (f) umbrella insurance with minimum liability protection of \$1,000,000 combined single limit per occurrence and \$1,000,000 in the aggregate;
- (g) employers' liability insurance with minimum coverage of \$100,000 per person (or such higher amount required by Law);
- (h) worker's compensation insurance as required by Law;
- (i) any insurance required under your lease or by Law; and
- (j) any other insurance we specify in the Manual from time to time.

These policies reflect our minimum requirements and may not be adequate to fully protect your interests. You may wish to procure additional coverage. We also recommend, but do not currently require, privacy and cyber security liability insurance and business interruption insurance. You must provide us with proof of coverage: (a) 30 days before opening; (b) within 10 days after a policy

renewal; and (c) any other time on demand. You must obtain these policies from licensed insurance carriers rated A or better by AM Best. Each policy must satisfy all requirements in the Manual and be endorsed to: (a) name us and our owners, officers and directors as additional insureds on a primary and non-contributory basis; (b) waive all subrogation rights against us; and (c) provide us with at least 30 days' prior written notice of the termination, expiration, cancellation or modification of the policy. We may disapprove any policy that fails to meet these criteria, and you must immediately secure a new policy meeting our criteria. Upon 10 days' notice, we may increase the minimum liability coverage amount and/or require different or additional types of insurance due to inflation, special risks, changes in Law or standards of liability, higher damage awards or other relevant changes in circumstances. If you fail to maintain a required policy we may, at our option, obtain the policy on your behalf. If we do so, you must promptly sign any application or other form required to obtain the policy and reimburse all premiums and other costs we incur.

16.2. Books & Records. You must prepare complete and accurate books, records, accounts and tax returns pertaining to your Business and keep copies for at least five (5) years after their preparation. We may require you to prepare your books and records in compliance with our bookkeeping and accounting standards and policies in the Manual. You must maintain, and send to us upon request, a written list of all current, former and prospective clients. You must send us copies of: (a) all client contracts within five (5) days of their execution; (b) all returns, schedules and reports you file for federal and state income, corporate or sales tax purposes, within 30 days after you file them; and (c) any other books and records we designate within seven (7) days of our request. You must also obtain any necessary signed consents from clients in order for you to share their contracts and information with us. You must provide us with independent access to your QuickBooks Online (or other online accounting or bookkeeping) account with permission to read all reports.

16.3. Reports.

- (a) Generally. You must prepare all reports we require in the form and manner we specify. You must send us copies of required reports upon request. We may independently access your Technology Systems to retrieve and compile Business Data and generate any reports we deem appropriate, including Gross Sales reports.
- (b) Report of Initial Investment Costs. To assist us in updating our Franchise Disclosure Document, you must complete and send us a report, in the form we designate, listing all expenses you incur to develop and open your MB Business. You must send us the completed report within 60 days after the opening date of your MB Business.
- (c) Gross Sales Reports. No later than each royalty fee due date, you must prepare and send us a statement of your Gross Sales for the prior reporting period. If you miscalculate Gross Sales, you must notify us of the error before the end of the next reporting period. Otherwise, you will not be entitled to a refund or credit of fees paid to us based on previously reported Gross Sales.
- (d) Client Reports. No later than the 10th day of each month, you must send us a complete list of: (i) current and prospective clients (including name, address and contact information); and (ii) clients who cancelled or terminated your service or sought refunds from you during the prior month (including name, address, contact information and summary of the reason for the cancellation or termination of service or refund request).
- (e) Advertising Expenditure Reports. No later than the 10th day of each month, you must prepare and send us a monthly report detailing your expenditures incurred during the prior month on: (i) local advertising required by §10.3(a); and (ii) employee advertising required by §8.3. All advertising expenditure reports must include copies of receipts for the reported expenditures.

16.4. Financial Statements. No later than the 15th day of each month, you must prepare and send us a monthly balance sheet and profit and loss statement for your Business for the prior month. Within 90 days after the end of each calendar year, you must prepare and send us a balance sheet (as of the end of the calendar year) and profit and loss statement for the prior calendar year. Financial statements must be: (a) verified and signed by you certifying to us that the information is true, complete, and

accurate; (b) prepared on an accrual basis in compliance with Generally Accepted Accounting Principles; and (c) submitted in any format we reasonably require. We may require that your financial statements be reviewed or audited by a certified public accountant if you submit materially inaccurate financial statements on a prior occasion. You must send us a copy of any financial statement required by this Section upon request. You hereby authorize us to disclose Operational Data to prospective franchisees, Governmental Authorities and other Persons for any reasonable business purpose, provided the disclosure is not prohibited by applicable Law.

16.5. Legal Compliance. You must secure and maintain throughout the Term all required Licenses and operate your MB Business in compliance with all applicable Laws. You must procure, and maintain throughout the Term, any surety bond, fidelity bond or other form of financial security required by Law (or that we require in our reasonable discretion). You understand that operating an MB Business without a required License is unlawful and grounds for termination of this Agreement. If any required License is cancelled, terminated, not renewed or otherwise rendered ineffective, we may, in lieu of termination: (a) require you to immediately discontinue operating your Business and providing MB Services to clients until such time that you have obtained all required Licenses; and (b) designate another franchised or company-owned MB Business to operate your Territory and provide MB Services to clients until such time that you have obtained all required Licenses. ***If we elect to have another MB Business operate your Territory while you lack a required License: (a) you will not be entitled to any fees, revenue or other compensation relating to the MB Services rendered by such other MB Business; and (b) you hereby release and waive any and all Claims against us or such other MB Business that in any way arise from or relate to the business conducted (or MB Services rendered to clients) in your Territory by such other MB Business.***

16.6. Reportable Events. You must notify us within two (2) business days after you become aware of any of the following (each, a “Reportable Event”): (a) the occurrence of an incident at your Business involving significant personal injury; (b) the issuance of a citation or notice of violation by a Governmental Authority (or the commencement of an inquiry you believe is reasonably likely to lead to a citation or notice of violation) relating to a health or safety matter involving your Business; (c) a cancellation, termination or non-renewal of a required License; (d) the commencement (or written threat) of an action, suit or proceeding against you, your Owners and/or your Business that is reasonably likely to materially and adversely affect you, your Business or the goodwill associated with the Marks; (e) a conviction or indictment of an Owner, the Designated Manager or a Cleaning Technician for a felony or other crime reasonably likely to materially and adversely affect you, your Business or the goodwill associated with the Marks; or (f) receipt of a default notice from your landlord.

16.7. Ownership & Protection of Business Data & Client Relationships.

- (a) Ownership & Use. We exclusively own all: (i) Business Data, whether collected by you, us or another Person; and (ii) client relationships and accounts. We license you the right to use the Business Data, client relationships and accounts solely for purposes of operating the Business in compliance with this Agreement.
- (b) Protection. You must protect Client Data with a level of control proportionate to the sensitivity of data. You must comply with all applicable privacy Laws, data protection Laws and our data processing and data privacy policies in the Manual (if any). Upon request, you must sign any data processing or data privacy agreement required by Law (or required by us). You may not enter Business Data into public/open AI models or any other AI model that uses such information to train the AI without our prior approval.
- (c) PCI-DSS. You agree to: (i) adhere to all applicable compliance standards established by PCI-DSS; (ii) establish appropriate administrative, technical and physical controls consistent with Law and PCI-DSS to preserve the security and confidentiality of credit card information (in any form) that you store, process, transmit or come in contact with; (iii) promptly notify us if you suspect, or there has been, a security breach or potential compromise of credit card information; (iv) send us updates regarding the status of PCI-DSS via completed PCI AOC (Attestation of

Compliance), PCI-DSS SAQ (Self-Assessment Questionnaire) or other mutually-agreed method; and (v) promptly notify us of any PCI-DSS noncompliance to discuss your remediation efforts and timeline.

- (d) Data Breach. In the event of a data breach, we reserve the right to exclusively control the response, but we have no liability to you for any damages arising from the data breach. You must cooperate with us and follow our instructions relating to the data breach.

17. INSPECTION AND AUDIT

17.1. Inspections. For quality control purposes and to ensure compliance with this Agreement, we (or our representative) may enter your MB Office, evaluate your operations, inspect your books, records, accounts and tax returns and take pictures and/or video of your MB Office, staff and Business operations. The scope of the inspection may include, among other things:

- (a) evaluating the condition of your MB Office for cleanliness, sanitation and state of repair;
- (b) examining and copying your books, records, accounts and tax returns;
- (c) auditing your use of AI Technology and related data handling practices;
- (d) inspecting and testing your equipment;
- (e) conducting quality control inspections at job sites;
- (f) monitoring and speaking with your staff; and
- (g) contacting your landlord and clients.

We may conduct inspections at any time without prior notice. We (or our representative) will use reasonable efforts to minimize any interference with the operation of your MB Business. You and your employees must cooperate and not interfere with the inspection. You consent to us accessing your Technology Systems to retrieve Business Data. You must reimburse all Travel Expenses and other costs we incur to conduct an inspection to verify whether you remedied: (a) a health or safety issue identified by a Governmental Authority; or (b) a breach of system standards we bring to your attention. We bear the cost of all other inspections.

17.2. Audit. We may audit your books and records at any time. You must fully cooperate with us and any Person we hire to conduct the audit. If an audit reveals an understatement of Gross Sales, you must immediately pay us all additional fees you owe together with any late fee imposed pursuant to §14.4. You must reimburse us for the cost of any audit (including reasonable accounting and attorneys' fees and Travel Expenses incurred by us or the auditor) that: (a) is required due to your failure to provide information we request, preserve records or file reports as required by this Agreement; or (b) reveals you understated Gross Sales by at least 2% (if unintentional) or by any amount (if intentional). We bear the cost of all other audits. Your reimbursement of our audit costs does not preclude us from terminating this Agreement.

18. INTELLECTUAL PROPERTY

18.1. Ownership & Use. You acknowledge that: (a) we are (or our affiliate is) the exclusive owner of the Intellectual Property and the associated goodwill; and (b) your right to use the Intellectual Property is derived solely from this Agreement and is limited to a license to operate your MB Business during the Term pursuant to, and only in compliance with, this Agreement and the Manual. You may not use the Intellectual Property relating to the sale of unauthorized goods or services or in any manner not expressly authorized by us. Any unauthorized use of the Intellectual Property is an infringement of our rights. You must comply with all provisions in the Manual governing use of the Intellectual Property. You will not acquire any goodwill, title or interest in or to the Intellectual Property. Any goodwill arising from your use of the Marks insures exclusively to us (or our affiliate) with no obligation to pay you compensation attributable to any goodwill from your use of the Marks.

18.2. Intellectual Property Changes. We may change the Intellectual Property at any time in our sole discretion, including the Copyrighted Materials, Know-how, Marks and/or System. You must, at

your expense, implement all Intellectual Property changes we require in accordance with our instructions. We are not liable for any Losses you incur (including loss of goodwill associated with a Mark) due to a change to the Intellectual Property.

18.3. Use of Marks. You agree to: (a) use the Marks as the sole identification of your MB Business; *provided, however*, that you must identify yourself as the independent owner of your MB Business in the manner we prescribe; (b) prominently display the Marks in the manner we prescribe on or in connection with any advertising, promotional materials, displays, receipts, stationery and forms we designate to give notice of trademark and service mark registrations and copyrights; and (c) obtain any fictitious or assumed name registrations required by applicable Law. You may not: (a) use the Marks in any modified form or as part of a corporate or trade name or with any prefix, suffix, or other modifying words, designs or symbols (other than logos we license to you); (b) use the Marks when signing a contract, lease, check or other agreement or in any other manner that may cause confusion or imply we are liable for your obligations; (c) register or attempt to register a Mark, or a trademark confusingly similar to a Mark, with a Governmental Authority; or (d) challenge or contest the validity or ownership of our Marks.

18.4. Tradenname. You must obtain a tradenname (i.e., a fictitious or assumed name) registration if required by applicable Law. The tradenname must be for “MAID BRIGADE of (name of your Territory or other geographic descriptor)”. You must submit your proposed tradenname to us for approval. We will notify you of our approval through the issuance of a Tradenname Approval Notice. You may not use any tradenname we have not approved. You must surrender and cancel the tradenname upon the termination, expiration or Transfer of this Agreement.

18.5. Use of Know-how. We disclose our proprietary Know-how to you during training programs, in the Manual and through other guidance furnished during the Term. You do not acquire any interest in the Know-how other than the right to use it solely for purposes of developing and operating your MB Business in compliance with this Agreement and the Manual during the Term.

18.6. Improvements. If you (or your Owner or employee) conceive of or develop an Improvement, you must send us a notice describing the Improvement. You must obtain our approval prior to using the Improvement. You or your Owner or employee, as applicable, must assign to us or our designee, without charge, all rights to any Improvement we approve, including the right to grant sublicenses. If applicable Law precludes assigning ownership to us, you or your Owner or employee, as applicable, must grant us a fully-paid, royalty-free license to use and sublicense use of the Improvement anywhere in the world for a term of 100 years.

18.7. IP Disputes. You must immediately notify us of any IP Dispute. You may not communicate with any Person other than us and our counsel in connection with the IP Dispute. We have sole discretion in deciding what action, if any, to take in response to an IP Dispute. We exclusively control all litigation and other proceedings relating to IP Disputes. You must execute all documents, render all assistance, and perform all acts that our counsel deems necessary or advisable to protect or maintain our interest in the proceeding and/or protect the Intellectual Property. Provided that you are in full compliance with all Definitive Agreements, we will indemnify you and your Owners and hold them harmless for, from and against any Losses they incur as a result of or in connection with any Claim asserted against you and/or your Owners alleging that your use of our principal Mark (i.e., MAID BRIGADE®) in strict compliance with the terms of this Agreement and the Manual violates a third party’s intellectual property rights. You must promptly notify us of any such Claim and fully cooperate with our defense of the Claim.

19. INDEMNITY. You agree to indemnify the Indemnified Parties and hold them harmless for, from and against any and all Losses they incur as a result of or in connection with:

- (a) the marketing, use or operation of your MB Business;
- (b) the breach of a Definitive Agreement committed by you or your Owner or affiliate;
- (c) the breach of an agreement with a third party committed by you or your Owner or affiliate;

- (d) any conduct, act or omission of you or any of your Owners or employees;
- (e) any representations you or your Owner make to a transferee in connection with a Transfer;
- (f) any Claim relating to taxes or penalties a Governmental Authority assesses against us as a direct result of your failure to pay or perform functions required of you under this Agreement;
- (g) libel, slander or disparaging comments made by you or your Owners, officers, employees or independent contractors regarding the System, an MB Business or an Indemnified Party (this provision does not apply to disclosure of truthful information to Governmental Authorities);
- (h) any labor, employment or similar type of Claim pertaining to your employees (including Claims alleging we are a joint employer of your employees) or our relationship with you or your Owners (including Claims alleging we are an employer of you and/or any of your Owners); or
- (i) any actions, investigations, rulings or proceedings conducted by any Governmental Authority (including the United States Department of Labor, Equal Employment Opportunity Commission or National Labor Relations Board) relating to your employees.

You must immediately notify us of a Claim or proceeding described above. The Indemnified Parties have the right, in their sole discretion, to: (a) retain counsel of their choosing to represent them; (b) control the response thereto and defense thereof; and (c) settle the Claim. You may participate in the defense at your expense. You must cooperate with the Indemnified Parties and reimburse all Losses they incur to defend the Claim including mediation, arbitration or court expenses, expert fees and Travel Expenses incurred by attorneys or expert witnesses to attend proceedings or hearings relating to the matter. Your indemnification obligations survive and remain in effect after the Transfer, termination or expiration of this Agreement.

20. TRANSFERS

20.1. By Us. We have the unrestricted right to assign this Agreement to any Person without prior notice to you; *provided, however*, that we will remain liable for obligations we incur prior to the assignment date. We may also delegate any of our obligations under this Agreement.

20.2. By You. The rights and duties created by this Agreement are personal to you and the Owners. We are granting you franchise rights in reliance upon the character, skill, attitude, business ability and financial resources of you and your Owners. Because this Agreement is a personal services contract, neither you nor any Owner may engage in a Transfer (other than a Permitted Transfer) without our prior approval. Any Transfer (other than a Permitted Transfer) without our approval is void and constitutes a breach of this Agreement. We will not unreasonably withhold our approval of a proposed Transfer if all of the following conditions are satisfied:

- (a) you send us a notice describing the terms and conditions of the proposed Transfer along with our current form of Franchise Application, completed by the proposed transferee;
- (b) we believe the proposed transferee has sufficient business experience, aptitude and financial resources to own and operate an MB Business and meets our minimum criteria for franchisees;
- (c) you and your affiliates and Owners are in full compliance with all Definitive Agreements;
- (d) the transferee's owners successfully complete, or make arrangements to attend, the initial training program and the transferee pays us any applicable training fee (e.g., onboarding fee);
- (e) your landlord consents to the assignment of your lease to the transferee, or the transferee is diligently pursuing an alternate site for their MB Office within the Territory;
- (f) the transferee and its owners obtain all required Licenses to own and operate the MB Business;
- (g) the transferee: (i) assumes your obligations under this Agreement and other Business-related contracts (including client contracts and supplier contracts); and (ii) signs any agreement we require to confirm the foregoing;
- (h) the transferee and its owners sign our then-current form of franchise agreement (unless we instruct you to assign this Agreement to the transferee) except that: (i) the Term and renewal

term(s) shall be the Term and renewal term(s) remaining under this Agreement unless we specify otherwise; and (ii) the transferee need not pay a separate initial franchise fee;

- (i) the transferee agrees to renovate the MB Office and upgrade all trade dress, furniture, fixtures and equipment to conform to our then-current standards and specifications (these changes must be completed within 90 days after the Transfer or such shorter period of time we specify);
- (j) you pay us a \$10,000 transfer fee (reduced to \$5,000 if the transferee is an existing MAID BRIGADE® franchisee) to defray our Transfer-related expenses (if our broker finds the transferee, you must also reimburse any commission we pay our broker);
- (k) you and your Owners sign a General Release;
- (l) you agree to subordinate the transferee's financial obligations owed to you to the transferee's financial obligations owed to us pursuant to the franchise agreement (we may require you to enter into a written subordination agreement);
- (m) we choose not to exercise our right of first refusal described in §20.5; and
- (n) you or the transferring Owner, as applicable, and the transferee satisfy all other conditions we reasonably require as a condition to approval of the Transfer.

Our consent to a Transfer shall not constitute a waiver of any Claims we have against the transferor or our right to demand the transferee comply with all terms of the franchise agreement.

20.3. Permitted Transfers. You may engage in a Permitted Transfer without our prior approval, but you must: (a) give us at least 10 days' prior notice; and (b) upon our request, cause the former Franchisee Entity to sign a corporate guarantee in the format we require to secure performance of the new Franchisee Entity's financial obligations under all Definitive Agreements (if the Permitted Transfer results in a new Franchisee Entity). You and the Owners and transferee must sign a General Release and any documents we reasonably request to effectuate and document the Permitted Transfer.

20.4. Owner Death or Disability. Within 180 days after an Owner's death or permanent disability, the Owner's Equity Interest in the Business or Franchisee Entity must be Transferred to another Person in compliance with §20.2 or §20.3. An Owner is deemed to have a "permanent disability" only if he/she has a medical or mental problem preventing him/her from substantially complying with his/her obligations under this Agreement or operating the Business in the manner required by this Agreement and the Manual for a continuous period of at least three (3) months.

20.5. Our Right of First Refusal. If you or an Owner wish to engage in a Transfer, you or the Owner, as applicable, must obtain and send us a bona-fide offer executed by the purchaser after completion of due diligence. We have 30 days after receiving the offer to decide whether to purchase the interest for the same price and upon the same terms contained in the offer, except we may substitute cash for any non-cash form of payment proposed in the offer. If we notify you within the 30-day period that we intend to purchase the interest, you or the Owner, as applicable, must sell the interest to us. We will have an additional 60 days to prepare for closing. You or the Owner, as applicable, must provide us with all customary representations and warranties regarding the title to and condition of the assets or Equity Interest that we purchase, or at our option, the representations and warranties contained in the offer. If we do not exercise our right of first refusal, you or the Owner, as applicable, may complete the Transfer to the purchaser pursuant to the terms of the offer, subject to the requirements of §20.2, including our approval of the transferee. If the sale is not completed within 120 days after we receive the offer, or there is a material change to the terms of sale, we will again have the right of first refusal specified in this Section. Our right of first refusal does not apply to Permitted Transfers.

21. TERMINATION

21.1. By You. You may terminate this Agreement if we fail to cure a material breach within 90 days after you send us a default notice specifying the nature of the breach. If you terminate pursuant to §21.1, you must still comply with your post-term obligations described in §22 (other than payment of liquidated damages) and all other obligations that survive the termination of this Agreement.

21.2. By Us. We may terminate this Agreement, effective upon delivery of a notice of termination, for any of the following reasons, all of which constitute material events of default and “good cause” for termination, and without opportunity to cure except for any cure period expressly set forth below:

- (a) if you are insolvent due to your inability to pay your debts as they become due;
- (b) if you file a voluntary petition in bankruptcy or any pleading seeking any reorganization, liquidation, dissolution or composition or other settlement with creditors under any Law, or you are the subject of an involuntary bankruptcy (which may or may not be enforceable under the Bankruptcy Act of 1978);
- (c) if your MB Business, or substantially all of its assets, are seized by a government official or taken over or foreclosed upon by a creditor, lienholder or lessor;
- (d) if a final judgment against you remains unsatisfied for 30 days unless a supersedes or other appeal bond has been filed;
- (e) if the Responsible Owner fails to satisfactorily complete initial training as required by §5.1;
- (f) if you fail to find an approved site for your MB Office or fail to open your MB Business before the associated deadlines set forth in §7.1 or §7.5, respectively;
- (g) if you abandon or fail to operate your MB Business for three (3) consecutive business days unless due to Force Majeure (in which case §25.6 governs) or another reason we approve;
- (h) if a Governmental Authority suspends or revokes a License required to lawfully operate the MB Business unless the suspension/revocation is overturned within 20 days thereafter;
- (i) if you operate the MB Business in a manner that presents a health or safety hazard to your clients, employees or the public and fail to cure within 24 hours after notice from us;
- (j) if you fail to adequately respond to seven (7) or more client complaints (from different clients) received during any 12-month period;
- (k) if your Business offers unauthorized goods or services or fails to offer required MB Services and you fail to cure the default within three (3) days after receipt of a default notice;
- (l) if you knowingly maintain false books or records;
- (m) if you underreport Gross Sales by at least 2% on two (2) or more occasions;
- (n) if you fail to pay any amount owed to us, our affiliate or an approved or designated supplier within 10 days after demand for payment (subject to your right to dispute, in good faith, amounts owed to third-party suppliers in accordance with §11.6(d));
- (o) if our attempt to electronically debit your Account for fees owed is rejected (or a check you present to us is returned) for insufficient funds or for any other reason two (2) or more times;
- (p) if you fail to timely notify us of a Reportable Event in accordance with §16.6;
- (q) if you (or an Owner) (i) are subject to a material administrative disciplinary action or (ii) plead no contest to, or are convicted of, a felony or other material crime;
- (r) if you (or an Owner) fail to comply with a material Law applicable to your MB Business;
- (s) if you (or an Owner) commit an act that can reasonably be expected to materially and adversely affect the reputation of the System or goodwill associated with the Marks;
- (t) if you (or an Owner) submit a false report or make any other material misrepresentation to us;
- (u) if you (or an Owner) make an unauthorized Transfer;
- (v) if you (or an Owner) use the Intellectual Property in an unauthorized manner;
- (w) if you (or an Owner) breach a brand protection covenant in §15 or representation in §24.2;
- (x) if an Owner (or their spouse) breaches an Owner Agreement;

- (y) if you fail to achieve the Minimum Sales Criteria for three (3) consecutive Quarters, commencing with the 24th month after your opening date;
- (z) if the lease for your MB Office is terminated due to your default and you fail to obtain our approval of a new site for your MB Office within 30 days of lease termination;
- (aa) if we send you two (2) or more default notices within a 12-month period (even if cured);
- (bb) if we (or our affiliate) terminate any Definitive Agreement, other than an area development agreement, due to a default committed by you (or your affiliate or an Owner); or
- (cc) if you (or an Owner) breach any other provision of this Agreement, including any mandatory provision in the Manual, and fail to cure within 30 days after receipt of a default notice.

If we send you a default notice we may cease to perform our obligations under this Agreement until you cure the breach, unless our failure to perform would materially impair your ability to cure.

21.3. By Mutual Agreement. If you and we mutually agree in writing to terminate this Agreement, any notice or cure period that might otherwise apply shall be deemed waived.

22. POST-TERM OBLIGATIONS.

22.1. Obligations of You and the Owners. After the termination, expiration or Transfer of this Agreement, you and the Owners agree to:

- (a) immediately cease use of the Intellectual Property;
- (b) comply with all post-term covenants described in §15 or an Owner Agreement;
- (c) cancel all fictitious or assumed name registrations relating to your use of the Marks;
- (d) provide us with a final accounting of your MB Business and pay us all amounts you owe including, if applicable, liquidated damages pursuant to §22.3;
- (e) provide us with a list of current, former and prospective clients;
- (f) comply with our data retention policies relating to Business Data;
- (g) transfer Client Data and, if we request, assign all client contracts to us or our designee, and cease all communications with current, former and prospective clients except as necessary to comply with your obligations in §22.1;
- (h) promptly and professionally return client keys and other property;
- (i) provide all reasonable assistance we request to transition clients to another MB Business;
- (j) comply with our instructions to return, destroy or transfer all copies of the Manual and Copyrighted Materials and all signs, brochures, advertising and promotional materials, forms and other materials bearing the Marks or containing Confidential Information;
- (k) make such modifications and alterations to the premises of your MB Office that are necessary or that we require to prevent any association between us or the System and any business subsequently operated by you or any third party at the premises;
- (l) modify your MB Vehicle(s) by removing our designated wraps and any other decals bearing our Marks or indicating any association with an MB Business;
- (m) notify all telephone, listing and domain name registration companies of the termination or expiration of your right to use: (i) any telephone numbers and/or domain names associated with your MB Business; and (ii) any regular, classified or other telephone directory listings associated with the Marks (you hereby authorize the foregoing companies to transfer such telephone numbers, domain names and listings to us and you authorize us, and appoint us and any officer we designate as your attorney-in-fact to direct these companies to transfer the telephone numbers, domain names and listings to us if you fail or refuse to do so); and
- (n) provide us with satisfactory evidence of your compliance with the above obligations within 30

days after the effective date of the termination, expiration or Transfer of this Agreement.

Subsections (j), (k), (l) and (m) do not apply if you Transfer your MB Business to an approved transferee or we exercise our right to purchase your MB Business; *provided, however*, that subsection (l) will apply to any MB Vehicle(s) you keep. If an Owner transfers his or her entire Equity Interest in the Business or Franchisee Entity but you continue to operate the MB Business pursuant to this Agreement, then this Section will not apply to you (or to any remaining Owner) and the former Owner is subject only to the obligations set forth in subsections (a) and (b).

22.2. Purchase Option.

- (a) Generally. Upon termination or expiration of this Agreement we have the option to purchase your MB Business and/or its assets. If we choose to exercise our purchase option, we will notify you of the assets we wish to purchase (the “Acquired Assets”) within 30 days after the termination or expiration date. If we exercise our purchase option we may require that: (i) you assign your lease to us at no additional charge (if you lease the premises); or (ii) you or your affiliate enter into a lease with us upon standard and commercially reasonable leasing terms, including rent at fair rental value, for a term of 10 years or such shorter term that we specify (if you or your affiliate own the real estate). The purchase price for the Acquired Assets will be: (i) the purchase price established by the parties (if mutually agreed upon); or (ii) the Appraised Value established in accordance with §22.2(b) below. We may, at our option, assign our purchase option to a designee of our choosing.
- (b) Appraisal Process. If the parties cannot agree on the purchase price, the purchase price shall be the Appraised Value established in accordance with this Section. “Appraised Value” means the fair market value of the Acquired Assets as of the date this Agreement is terminated or expires, as applicable; *provided, however*, that fair market value shall not include any value for goodwill and/or the franchise rights granted by this Agreement. The parties shall attempt to mutually agree upon a single independent appraiser. If they fail to do so, either party may demand the appointment of three (3) appraisers in accordance with the following: (i) no later than 15 days after the demand, each party shall appoint one (1) appraiser and notify the other party of the appointed appraiser’s name and contact information; and (ii) no later than 30 days after the demand, the two (2) appraisers appointed by the parties will jointly appoint a third (3rd) appraiser. If either party fails to appoint an appraiser within the 15-day period, then the appraiser appointed by the other party shall be deemed the single appraiser approved by the parties. Instead of appointing three (3) appraisers, the parties may agree upon a single appraiser. You must promptly provide any documents or information requested by the appraisers. If a single appraiser is appointed, the purchase price shall be the Appraised Value established by the appraiser. If three (3) appraisers are appointed, the purchase price shall be: (i) the Appraised Value agreed upon by at least two (2) of the appraisers; or (ii) the average of the two (2) Appraised Values that are closest to each other if none of the appraisers agree upon the Appraised Value. Each party shall promptly pay 50% of the cost of the appraisal.
- (c) Closing. The parties shall memorialize the acquisition by executing the form of Asset Purchase Agreement we reasonably prescribe, which shall include customary representations and warranties regarding title to and the condition of the Acquired Assets. At closing you must transfer good and clean title to the Acquired Assets, subject to any exceptions set forth in the Asset Purchase Agreement, and we must pay you the purchase price. We may deduct from the purchase price: (i) any amounts you owe us or our affiliates under Definitive Agreements including, if applicable, liquidated damages and other damages owed (other than lost profits) as a result of your breach; and (ii) the amount of any liabilities we assume on your behalf, including future rent and pre-paid liabilities (e.g., gift cards). We have 60 days after the purchase price of the Acquired Assets is established to close the transaction.

22.3. Liquidated Damages. You must pay us liquidated damages if either: (a) we terminate this Agreement due to your default; or (b) you terminate this Agreement in any manner other than as permitted by §21.1 or §21.3. Liquidated damages are calculated as the product of Average Weekly

Fees multiplied by the lesser of (a) 104 or (b) the total number of full weeks remaining under the Term as of the termination effective date. "Average Weekly Fees" means the combined average weekly royalty fee and brand fund fee (without regard to any fee waivers or other reductions, and regardless of collection) imposed by this Agreement during the 52-week period preceding the termination date (or during the period of time you operated the Business if less than 52 weeks). Liquidated damages are due 30 days after we send you an invoice detailing our calculation of same. Liquidated damages are in addition to and not in lieu of: (a) any fees or other amounts incurred by you prior to the termination of this Agreement, all of which must be paid by you in accordance with the terms of this Agreement; or (b) any damages we or our affiliate incur as a result of your breach of this Agreement; *provided, however*, that we may not pursue a Claim against you for recovery of lost future profits if you pay us all liquidated damages owed when due. The parties agree the amount of liquidated damages set forth in this Section is in proportion to, and is necessary to protect, our legitimate interests, including: (a) encouraging our franchisees to commit to the 10-year franchise relationship in which both parties have already invested time and expense to develop; (b) the time and expense we will incur to ensure your timely and orderly departure from our franchise network and recruit a new franchisee to acquire franchise rights to the Territory; (c) protecting the reputation and goodwill associated with our Marks; and (d) partially compensating us for financial damages we expect to incur as a result of your breach or wrongful termination. If this liquidated damages clause is unenforceable under applicable Law, then we are only entitled to recover actual damages we incur as a result of your default or improper termination.

23. DISPUTE RESOLUTION.

- 23.1. Negotiation & Mediation.** Except as otherwise provided below with respect to Excluded Claims, the parties shall attempt in good faith to resolve any Dispute through informal discussions and negotiations. Your Responsible Owner (or other Person with authority to bind you) and our President (or other officer we designate) must meet in person in an attempt to resolve the Dispute before submitting the Dispute to mediation or litigation. If these efforts are unsuccessful, either party may submit the Dispute to mediation before a mutually-agreeable mediator prior to litigation. Mediation shall be conducted in accordance with the Commercial Mediation Rules of the American Arbitration Association. All negotiations and mediation proceedings (including discovery, statements and settlement offers): (a) are strictly confidential; (b) constitute "settlement negotiations" for purposes of federal and state rules of evidence; and (c) may not be admitted or used for any purpose in any court or arbitration proceeding (except evidence that would otherwise be discoverable or admissible shall not be excluded from discovery or made inadmissible simply because of its use in mediation). The mediator may not be called as a witness for any purpose in any court proceeding. Any Dispute involving Claims alleging a breach of §15, §18 and/or §22 ("Excluded Claims") is not subject to mandatory negotiation or mediation unless both parties agree otherwise.
- 23.2. Litigation.** If a Dispute either (a) is not successfully resolved by mediation within 60 days after a party makes a demand for mediation or (b) involves an Excluded Claim, then either party may file a lawsuit in any state or federal court of general jurisdiction in accordance with the choice of venue provision below. The parties hereby express their clear and unequivocal intent that a court, rather than a mediator, has exclusive jurisdiction to decide the threshold issue of whether a Dispute involves an Excluded Claim (i.e., whether any Claim alleges a breach of §15, §18 or §22).
- 23.3. Venue.** All mediation and litigation will take place in the county in which we maintain our principal place of business at the time the Dispute arises (currently Maricopa County, Arizona). The parties irrevocably waive any objection to such venue and consent to the jurisdiction of such courts.
- 23.4. Attorneys' Fees & Costs.** If a Dispute is resolved through a judicial proceeding, the substantially prevailing party is entitled to reimbursement of its costs and expenses, including reasonable accounting and legal fees and court costs. In addition, if you or an Owner breach a Definitive Agreement, you must reimburse all reasonable legal fees and other expenses we incur as a result of the breach, regardless of whether the breach is cured prior to commencement of formal dispute resolution proceedings.

23.5. **Waivers.** *Unless prohibited by applicable Law: (a) any Claim (other than for indemnification, payment of monies owed or an Excluded Claim) must be brought by filing a written demand for mediation (or if permitted, litigation) within one (1) year following the conduct, act, event or occurrence giving rise to the Claim, or the right to a remedy will be deemed forever waived and barred. We and you irrevocably waive: (a) trial by jury; (b) the right to litigate a Dispute on a class action basis; and (c) the right to claim for punitive, multiple, exemplary damages in connection with any Claim (other than an Excluded Claim or a Claim for indemnification).*

23.6. **Liability Limitation.** All of our obligations and liabilities arising under, or otherwise related to, a Definitive Agreement will be our sole responsibility. Similarly, each of our affiliate's obligations and liabilities arising under, or otherwise related to, a Definitive Agreement will be our affiliate's sole responsibility. You and your Owners and affiliates acknowledge and agree that: (a) no owner, officer, director, employee, independent contractor or other representative of ours or our affiliate (our "Constituents") have any personal liability to you or your Owners or affiliates as a result of any obligations or liabilities of ours or our affiliate arising under, or otherwise related to, a Definitive Agreement; (b) in connection with any Dispute, neither you nor any of your Owners or affiliates will file a Claim against, or personally name as a defendant (or in a similar capacity), any of our Constituents; and (c) your sole recourse shall be against us or our affiliate, as applicable.

24. REPRESENTATIONS.

24.1. **Corporate.** You and the Owners jointly and severally represent and warrant to us that the execution and delivery of this Agreement, and the performance of your obligations hereunder, do not: (a) conflict with, breach or constitute a default under any agreement to which you are (or any affiliate of yours is) a party or by which your (or your affiliate's) assets are bound; (b) violate any order, injunction, decree, judgment or ruling of a Governmental Authority; or (c) violate any applicable Law. If the franchisee is an Entity, you and the Owners also jointly and severally represent and warrant to us that: (a) the Franchisee Entity is duly organized, validly existing and in good standing under the Laws of the state of its formation and has the requisite power and authority to enter into this Agreement and perform its obligations hereunder; and (b) the execution and delivery of this Agreement have been duly authorized by all requisite corporate action and this Agreement constitutes the legal, valid and binding obligation of, and is enforceable against, the Franchisee Entity in accordance with its terms.

24.2. **Anti-Terrorism.** You and the Owners jointly and severally represent and warrant to us that, to the best of your and their knowledge: (a) no property or interest owned by you or any Owner is subject to being "blocked" under any Anti-Terrorism Law; (b) neither you nor any Owner, nor any of their respective funding sources (including any legal or beneficial owner of an Equity Interest in the Business or Franchisee Entity) or related parties is, or has ever been: (i) a terrorist or suspected terrorist within the meaning of the Anti-Terrorism Law; or (ii) identified by name, alias, pseudonym, nickname or address on any Terrorist List, including the list of "Specially Designated Nationals" or "Blocked Persons" maintained by the U.S. Treasury Department's Office of Foreign Assets Control (texts currently available at www.home.treasury.gov); and (c) you and the Owners are in compliance with, and shall continue to comply with, the Anti-Terrorism Law and all other U.S. Laws currently in effect, or enacted in the future, that prohibit corrupt business practices, money laundering or the aid or support of Persons who conspire to commit acts of terror against any Person or government. The foregoing representations and warranties are 'continuing' representations and warranties for the duration of the franchise relationship. Accordingly, you must immediately notify us of the occurrence of an event or development of a circumstance that might render any of the foregoing representations and warranties false, inaccurate or misleading.

25. GENERAL PROVISIONS

25.1. **Governing Law.** Except as governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. §§ 1051, et seq.), this Agreement and the franchise relationship are governed by the Laws of Arizona without reference to its principles of conflicts of law, but any Arizona Law that regulates the offer and sale of franchises or business opportunities or governs the relationship of a franchisor and

its franchisee will not apply unless its jurisdictional requirements are met independently without reference to this Section.

- 25.2. Relationship of Parties.** Nothing in this Agreement creates a fiduciary relationship between the parties or is intended to make either party an agent, legal representative, partner or employee of the other party. Throughout the Term you must, in all dealings with third parties, conspicuously identify yourself as a franchisee and the independent owner of your MB Business. We may require that you display a written notice of independent ownership, in the form we prescribe, at any location within your MB Office we specify. You must also include a written indication of independent ownership on all agreements, forms, letterhead, advertising materials, business cards and other materials that we specify. Neither party may: (a) make any express or implied agreement, warranty or representation, or incur any debt, in the name of or on behalf of the other; or (b) represent that our relationship is other than franchisor and franchisee. Neither party is obligated by any agreement or representation made by the other party unless expressly authorized by this Agreement.
- 25.3. Severability.** Each section of this Agreement (and portion thereof) is severable. If applicable Law imposes mandatory terms that conflict with this Agreement, the terms required by such Law shall govern to the extent of the inconsistency. If a court concludes any promise or covenant in this Agreement is unreasonable or unenforceable, we or the court may modify such promise or covenant to the minimum extent necessary to make it enforceable.
- 25.4. Waivers.** Each party may waive any obligation imposed on the other party in writing. Neither party is deemed to have waived or impaired any of its rights under this Agreement, including the right to require strict compliance with all terms of this Agreement or terminate this Agreement if the other party fails to comply with such terms, by virtue of: (a) any custom or practice of the parties at variance with the terms of this Agreement; (b) any failure, refusal or neglect by a party to exercise any right under this Agreement or require the other party to strictly comply with any term of this Agreement; (c) our waiver, failure or refusal to exercise any of our rights with respect to other franchisees; or (d) our acceptance of payment from you after your breach.
- 25.5. Approvals.** Whenever this Agreement requires our approval, you must make a timely written request for approval. Our approval must be in writing in order to bind us. Except as otherwise expressly provided in this Agreement, if we fail to approve any request for approval within the required period of time, we shall be deemed to have disapproved your request.
- 25.6. Force Majeure.** Neither party is liable for loss or damage or deemed in breach of this Agreement if such party's failure to perform its obligations results from an event of Force Majeure; *provided, however*, that Force Majeure will not excuse or permit any failure to perform for more than 180 days. If the period of non-performance exceeds 180 days from receipt of notice of the Force Majeure event, the party whose ability to perform has not been affected may immediately terminate this Agreement by giving notice of termination to the other party.
- 25.7. Binding Effect.** This Agreement is binding on the parties hereto and their respective executors, administrators, heirs, assigns and successors in interest. Nothing in this Agreement is intended, nor deemed, to confer any rights or remedies upon any Person not a party to this Agreement; *provided, however*, that the additional insureds listed in §16.1 and the Indemnified Parties are intended third-party beneficiaries under this Agreement with respect to §16.1 and §19, respectively.
- 25.8. Integration.** THIS AGREEMENT CONSTITUTES THE ENTIRE AGREEMENT BETWEEN THE PARTIES AND MAY NOT, EXCEPT AS PERMITTED BY §11.1 AND §25.3, BE CHANGED EXCEPT BY A WRITTEN DOCUMENT SIGNED BY BOTH PARTIES. In addition, our issuance of a Site Approval Notice is deemed to amend this Agreement to identify the approved site for your MB Office, regardless of whether you countersign and/or return the Site Approval Notice. No email or informal electronic communication will modify this Agreement unless it is signed by both parties and expressly states it is intended to modify this Agreement. The attachments are part of this Agreement, which together with any Amendments or Addenda executed on or after the Effective Date, constitute the entire understanding and agreement of the parties. There are no other oral or written understandings or agreements between the parties about the subject matter of this Agreement.

As referenced above, all mandatory provisions of the Manual are part of this Agreement. Any representations not specifically contained in this Agreement made before entering into this Agreement do not survive after the signing of this Agreement. Nothing in this Agreement is intended to disclaim any of the representations we made in the Franchise Disclosure Document. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (a) waiving any claims under any applicable state franchise law, including fraud in the inducement or (b) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

25.9. Good Faith Covenant. If applicable Law implies into this Agreement a covenant of good faith and fair dealing, the covenant may not imply any right or obligation inconsistent with the express terms hereof. This Agreement, and the relationship of the parties inherent in this Agreement, grants us discretion to make decisions, take actions or refrain from taking actions not inconsistent with our explicit rights and obligations under this Agreement that may favorably or adversely affect your interests. We will use our judgment to exercise this discretion based on our assessment of our own interests and balancing our interests against the interests of our franchisees, but without considering the individual interests of you or any other franchisee.

25.10. Rights are Cumulative. The rights of the parties under this Agreement are cumulative and no exercise or enforcement by a party of any right or remedy under this Agreement precludes any other right or remedy available to such party under this Agreement or by Law.

25.11. Survival. All provisions that expressly or by their nature survive the termination, expiration or Transfer of this Agreement or the Transfer of an Equity Interest in the Business or Franchisee Entity remain in effect subsequent to and notwithstanding its termination, expiration or Transfer until they are satisfied in full or by their nature expire, including §14, §15, §17, §19, §22, §23 and §25.

25.12. Construction. Headings are for convenience only and do not affect the meaning of the Section. All references to Sections refer to the Sections contained in this Agreement unless otherwise specified. All references to days in this Agreement refer to calendar days unless otherwise specified. All references to “including” shall be construed as references to “including, but not limited to”.

25.13. Time of Essence. Time is of the essence in this Agreement and every term thereof.

25.14. Notices. All notices and notifications given under this Agreement must be in writing and must be delivered by: (a) hand delivery; (b) registered or certified air mail, postage prepaid, return receipt requested; (c) special delivery service (*e.g.*, Federal Express, DHL, UPS, *etc.*); or (d) email, in each case to the following addresses (which may be changed upon 10 business days’ prior notice):

YOU:	As set forth in Part A of <u>ATTACHMENT "A"</u>
US:	MB Franchise Holdings, Inc. 8100 E. Indian School Rd., Suite 201 Scottsdale, Arizona 85251 Attention: Legal Department Email: Notice@maidbrigade.com

Notice is deemed given on the earliest to occur of: (i) the date delivered by hand; (ii) the third (3rd) business day after placed in the mail or provided to special delivery services in accordance with clause (b) or (c) above; or (iii) the first (1st) calendar day after sent by email.

25.15. Release of Claims. Upon execution of this Agreement, you and your Owners and affiliates (each, a “Franchisee Party”) hereby release, acquit and forever discharge us and each of our owners, officers, directors employees and affiliates from all claims, liabilities, damages, expenses, actions or causes of action that any Franchisee Party may now have or ever had, whether known or unknown, past or present, absolute or contingent, suspected or unsuspected, of any nature whatsoever, directly or indirectly arising out of or relating to: (a) the execution, performance or breach of any Definitive

Agreement or other agreement between a Franchisee Party and us (or our affiliate); or (b) the offer, sale or acceptance of franchise rights for any MB Business or other business (including any disclosures or representations made in connection therewith); *provided, however*, that the foregoing release does not apply to any Claims involving this Agreement or the offer or sale of franchise rights in connection with the MB Business you will own and operate pursuant to this Agreement.

25.16. Counterparts. This Agreement may be signed in multiple counterparts, each of which is deemed an original and all of which together constitute but one and the same document.

* * *

The parties below have executed this Agreement effective as of the Effective Date first above written.*

FRANCHISOR:

MB Franchise Holdings, Inc., a Georgia corporation

By: _____
Name: _____
Title: _____

YOU (If you are an Entity):

_____,
a(n) _____
By: _____
Name: _____
Title: _____

YOU (If you are not an Entity):

Name: _____

Name: _____

Name: _____

* Our delivery of a draft of this Agreement to you does not constitute an offer. This Agreement is not effective unless and until it is executed by both you and us.

ATTACHMENT "A"
TO FRANCHISE AGREEMENT
DEAL TERMS

A. Franchisee Details

Name of Franchisee: [_____]

Is the franchisee one or more natural Persons signing in their individual capacity? **Yes:** ____ **No:** ____

Type of Entity and State of Formation* (if applicable): [_____]

** If the franchisee is a business Entity, each Person holding a direct or indirect Equity Interest in the Franchisee Entity, and spouse of each such Person who is a natural Person, must sign an Owner Agreement concurrently with the execution of this Agreement.*

The following table includes the full name of each Person holding a direct or indirect Equity Interest in the Business or Franchisee Entity, as applicable, along with a description of their Equity Interest:

Owner's Name	% Equity Interest	Direct or Indirect (if indirect, describe nature of interest)

Initial Responsible Owner: _____

Notice Address: _____

Attention: _____
Email: _____

B. Initial Franchise Fee

The amount of your initial franchise fee is as follows: (franchisor to check box by appropriate amount):

- ____ Standard Initial Franchise Fee: \$49,900 (no discount)
____ Veterans Discount: \$44,910 (10% discount)
____ Multi-Unit Discount (Unit 2): \$39,900 initial franchise fee (\$10,000 discount)
____ Multi-Unit Discount (Unit 3+): \$34,900 initial franchise fee (\$15,000 discount)
____ Other: The initial franchise fee is: \$[_____]

C. Approved Site for MB Office

We hereby approve the site listed below for your MB Office.

Approved Address: [_____]

** If the site for your MB Office has not been approved by us at the time this Agreement is signed, we will send you a Site Approval Notice in accordance with §7.1 listing the address of your approved site.*

D. Territory

Number of Qualified Households: [_____]

Territory Fee (if applicable): [_____] (write “N/A” if not applicable)

Territory Description: Your Territory consists of, and shall be limited to, the following geographic area (as may be further depicted on a map attached below):

[_____]

If the boundaries that define the Territory change during the Term, the boundaries of your Territory will remain unaffected and will continue to be defined by the boundaries that were in effect as of the Effective Date (as may be depicted on a map attached below).

[Insert Map Below (if applicable)]

ATTACHMENT "B"
TO FRANCHISE AGREEMENT
FORM OF SITE APPROVAL NOTICE

[See Attached]

SITE APPROVAL NOTICE

MB Franchise Holdings, Inc. ("we" or "us") is issuing this Site Approval Notice (this "Notice") to _____ ("you"), effective _____, 202____, in connection with the Maid Brigade Franchise Agreement (the "Franchise Agreement") that we executed with you on _____, 202____. The purpose of this Notice is to confirm our approval of the site you proposed for your MB Office.

Approved Address:

Pursuant to §7.1 of the Franchise Agreement, we hereby approve the site listed below as the approved site for your MB Office:

* * *

By signing below, you and we agree that the address identified in this Notice shall be deemed the approved site for your MB Office established and operated pursuant to the Franchise Agreement. You acknowledge and agree that our acceptance of the site you proposed is in no way a representation by us that your site will be successful. Rather, our acceptance merely indicates the site meets our minimum standards and requirements.

We request that you sign below and send us an executed copy of this Notice to acknowledge your receipt. However, your failure or refusal to sign below will not invalidate or otherwise affect our designation of the approved site for your MB Office. Our designation of your approved site, as set forth in this Notice, shall be binding on you effective as of the effective date listed in the first paragraph in this Notice.

Franchisor

MB Franchise Holdings, Inc.

By:_____

Name:_____

Title:_____

Date:_____

Franchisee

By:_____

Name:_____

Title:_____

Date:_____

ATTACHMENT "C"
TO FRANCHISE AGREEMENT
OWNER AGREEMENT

[See Attached]

OWNER AGREEMENT

This Owner Agreement (this “Agreement”) is entered into by: (a) each of the undersigned Owners of Franchisee (defined below); and (b) the spouse of each such Owner who is a natural Person, in favor of MB Franchise Holdings, Inc., a Georgia corporation, and its successors and assigns (“us”). Each signatory to this Agreement is referred to as “you”.

1. **DEFINITIONS.** Capitalized terms not defined above have the meanings given to them below, or if not defined below, the meanings given to them in the Franchise Agreement:

“Franchise Agreement” means the Maid Brigade Franchise Agreement executed by Franchisee with an effective date of _____, 202__.

“Franchisee” means _____.

“Restricted Period” means the two-year period after the earliest to occur of: (a) the termination or expiration of the Franchise Agreement; (b) the date Franchisee assigns the Franchise Agreement to another Person with respect to whom neither you nor your spouse own an Equity Interest; or (c) the date neither you nor your spouse own an Equity Interest in the Business or Franchisee Entity; *provided however*, that if a court of competent jurisdiction determines the two-year period is too long to be enforceable then Restricted Period means the one-year period after the earliest to occur of: (a) the termination or expiration of the Franchise Agreement; (b) the date Franchisee assigns the Franchise Agreement to another Person with respect to whom neither you nor your spouse own an Equity Interest; or (c) the date neither you nor your spouse own an Equity Interest in the Business or Franchisee Entity.

2. **BACKGROUND.** In your capacity as an Owner (or the spouse of an Owner) you may gain knowledge of our System and Know-how. You understand that protecting the Intellectual Property is vital to our success and that of our franchisees and you could seriously jeopardize our franchise system if you were to unfairly compete with us or misuse our Intellectual Property. In addition, you understand that certain terms of the Franchise Agreement apply to “Owners” and not just Franchisee. You agree to comply with this Agreement to: (a) avoid damaging our System by engaging in unfair competition; and (b) bind yourself to the terms of the Franchise Agreement applicable to Owners.

3. **BRAND PROTECTION COVENANTS.**

- (a) Intellectual Property and Confidential Information. You agree to: (i) refrain from using the Intellectual Property or Confidential Information in any capacity or for any purpose other than the operation of Franchisee’s MB Business in compliance with the Franchise Agreement and Manual; (ii) maintain the confidentiality of the Confidential Information at all times; (iii) refrain from making unauthorized copies of documents containing Confidential Information; (iv) take all steps we require to prevent unauthorized use or disclosure of Confidential Information; and (v) immediately stop using the Intellectual Property and Confidential Information at such time that you are (or your spouse is) no longer an Owner. You must assign to us or our designee, without charge, all rights to any Improvement you develop, including the right to grant sublicenses. If applicable Law precludes you from assigning ownership to us, you must grant us a fully-paid, royalty-free license to use and sublicense use of the Improvement anywhere in the world for a term of 100 years.
- (b) Unfair Competition. You may not engage in any Prohibited Activities at any time: (i) that you are (or your spouse is) an Owner; or (ii) during the Restricted Period. Notwithstanding the foregoing, you may have an interest in a Competing Business during the Restricted Period as long as the Competing Business is not located (and does not operate) within the Restricted Territory. If you engage in any Prohibited Activity during the Restricted Period (except as permitted by this Section) your Restricted Period will be extended by the period of time during which you engaged in the Prohibited Activity. Any such extension of time will not constitute a waiver of your breach or impair any of our rights or remedies relating to your breach. For purposes of clarity, you remain bound by any non-competition covenants in other Definitive Agreements that remain in effect for a period of time that extends beyond the expiration of the Restricted Period under this Agreement, and the expiration of the Restricted Period under this Agreement does not diminish your obligation to comply with such other

covenants.

- (c) Family Members. You could circumvent the purpose of §3 by disclosing Confidential Information to immediate family members (i.e., parent, sibling, child or grandchild) and it would be difficult for us to prove your breach. For that reason you are presumed to have breached this Agreement if an immediate family member: (i) engages in a Prohibited Activity at any time you are prohibited from doing so; or (ii) uses or discloses Confidential Information. However, you may rebut this presumption with evidence conclusively showing you did not disclose Confidential Information to the family member.
- (d) Covenants Reasonable. You agree that: (i) the covenants in §3 are reasonable in duration and geographic scope; and (ii) you have sufficient resources, business experience and opportunities to earn an adequate living while complying with these covenants. Although you and we believe the covenants in §3 are reasonable we may, upon written notice to you, unilaterally modify the brand protection covenants in §3 of this Agreement by limiting the scope of the Prohibited Activities, narrowing the definition of a Competing Business, shortening the duration of the Restricted Period, reducing the geographic scope of the Restricted Territory and/or reducing the scope of any other covenant imposed upon you under §3 of this Agreement to ensure the covenants are enforceable under applicable Law.
- (e) Breach. You agree that: (i) any failure to comply with §3 is likely to cause substantial and irreparable damage to us and/or other franchisees for which there is no adequate remedy at law; and (ii) we are entitled to injunctive relief if you breach §3 together with any other relief available at equity or law. We will notify you if we intend to seek injunctive relief but we need not post a bond. If a court requires that we post a bond despite our mutual agreement to the contrary, the bond amount may not exceed \$1,000. No remedy available to us under this Agreement is exclusive of any other, but may be combined with others under this Agreement, or at law or in equity, including injunctive relief, specific performance and recovery of monetary damages.

4. **TRANSFER RESTRICTIONS.** We must approve all Persons who own an Equity Interest in the Business or Franchisee Entity. If you are an Owner, you agree that you will not Transfer an Equity Interest in the Business or Franchisee Entity except in accordance with §20 of the Franchise Agreement.

5. **FINANCIAL SECURITY.** In order to secure Franchisee's financial obligations under the Franchise Agreement and other Definitive Agreements (the "Secured Agreements") you hereby personally and unconditionally: (a) guarantee to us and our successors and assigns, that Franchisee shall punctually fulfil all of its payment and other financial obligations under the Secured Agreements; and (b) agree to be personally bound by, and personally liable for, each and every monetary provision in the Secured Agreements. You waive: (i) acceptance and notice of acceptance by us of the foregoing undertakings; (ii) notice of demand for payment of any indebtedness guaranteed; (iii) protest and notice of default to any party with respect to the indebtedness guaranteed; (iv) any right you may have to require that an action be brought against Franchisee or any other Person as a condition of liability; and (v) the defense of the statute of limitations in any action hereunder or for the collection of any indebtedness hereby guaranteed. You agree that: (a) your direct and immediate liability under this guaranty is joint and several with Franchisee and all other signatories to this Agreement; (b) you will render any payment required under the Secured Agreements upon demand if Franchisee fails to promptly do so; (c) your liability is not contingent or conditioned upon our pursuit of any remedies against Franchisee or any other Person; and (d) your liability will not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence we grant to Franchisee or any other Person, including the acceptance of any partial payment or performance, or the compromise or release of any Claims, none of which shall in any way modify or amend this guarantee, which remains continuing and irrevocable during the term of each Secured Agreement and following the termination, expiration or transfer of each Secured Agreement to the extent any financial obligations under a Secured Agreement survive such termination, expiration or transfer. This guaranty will continue unchanged by the occurrence of any bankruptcy of Franchisee or any assignee or successor of Franchisee or by any abandonment of one or more of the Secured Agreements by a trustee of Franchisee. Neither your obligation to make payment in accordance with the terms of this undertaking nor any remedy for enforcement will be impaired, modified, released or limited in any manner whatsoever by any impairment, modification, release or limitation of the liability of Franchisee or its estate in bankruptcy or of

any remedy for enforcement, resulting from the operation of any present or future provision of the U.S. Bankruptcy Act or other statute, or from the decision of any court or agency.

6. **REPRESENTATION.** You represent to us that you received a copy of the executed Franchise Agreement.
7. **DISPUTE RESOLUTION.** Any Dispute between the parties relating to this Agreement shall be resolved in accordance with the dispute resolution provisions in the Franchise Agreement, which are incorporated into this Agreement by reference as if fully set forth herein. **You acknowledge and agree that your breach of this Agreement constitutes a material event of default under the Franchise Agreement, permitting us to terminate the Franchise Agreement in accordance with its terms.**
8. **MISCELLANEOUS.**
 - (a) If either party hires an attorney or files suit against the other party for breach of this Agreement, the losing party must reimburse the prevailing party for its reasonable attorneys' fees and costs.
 - (b) This Agreement is governed by Arizona Law.
 - (c) Any Claim or defense you may have against us or against Franchisee, regardless of cause or origin, cannot be used as a defense against our enforcement of this Agreement.
 - (d) Each section of this Agreement (and portion thereof) is severable. If any section (or portion thereof) is unenforceable, it shall not affect the enforceability of any other section (or portion thereof). A court may revise any provision of this Agreement to the extent necessary to make the provision enforceable.
 - (e) We may deliver to you any notice contemplated by this Agreement in the same manner and to the same address listed in the notice provision of the Franchise Agreement and any such delivery shall be deemed effective for purposes of this Agreement. You may change the address to which notices must be sent by sending us a written notice requesting such change, which notice shall be delivered in the manner and to the address listed in the Franchise Agreement.

Each of the undersigned has executed this Agreement as of the date or dates set forth below.

OWNER / SPOUSE

By: _____

Name: _____

Date: _____

OWNER / SPOUSE

By: _____

Name: _____

Date: _____

OWNER / SPOUSE

By: _____

Name: _____

Date: _____

ATTACHMENT "D"
TO FRANCHISE AGREEMENT
ACH AUTHORIZATION FORM

[See Attached]

AUTOMATED CLEARING HOUSE PAYMENT AUTHORIZATION FORM

Franchisee Information:

Franchisee Name

Business No.

Franchisee Mailing Address (street)

Franchisee Phone No.

Franchisee Mailing Address (city, state, zip)

Contact Name, Address and Phone number (if different from above)

Franchisee Fax No.

Franchisee Email Address

Bank Account Information:

Bank Name

Bank Mailing Address (street, city, state, zip)

☐ Checking ☐ Savings

Bank Account No.

(check one)

Bank Routing No. (9 digits)

Bank Mailing Address (city, state, zip)

Bank Phone No.

Authorization:

Franchisee hereby authorizes MB Franchise Holdings, Inc. ("Franchisor") to initiate debit entries to Franchisee's account with the Bank listed above and Franchisee authorizes the Bank to accept and to debit the amount of such entries to Franchisee's account. Each debit shall be made from time to time in an amount sufficient to cover any fees payable to Franchisor pursuant to any agreement between Franchisor and Franchisee as well as to cover any purchases of goods or services from Franchisor or any affiliate of Franchisor. Franchisee agrees to be bound by the National Automated Clearing House Association (NACHA) rules in the administration of these debit entries. Debit entries will be initiated only as authorized above. This authorization is to remain in full force and effect until Franchisor has received written notification from Franchisee of its termination in such time and in such manner as to afford Franchisor and the Bank a reasonable opportunity to act on it. Franchisee shall notify Franchisor of any changes to any of the information contained in this authorization form at least 30 days before such change becomes effective.

Signature: _____

Date: _____

Name: _____

Title: _____

Federal Tax ID Number: _____

NOTE: FRANCHISEE MUST ATTACH A VOIDED CHECK RELATING TO THE BANK ACCOUNT.

ATTACHMENT "E"
TO FRANCHISE AGREEMENT
TRADENAME APPROVAL NOTICE

[See Attached]

TRADENAME APPROVAL NOTICE

MB Franchise Holdings, Inc., a Georgia corporation (“we” or “us”) is issuing this Tradename Approval Notice (this “Notice”) to [_____] (“you”), effective [_____] 202[____], in connection with the Maid Brigade Franchise Agreement executed by you and us on [_____] 202[____] (the “Franchise Agreement”). The purpose of this Notice is to confirm our approval of the tradename you have proposed. Capitalized terms not defined in this Notice have the meanings given to them in the Franchise Agreement.

Approved Tradename:

Pursuant to §18.4 of the Franchise Agreement, we hereby approve the following tradename for your use in connection with the MB Business you develop and operate pursuant to the Franchise Agreement:

MAID BRIGADE OF [_____]

By signing below, you agree that the tradename identified in this Notice will be your approved tradename and you will not use any other tradename without our prior written approval. You are responsible for submitting any fictitious name filing that may be required by the Laws of your state. Upon the termination, expiration or Transfer of the Franchise Agreement, you must surrender the tradename and cancel any associated fictitious name filing.

You understand and acknowledge that: (a) our tradename review and approval process will be performed in accordance with our then-current tradename selection procedures and criteria; (b) we may approve tradenames for other franchisees that have similarities in terms of geographic or other descriptors; and (c) you are not granted any exclusivity or protections with respect to tradenames. Accordingly, you waive any claims you may have against us or against any other franchisee based upon any tradename you propose and we approve.

You must sign below and send us an executed copy of this Notice to acknowledge your receipt. You have no right to use the tradename listed above until you have sent us a fully-executed copy of this Notice.

Franchisor

MB Franchise Holdings, Inc.

By: _____

Name: _____

Title: _____

Franchisee

[_____]

By: _____

Name: _____

Title: _____

EXHIBIT "D"
TO DISCLOSURE DOCUMENT
OTHER AGREEMENTS

EXHIBIT “D”-1

STATE ADDENDA

[See Attached]

STATE ADDENDA AND AMENDMENTS TO FRANCHISE AGREEMENT, SUPPLEMENTAL AGREEMENTS AND FRANCHISE DISCLOSURE DOCUMENT FOR CERTAIN STATES

BACKGROUND AND PURPOSE

The following modifications are made to the Executive Home Care Franchise Disclosure Document (“FDD” or “Disclosure Document”) issued by MB Franchise Holdings, Inc. (“we” or “us” or “franchisor”) to franchisee (“you” or “franchisee”) and may supersede certain portions of the Franchise Agreement between you and us dated _____, 202__ (the “Franchise Agreement”). When the term “Supplemental Agreements” is used, it means any area development agreement, area representative agreement, master franchise agreement, or similar agreement entered into between us and you, if applicable.

Certain states have laws governing the franchise relationship and franchise documents. Certain states require modifications to the FDD, Franchise Agreement, Supplemental Agreements and other documents related to the sale of a franchise. This State-Specific Addendum (“State Addendum”) will modify these agreements to comply with the applicable state’s laws. The terms of this State Addendum will only apply if you meet the requirements of the applicable state independently of your signing of this State Addendum. The terms of this State Addendum (but only the State Addendum for the applicable State) will override any inconsistent provision of the FDD, Franchise Agreement or any Supplemental Documents. This State Addendum only applies to the following states: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

If your state requires these modifications, you will sign this State Addendum along with the Franchise Agreement and any Supplemental Agreements. If you sign this State Addendum, only the terms applicable to the state or states whose franchise laws apply to your transaction will govern. If you sign this State Addendum, but none of the state franchise laws listed above applies because their jurisdictional requirements have not been met, then this State Addendum will be void and inapplicable to you.

CALIFORNIA

Registration of this franchise does not constitute approval, recommendation, or endorsement by the Commissioner of the Department of Financial Protection and Innovation.

1. The California Franchise Investment Law requires a copy of all proposed agreements relating to the sale of the Franchise be delivered together with the Disclosure Document.
2. Section 31125 of the California Corporations Code requires us to give you a disclosure document, in a form containing the information that the Commissioner may by rule or order require, before a solicitation of a proposed material modification of an existing franchise.
3. Neither the franchisor nor any person or franchise broker in Item 2 of the FDD is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling such persons from membership in such association or exchange.
4. The earnings claims figures do not reflect the costs of sales, operating expenses, or other costs or expenses that must be deducted from the gross revenue or gross sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your franchise business. Franchisees or former franchisees listed in the Disclosure Document may be one source of this information.
5. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a Franchise Agreement or Supplemental Agreement restricting venue to a forum outside the State of California.
6. The Franchise Agreement and Supplemental Agreements require application of the laws of Arizona. In accordance with Section 310.114.1, this provision may not be enforceable under California law.
7. The Franchise Agreement and Supplemental Agreements may provide for termination upon bankruptcy. Any such provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 et seq.).
8. The Franchise Agreement and Supplemental Agreements contain a covenant not to compete which extends beyond the termination of the franchise. A contract that restrains a former franchisee from engaging in a lawful trade or business is to that extent void under California Business and Professions Code Section 16600.
9. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable. Any such provisions contained in the Franchise Agreement or Supplemental Agreements may not be enforceable.
10. In California, default interest is limited to 10% per annum.
11. California Business and Professions Code Sections 20000 through 20043 provide rights to you concerning termination, transfer, or non-renewal of a franchise. If the Franchise Agreement or Supplemental Agreements contain a provision that is inconsistent with the California Franchise Investment Law, the California Franchise Investment Law will control.
12. You must sign a general release of claims if you renew or transfer your Franchise. California Corporations Code Section 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Sections 31000 through 31516). Business and Professions Code Section 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 through 20043).
13. OUR WEBSITE (www.maidbrigade.com) HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION & INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE

14. For franchisees operating outlets located in California, the California Franchise Investment Law and the California Franchise Relations Act will apply regardless of the choice of law or dispute resolution venue stated elsewhere. Any language in the Franchise Agreement or any amendment thereto or any agreement to the contrary is superseded by this condition.
15. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (a) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (b) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed with the franchise.
16. Any provision of a franchise agreement, franchise disclosure document, acknowledgment, questionnaire, or other writing, including any exhibit thereto, disclaiming or denying any of the following shall be deemed contrary to public policy and shall be void and unenforceable:
 - (a) Representations made by the franchisor or its personnel or agents to a prospective franchisee.
 - (b) Reliance by a franchisee on any representations made by the franchisor or its personnel or agents.
 - (c) Reliance by a franchisee on the franchise disclosure document, including any exhibit thereto.
 - (d) Violations of any provision of this division.

HAWAII

1. The following is added to the Cover Page:

THIS FRANCHISE WILL BE/HAS BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS OR A FINDING BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS THAT THE INFORMATION PROVIDED IN THIS FRANCHISE DISCLOSURE DOCUMENT IS TRUE, COMPLETE AND NOT MISLEADING.

THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO YOU OR SUBFRANCHISOR AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY YOU OR SUBFRANCHISOR OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY YOU, WHICHEVER OCCURS FIRST, A COPY OF THE FRANCHISE DISCLOSURE DOCUMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

THIS FRANCHISE DISCLOSURE DOCUMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH US AND YOU.

2. Our registered agent in the state authorized to receive service of process:

Commissioner of Securities of the State of Hawaii
Department of Commerce and Consumer Affairs
Business Registration Division
335 Merchant Street, Room 203
Honolulu, Hawaii 96813

3. The states in which this filing is effective are listed on the Exhibit to the FDD titled "State Effective Dates".
4. The states in which this filing is or will be shortly on file include the following:

5. The states, if any, which have refused, by order or otherwise, to register these franchises include the following: _____
6. The states, if any, which have revoked or suspended the right to offer these franchises include the following: _____
7. The states, if any, in which the filing of these franchises has been withdrawn include the following:

8. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (a) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (b) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed with the franchise.

ILLINOIS

The conditions under which your franchise can be terminated and your rights upon non-renewal may be affected by Illinois Law, ILCS 705/19 and 705/20.

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

Section 4 of the Illinois Franchise Disclosure Act provides that any provision in a franchise agreement that designates jurisdiction or venue outside the State of Illinois is void. However, a franchise agreement may provide for arbitration outside of Illinois.

Illinois law governs the agreements between the parties to this franchise.

No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

See the last page of this Exhibit D-1 for your signature.

INDIANA

In recognition of the requirements of the Indiana Franchise Disclosure Law, IC 23-2-2-2.5, the Franchise Agreement and Supplemental Agreements are amended as follows:

1. The laws of the State of Indiana supersede any provisions of the Disclosure Document, Franchise Agreement and Supplemental Agreements if such provisions are in conflict with Indiana law.
2. The Franchise Agreement and Supplemental Agreements are amended to provide that such agreements will be construed in accordance with the laws of the State of Indiana.
3. Any provision in the Franchise Agreement which designates jurisdiction or venue, or requires the franchisee to agree to jurisdiction or venue, in a forum outside of Indiana, is deleted from any Franchise Agreement and Supplemental Agreement issued in the State of Indiana.
4. The prohibition by Indiana Code § 23-2-2.7-1(7) against unilateral termination of the franchise without good cause or in bad faith, good cause being defined therein as material breach of the Franchise Agreement or Supplemental Agreement (as applicable), shall supersede the provisions of the Franchise Agreement or Supplemental Agreement (as applicable) in the State of Indiana to the extent they may be inconsistent with such prohibition.
5. The covenant not to compete that applies after the expiration or termination of the Franchise Agreement is hereby modified to the extent necessary to comply with Indiana Code 23-2-2.7-1(9).
6. Termination penalties are prohibited by law in the State of Indiana. Therefore, the Disclosure Document, the Franchise Agreement and Supplemental Agreements are amended to delete all references to any fees or other financial obligations that constitute termination penalties under Indiana law.
7. No release language set forth in the Disclosure Document or Franchise Agreement or Supplemental Agreement shall relieve franchisor or any other person, directly or indirectly, from liability imposed by the laws concerning franchising of the State of Indiana. Any provision in the Franchise Agreement or Supplemental Agreement that would require you to prospectively assent to a release, assignment, novation, waiver or estoppel which purports to relieve any person from liability imposed by the Indiana Deceptive Franchise Practices Law is void to the extent that such provision violates such law.
8. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (a) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (b) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

MARYLAND ADDENDUM TO FRANCHISE AGREEMENT

In recognition of the requirements of the Maryland Franchise Law, the Franchise Agreement is amended to add the following:

1. Any claims arising under the Maryland Franchise Law must be brought within three (3) years after the grant of the franchise.
2. Pursuant to COMAR 02.02.08.16L, the general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Law.
3. You may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Law.
4. This franchise agreement provides that disputes are resolved through arbitration. A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.
5. Any acknowledgements or representations by you that disclaim the occurrence and/or acknowledge the non-occurrence of acts that would constitute a violation of the Maryland Law are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Law.
6. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (a) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (b) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

FRANCHISOR:

MB Franchise Holdings, Inc.

By: _____

Title: _____

Date: _____

FRANCHISEE:

By: _____

Title: _____

Date: _____

MARYLAND ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

In recognition of the requirements of the Maryland Franchise Registration and Disclosure Law (the “Maryland Franchise Law”), the Disclosure Document is amended as follows:

1. Item 17 of the Disclosure Document is amended to add the following:
 - a. The general release required as a condition of renewal, sale and/or assignment/transfer shall not apply any liability under the Maryland Franchise Registration and Disclosure Law.
 - b. A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.
 - c. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.
 - d. The Franchise Agreement and Area Development Agreement provide for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101, et seq.).
 - e. This franchise agreement provides that disputes are resolved through arbitration. A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.
2. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (a) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (b) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

MICHIGAN

THE STATE OF MICHIGAN PROHIBITS CERTAIN UNFAIR PROVISIONS THAT ARE SOMETIMES IN FRANCHISE DOCUMENTS. IF ANY OF THE FOLLOWING PROVISIONS ARE IN THESE FRANCHISE DOCUMENTS, THE PROVISIONS ARE VOID AND CANNOT BE ENFORCED AGAINST YOU.

Each of the following provisions is void and unenforceable if contained in any document relating to a franchise:

- (a) A prohibition on the right of a franchisee to join an association of franchisees.
- (b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.
- (c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.
- (d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) The term of the franchise is less than 5 years and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise.
- (e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.
- (f) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.
- (g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:
 - (i) The failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards.
 - (ii) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.
 - (iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.
 - (iv) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.
- (h) A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if

the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c).

- (i) A provision which permits the franchisor to directly or indirectly convey, assign, or otherwise transfer its obligations to fulfill contractual obligations to the franchisee unless provision has been made for providing the required contractual services.

If the franchisor's most recent financial statements are unaudited and show a net worth of less than \$100,000.00, the franchisee may request the franchisor to arrange for the escrow of initial investment and other funds paid by the franchisee until the obligations, if any, of the franchisor to provide real estate, improvements, equipment, inventory, training or other items included in the franchise offering are fulfilled. At the option of the franchisor, a surety bond may be provided in place of escrow.

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

Any questions regarding this notice should be directed to:

State of Michigan
Department of Attorney General
CONSUMER PROTECTION DIVISION
Attention: Franchise Section
G. Mennen Williams Building, 1st Floor
525 West Ottawa Street
Lansing, Michigan 48913
Telephone Number: (517) 373-7117

MINNESOTA

In recognition of the Minnesota Franchise Law, Minn. Stat., Chapter 80C, Sections 80C.01 through 80C.22, and the Rules and Regulations promulgated pursuant thereto by the Minnesota Commission of Securities, Minnesota Rule 2860.4400, et. seq., the Disclosure Document, Franchise Agreement and Supplemental Agreements are amended as follows:

1. Minnesota Statute 80C.21 and Minnesota Rule 2860.4400(J) prohibit the franchiser from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statute 80C.21 or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.
2. With respect to franchises governed by Minnesota law, the franchiser will comply with Minnesota Statute 80C.14 Subd. 3-5, which require (except in certain specified cases):
 - (a) that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the franchise agreement; and
 - (b) that consent to the transfer of the franchise will not be unreasonably withheld.
3. Minnesota considers it unfair to not protect the franchisee's right to use the trademarks. Refer to Minnesota Statute 80C.12 Subd. 1(G). The franchiser will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes, or other commercial symbols or indemnify the franchisee from any loss, costs, or expenses arising out of any claim, suit, or demand regarding the use of the name.
4. Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.
5. The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minnesota Rule 2860.4400(J) also, a court will determine if a bond is required.
6. The Limitations of Claims section must comply with Minnesota Statute 80C.17 Subd. 5.
7. NSF checks are governed by Minnesota Statute 604.113, which puts a cap of \$30 on service charges.
8. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (a) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (b) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed with the franchise.

NEW YORK

In recognition of the requirements of the General Business Laws of the State of New York, Article 33, §§680 through 695, the Disclosure Document, Franchise Agreement and Supplemental Agreements are amended as follows:

1. The following information is added to the cover page of the Disclosure Document:

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR RESOURCES OR INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN ANYTHING IN THIS FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND THE APPROPRIATE STATE OR PROVINCIAL AUTHORITY. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS THAT ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

2. The following is added at the end of Item 3 of the Disclosure Document:

Except as provided above, with regard to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

- A. No such party has an administrative, criminal, or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable civil or misdemeanor allegations.
- B. No such party has pending actions other than routine litigation incidental to the business that is significant in the context of the number of franchisees and the size, nature, or financial condition of the franchise system or its business operations.
- C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the ten years immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.
- D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation, or trade practice law resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. The following is added to the end of the "Summary" sections of Item 17(c), titled "Requirements for a franchisee to renew or extend," and Item 17(m), entitled "Conditions for franchisor approval of transfer":

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; this proviso intends that the

nonwaiver provisions of General Business Law Sections 687(4) and 687(5) be satisfied.

4. The following language replaces the “Summary” section of Item 17(d), titled “Termination by a franchisee”:

You may terminate the agreement on any grounds available by law.

5. The following is added to the end of the “Summary” sections of Item 17(v), titled “Choice of forum,” and Item 17(w), titled “Choice of law”:

The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or the franchisee by Article 33 of the General Business Law of the State of New York.

6. Franchise Questionnaires and Acknowledgments--No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (a) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (b) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.
7. Receipts - Any sale made must be in compliance with § 683(8) of the Franchise Sale Act (N.Y. Gen. Bus. L. § 680 et seq.), which describes the time period a Franchise Disclosure Document (offering prospectus) must be provided to a prospective franchisee before a sale may be made. New York law requires a franchisor to provide the Franchise Disclosure Document at the earliest of the first personal meeting, ten (10) business days before the execution of the franchise or other agreement, or the payment of any consideration that relates to the franchise relationship.

NORTH DAKOTA

In recognition of the requirements of the North Dakota Franchise Investment Law (the “North Dakota Franchise Law”), the Disclosure Document, Franchise Agreement and Supplemental Agreements are amended as follows:

1. Covenants not to compete are generally considered unenforceable in the State of North Dakota, pursuant to Section 51-19-09 of the North Dakota Franchise Law. Item 17(r) of the Disclosure Document and certain provisions in the Franchise Agreement and Supplemental Agreements include certain covenants restricting competition to which you must agree. The Commissioner has held that covenants restricting competition contrary to Section 9-08-06 of the North Dakota Century Code, without further disclosing that such covenants may be subject to this statute, are unfair, unjust, or inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Law. The Disclosure Document, Franchise Agreement and Supplemental Agreements are amended accordingly to the extent required by law.
2. Provisions requiring arbitration or mediation to be held at a location that is remote from the site of the franchisee’s business are generally considered unenforceable in the State of North Dakota, pursuant to Section 51-19-09 of the North Dakota Franchise Investment Law. Accordingly, the parties must agree on the site where arbitration or mediation will be held.
3. Provisions requiring jurisdiction in a state other than North Dakota are generally considered unenforceable in the State of North Dakota, pursuant to Section 51-19-09 of the North Dakota Franchise Investment Law.
4. Provisions requiring that agreements be governed by the laws of a state other than North Dakota are generally considered unenforceable in the State of North Dakota, pursuant to Section 51-19-09 of the North Dakota Franchise Investment Law.
5. Provisions requiring your consent to liquidated or termination damages are generally considered unenforceable in the State of North Dakota, pursuant to Section 51-19-09 of the North Dakota Franchise Investment Law.
6. Provisions requiring you to sign a general release upon renewal of the franchise agreement have been determined to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.
7. Provisions requiring you to pay all costs and expenses incurred by us in enforcing the franchise agreement have been determined to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. Accordingly, any such provision is modified to read that the prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney’s fees.
8. Provisions requiring you to consent to a waiver of trial by jury have been determined to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.
9. Provisions requiring you to consent to a limitation of claims within one year have been determined to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. Accordingly, any such provision is modified to read that the statute of limitations under North Dakota Law will apply.
10. Provisions requiring you to consent to a waiver of exemplary and punitive damages have been determined to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Invest Law.
11. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (a) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (b) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

RHODE ISLAND

In recognition of the requirements of the Rhode Island Franchise Investment Act (the "Rhode Island Franchise Law"), the Disclosure Document, Franchise Agreement and Supplemental Agreements are amended as follows:

1. We will not require that you prospectively assent to a waiver, condition, stipulation, or provision that purports to relieve any person from liability imposed by the Rhode Island Franchise Law. This provision does not apply to the settlement of disputes, claims, or civil lawsuits brought under the Rhode Island Franchise Law.
2. Section 19-28.1-14 of the Rhode Island Franchise Law provides that "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act." If a claim is enforceable under the Rhode Island Franchise Law, we will not restrict jurisdiction or venue to a forum outside the State of Rhode Island or require the application of the laws of another state.
3. We will not prohibit you from joining a trade association or association of franchisees. We will not retaliate against you for engaging in these activities.
4. Any provision in the Franchise Agreement that limits the time period in which you may assert a legal claim against us under the Rhode Island Franchise Law is amended to provide for a four (4) year statute of limitations for purposes of bringing a claim arising under the Rhode Island Franchise Law. Notwithstanding the foregoing, if a rescission offer has been approved by the Rhode Island director of business registration, then the statute of limitations is ninety (90) days after your receipt of the rescission offer.
5. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (a) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (b) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

VIRGINIA

In recognition of the requirements of the Virginia Retail Franchising Act, the Disclosure Document, Franchise Agreement and Supplemental Agreements are amended as follows:

1. Item 17 of the Disclosure Document is amended to add the following:

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

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to use undue influence to induce a franchisee/area developer to surrender any right given to him under the applicable agreement.

2. If any provision of the Franchise Agreement or any Supplemental Agreement involves the use of undue influence by the franchisor to induce a franchisee/area developer to surrender any rights given to him under the applicable agreement, that provision may not be enforceable.
3. We will not require that you prospectively assent to a waiver, condition, stipulation, or provision that purports to relieve any person from liability imposed by the Virginia Retail Franchising Act. This provision does not prohibit you and us from entering into binding arbitration consistent with the Virginia Retail Franchising Act.
4. Any provision in the Franchise Agreement or Supplemental Agreement that limits the time period in which you may assert a legal claim against us under the Virginia Retail Franchising Act is amended to provide for a four (4) year statute of limitations for purposes of bringing a claim arising under the Virginia Retail Franchising Act.
5. Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it shall be unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the Franchise Agreement or Supplemental Agreement does not constitute “reasonable cause,” as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.
6. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (a) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (b) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.
7. Under subsection D of § 13.1-559 of the Virginia Retail Franchising Act, for all franchises located in Virginia, the franchise contract or agreement offered or entered into pursuant to terms of this chapter shall be governed by the laws of the Commonwealth of Virginia.
8. Under subdivision A 4 of § 13.1-563 of the Virginia Retail Franchising Act (“Act”), it is unlawful to offer or enter into a franchise agreement that restricts the right of a franchisee to engage in the business of offering, selling, or distributing goods or services at retail after termination or expiration of the franchise agreement. However, subsection B of § 13.1-563 of the Act provides that if a franchisee sells a franchise at a mutually agreed upon price to a third party or back to the franchisor, such sale may include a term restricting the right of such franchisee to engage in the business of offering, selling, or distributing goods or services at retail for a period of no more than two years after such sale.

WASHINGTON ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT, THE FRANCHISE AGREEMENT, AND ALL RELATED AGREEMENTS

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

1. **Conflict of Laws.** In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, chapter 19.100 RCW will prevail.
2. **Franchisee Bill of Rights.** RCW 19.100.180 may supersede provisions in the franchise agreement or related agreements concerning your relationship with the franchisor, including in the areas of termination and renewal of your franchise. There may also be court decisions that supersede the franchise agreement or related agreements concerning your relationship with the franchisor. Franchise agreement provisions, including those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.
3. **Site of Arbitration, Mediation, and/or Litigation.** In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.
4. **General Release.** A release or waiver of rights in the franchise agreement or related agreements purporting to bind the franchisee to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rules or orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).
5. **Statute of Limitations and Waiver of Jury Trial.** Provisions contained in the franchise agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.
6. **Transfer Fees.** Transfer fees are collectable only to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.
7. **Termination by Franchisee.** The franchisee may terminate the franchise agreement under any grounds permitted under state law.
8. **Certain Buy-Back Provisions.** Provisions in franchise agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term of the franchise agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.
9. **Fair and Reasonable Pricing.** Any provision in the franchise agreement or related agreements that requires the franchisee to purchase or rent any product or service for more than a fair and reasonable price is unlawful under RCW 19.100.180(2)(d).
10. **Waiver of Exemplary & Punitive Damages.** RCW 19.100.190 permits franchisees to seek treble damages under certain circumstances. Accordingly, provisions contained in the franchise agreement or elsewhere requiring franchisees to waive exemplary, punitive, or similar damages are void, except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2).
11. **Franchisor's Business Judgement.** Provisions in the franchise agreement or related agreements stating that the franchisor may exercise its discretion on the basis of its reasonable business judgment may be

limited or superseded by RCW 19.100.180(1), which requires the parties to deal with each other in good faith.

12. **Indemnification.** Any provision in the franchise agreement or related agreements requiring the franchisee to indemnify, reimburse, defend, or hold harmless the franchisor or other parties is hereby modified such that the franchisee has no obligation to indemnify, reimburse, defend, or hold harmless the franchisor or any other indemnified party for losses or liabilities to the extent that they are caused by the indemnified party's negligence, willful misconduct, strict liability, or fraud.
13. **Attorneys' Fees.** If the franchise agreement or related agreements require a franchisee to reimburse the franchisor for court costs or expenses, including attorneys' fees, such provision applies only if the franchisor is the prevailing party in any judicial or arbitration proceeding.
14. **Noncompetition Covenants.** Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provision contained in the franchise agreement or elsewhere that conflicts with these limitations is void and unenforceable in Washington.
15. **Nonsolicitation Agreements.** RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.
16. **Questionnaires and Acknowledgments.** No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.
17. **Prohibitions on Communicating with Regulators.** Any provision in the franchise agreement or related agreements that prohibits the franchisee from communicating with or complaining to regulators is inconsistent with the express instructions in the Franchise Disclosure Document and is unlawful under RCW 19.100.180(2)(h).
18. **Advisory Regarding Franchise Brokers.** Under the Washington Franchise Investment Protection Act, a "franchise broker" is defined as a person that engages in the business of the offer or sale of franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. If a franchisee is working with a franchise broker, franchisees are advised to carefully evaluate any information provided by the franchise broker about a franchise.
19. **Fee Deferral.** In lieu of an impound of franchise fees, the Franchisor will not require or accept the payment of any initial franchise fees until the franchisee has (a) received all pre-opening and initial training obligations that it is entitled to under the franchise agreement or offering circular, and (b) is open for business.

The undersigned parties do hereby acknowledge receipt of this Addendum.

Dated this _____ day of _____, 20_____.

Signature of Franchisor Representative

Signature of Franchisee Representative

Title of Franchisor Representative

Title of Franchisee Representative

WISCONSIN

The Wisconsin Fair Dealership Law, Chapter 135 of the Wisconsin Statutes supersedes any provision of the Franchise Agreement and Supplement Agreements (if applicable) if such provision is in conflict with that law. The Franchise Disclosure Document, the Franchise Agreement and the Supplemental Agreements are amended accordingly.

(Signatures on following page)

APPLICABLE ADDENDA

If any one of the preceding Addenda for specific states (“**Addenda**”) is checked as an “Applicable Addenda” below, then that Applicable Addenda shall be incorporated into the Franchise Disclosure Document, Franchise Agreement, Supplemental Agreements (if applicable) and any other specified agreement(s) entered into by us and the undersigned franchisee. To the extent any terms of an applicable Addenda conflict with the terms of the Franchise Disclosure Document, Franchise Agreement, Supplemental Agreement (if applicable) and other specified agreement(s), the terms of the Applicable Addenda shall supersede the terms of the Franchise Agreement. We are responsible for checking the appropriate box or boxes.

- | | | |
|-------------------------------------|---------------------------------------|---------------------------------------|
| ☐ California | ☐ Michigan | ☐ South Dakota |
| ☐ Hawaii | ☐ Minnesota | ☐ Virginia |
| ☐ Illinois | ☐ New York | ☐ Washington |
| ☐ Indiana | ☐ North Dakota | ☐ Wisconsin |
| ☐ Maryland | ☐ Rhode Island | |

Dated: _____, 202____

FRANCHISOR:

MB Franchise Holdings, Inc.

By: _____

Name: _____

Title: _____

FRANCHISEE:

[_____]

By: _____

Name: _____

Title: _____

EXHIBIT “D”-2

FRANCHISEE DISCLOSURE QUESTIONNAIRE

[See Attached]

MAY NOT BE SIGNED OR USED IF FRANCHISEE RESIDES WITHIN, OR THE FRANCHISED BUSINESS WILL BE LOCATED WITHIN, A FRANCHISE REGISTRATION STATE¹

FRANCHISEE DISCLOSURE QUESTIONNAIRE

As you know MB Franchise Holdings, Inc. (“we” or “us”), and you are preparing to enter into a Franchise Agreement for the operation of a MAID BRIGADE® franchise. We require that you complete this Questionnaire (a) so that we can determine whether our franchise sales team followed proper sales procedures and (b) to provide us with reasonable assurance that, prior to signing the Franchise Agreement, you have had an adequate opportunity to review the Franchise Disclosure Document and its attachments, consult with legal and/or business advisors of your choosing, and ask us questions about any disclosures or terms that you do not understand. **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 and pay your franchise fee.** Please review each of the following questions carefully and provide honest responses to each question.

- | | | | |
|-------|------|-----|--|
| Yes__ | No__ | 1. | Have you received from us and personally reviewed the Franchise Agreement together with all of its attachments?
<i>[If you answer “no,” please explain in Explanation Section]</i> |
| Yes__ | No__ | 2. | Have you received from us and personally reviewed a Franchise Disclosure Document (“FDD”)?
<i>[If you answer “no,” please explain in Explanation Section]</i> |
| Yes__ | No__ | 3. | Did you sign a receipt for the FDD indicating the date you received it? |
| Yes__ | No__ | 4. | Do you understand all the information contained in the FDD and Franchise Agreement?
<i>[If you answer “no,” please identify any information you don’t understand in Explanation Section]</i> |
| Yes__ | No__ | 5. | Did you receive the FDD at least 14 calendar days before signing any agreement relating to the franchise (other than an NDA) or paying any money? |
| Yes__ | No__ | 6. | Did you receive a complete execution copy of the Franchise Agreement, with all material terms filled in, at least seven (7) calendar days before you signed it? |
| Yes__ | No__ | 7. | Have you reviewed the FDD and Franchise Agreement with a lawyer, accountant or other professional advisor? |
| Yes__ | No__ | 8. | Have you discussed the benefits and risks of developing and operating a MAID BRIGADE® franchise with an existing EXECUTIVE HOME CARE® franchisee? |
| Yes__ | No__ | 9. | Do you understand the risks of developing and operating a MAID BRIGADE® franchise? |
| Yes__ | No__ | 10. | Do you understand the success or failure of your franchise will depend in 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? |
| Yes__ | No__ | 11. | Do you understand that the Franchise Agreement and its attachments contain the entire agreement between us and you concerning the franchise for the EXECUTIVE HOME CARE® franchise, meaning any prior oral or written statements not set out in the Franchise Agreement or its attachments will not be binding? |

¹ Registration states include California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington and Wisconsin.

Yes__ No__ 12. Did any of our employees or representatives, or any person speaking on our behalf, make any statement or promise regarding the costs involved in operating a MAID BRIGADE® franchise that is not contained in the FDD or that is contrary to, or different from, the information contained in the FDD?

[If you answer “yes,” please describe the statement or promise in Explanation Section]

Yes__ No__ 13. Did any of our employees or representatives, or any person speaking on our behalf, make any statement or promise regarding the training, assistance or support that will be provided to you that is not contained in the FDD or that is contrary to, or different from, the information in the FDD?

[If you answer “yes,” please describe the statement or promise in Explanation Section]

Yes__ No__ 14. Did any of our employees or representatives, or any person speaking on our behalf, make any statement or promise regarding the actual, average, projected or hypothetical profits or earnings, the likelihood of success, the amount of money you may earn, or the total amount of revenue a MAID BRIGADE® business may generate, other than any information included in Item 19 of the FDD?

[If you answer “yes,” please describe the statement or promise in Explanation Section]

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.

Signature of Franchise Applicant

Signature of Franchise Applicant

Name (please print)

Name (please print)

Dated _____

Dated _____

Signature of Franchise Applicant

Signature of Franchise Applicant

Name (please print)

Name (please print)

Dated _____

Dated _____

EXPLANATION SECTION

Please include any explanations below and refer to the applicable question number.

EXHIBIT “D”-3

GENERAL RELEASE

[See Attached]

WAIVER AND RELEASE OF CLAIMS

This Waiver and Release of Claims (this “Agreement”) is made as of _____, 202__ (the “Effective Date”) by _____, a(n) _____ (“you”) and each individual holding a direct or indirect ownership interest in you (collectively “Owner”) in favor of MB Franchise Holdings, Inc., a Georgia corporation (“us,” and together with you and Owner, the “Parties”).

Background

- A. We signed a Franchise Agreement with you, dated _____, 202__ (the “Franchise Agreement”) pursuant to which we granted you the right to own and operate a MAID BRIGADE® business.
- B. You have notified us of your desire to [transfer the Franchise Agreement and all rights related thereto, or an ownership interest in the franchisee entity, to a transferee,] [enter into a successor franchise agreement] and we have [consented to such transfer] [agreed to enter into a successor franchise agreement].
- C. As a condition to [our consent to the transfer] [your ability to enter into a successor franchise agreement], you and Owner have agreed to execute this Agreement upon the terms and conditions stated below.
- D. In consideration of our [consent to the transfer] [entering into a successor franchise agreement], and for other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, and intending to be legally bound, you and Owner hereby agree as set forth below.

Agreement

- 1. Release. You, Owner and each of your officers, directors, employees, representatives, affiliates, successors and assigns (“Franchisee Parties”) hereby release, acquit and forever discharge us, our affiliates, and our (and our affiliates’) past and present owners, officers, directors, employees, representatives, successors and assigns (“Franchisor Parties”) from all claims, liabilities, damages, expenses, actions or causes of action that any Franchisee Party may now have or ever had, whether known or unknown, past or present, absolute or contingent, suspected or unsuspected, of any nature whatsoever, directly or indirectly arising out of or relating to the: (a) execution, performance or breach of the Franchise Agreement; or (b) offer, sale or acceptance of franchise related thereto, including any disclosures or representations made in connection therewith. This release does not apply to any obligations contained in this Agreement.

- (a) California Law. You and Owner hereby express your intention to release all existing claims, whether known or unknown, against the Franchisor Parties. Accordingly, you and Owner hereby waive §1542 of the California Civil Code, which provides the following:

“A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.”

[Clause (a) only applies for California franchisees; otherwise it is omitted]

- (b) Washington Franchise Law. This release does not apply to claims arising under the Washington Franchise Investment Protection Act, RCW 19.100, or the rules adopted thereunder.

[Clause (b) only applies for Washington franchisees; otherwise it is omitted]

- 2. Nondisparagement. Franchisee Parties agree not to: (a) disparage, or make false statements or negative comments regarding, a Franchisor Party; or (b) make any other statements to third parties intending to damage a Franchisor Party’s business or reputation. The restrictions in this Section: (a) apply to all methods of communications, including online statements and social media posts; and (b) prohibit a Franchisee Party from indirectly violating this Section by influencing or encouraging a third party to engage in activities that would violate this Section if done by a Franchisee Party.
- 3. Representations and Warranties. You and Owner each represent and warrant that: (a) [Insert franchisee entity name] is duly authorized to execute this Agreement and perform its obligations hereunder; (b) neither

you nor Owner has assigned or transferred, either voluntarily or by operation of law, any rights or claims against any Franchisor Party or any rights, claims or obligations being terminated or released hereunder; (c) you and Owner have not and shall not (i) institute or cause to be instituted against any Franchisor Party a legal proceeding of any kind, including filing a claim or complaint with a state or federal court or regulatory agency, alleging a violation of any law or public policy or (ii) make any statements prohibited by §2; and (d) the persons identified as Owner on the signature page collectively own 100% of the legal and beneficial ownership interests in [Insert franchisee entity name].

4. Communications with Governmental Authorities. Nothing in this Agreement shall restrict or be deemed to preclude you from disclosing truthful information to governmental authorities in response to any request for information you receive from them.

5. Miscellaneous.

- (a) The Parties agree that each has read and fully understands this Agreement and that the opportunity has been afforded to each Party to discuss the terms and contents of said Agreement with legal counsel and/or that such a discussion with legal counsel has occurred.
- (b) This Agreement is governed by the laws of the State of Arizona.
- (c) If either Party must institute legal action to enforce this Agreement, the prevailing Party is entitled to recover all of its reasonable costs and attorneys' fees from the non-prevailing Party.
- (d) This Agreement is binding on, and inures to the benefit of, the Parties and their respective executors, administrators, heirs, assigns and successors in interest.
- (e) This Agreement constitutes the entire agreement and understanding between the Parties regarding the subject matter hereof. This Agreement may not be modified except in a writing signed by both Parties.
- (f) Each section of this Agreement (and portion thereof) is severable. If any section (or portion thereof) is unenforceable, it shall not affect the enforceability of any other section (or portion thereof).
- (g) The Parties agree to do such further acts and things and to execute and deliver such additional agreements and instruments as any Party may reasonably require to consummate, evidence, or confirm the transactions contemplated hereby.
- (h) This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute but one document.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

FRANCHISEE:

[]

By: _____

Name: _____

Title: _____

FRANCHISE OWNERS:

Name: _____

Name: _____

EXHIBIT "E"
TO DISCLOSURE DOCUMENT
TABLE OF CONTENTS OF BRAND STANDARDS MANUAL

[See Attached]

Anyone with comments concerning this manual should contact Maid Brigade Home Office Operations Department.

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EXHIBIT "F"
TO DISCLOSURE DOCUMENT

LIST OF FRANCHISEES

Part A (Current Franchisees)

The following table lists franchisees that were open as of December 31, 2025.

FRANCHISEES OPEN AS OF DECEMBER 31, 2025					
State	City	Address	Phone	Owner Name(s)	Territories
Alabama	Birmingham	402 Black Creek Road Birmingham, Alabama 35217	(205) 941-6965	Arnaud Mylle	1
Arizona	Mesa	1837 South Mesa Dr., Suite A101 Mesa, Arizona 85210	(480) 926-3288	Gordon Zweig	5
Arizona	Phoenix	15443 N. Cave Creek Rd. Phoenix, Arizona 85032	(602) 493-1333	Alan Walstad	6
California	Monrovia	121 E. Chestnut Ave Monrovia, California 91016	(323) 254-6240	Jimmy and Christina Chick	4
California	Newhall	18820 Vista Del Canon, #B Newhall, California 91321	(818) 642-7926	Evelyn Rodriguez	1
California	San Carlos	111 Glenn Way, Suite 9 San Carlos, California 94070	(650) 368-2105	Lisa Weldon	5
California	San Jose	3745 Madeline Avenue, Suite 21 San Jose, California 95127	(408) 729-0707	Maneesh Reddy	6
California	Torrance	25690 Crenshaw Blvd., Suite 105 Torrance, California 90505	(310) 539-4000	Dennis and Caralyn Dwyer	5
California	Tustin	2670 Walnut Ave #B Tustin, California 92780	(949) 788-0878	Stacey Raymer	6
California	Ventura	4411 Dupont Ct., Suite 110 Ventura, California 93003	(805) 389-3275	Sarah Rukavina	4
California	Vista	1930 Watson Way, Suite Q Vista, California 92081	(760) 690-3600	Adam Ziegelman	4
Colorado	Thornton	8801 Fox Dr, #307 Thornton, California 80260	(303) 287-2630	Monir Moniruzzaman	3
Connecticut	Manchester	195 Adams Street Manchester, Connecticut 06042	(860) 645-6243	Robin and Gary Murphy	2
Connecticut	Milford	601 Boston Post Rd, Unit 5 Milford, Connecticut 06460	(203) 735-9988	Brian Leary	3
Florida	Jacksonville	3491 Pall Mall Drive, Suite 107 Jacksonville, Florida 32257	(904) 886-7415	J Archer & Ken Meyer	4
Florida	Lakewood Ranch	9015 Town Center Parkway, Unit 125 Lakewood Ranch, Florida 34202	(941) 777-1277	Emily and Ron Sarid	2
Florida	Miami Lakes	5951 NW 173rd Drive, Suite 6 Miami Lakes, Florida 33015	(305) 430-6243	Connie and George Pagones	10
Florida	Naples	3785 Airport Rd, Suite 3 Naples, Florida 34105	(239) 384-6775	Jenni Nelson	1

FRANCHISEES OPEN AS OF DECEMBER 31, 2025					
State	City	Address	Phone	Owner Name(s)	Territories
Florida	Orlando	8442 Tradeport Dr, #202 Orlando, Florida 32827	(407) 794-7473	Marcelo Pancher	1
Florida	Riviera Beach	3878 Prospect Ave., Suite 23 Riviera Beach, Florida 33404	(561) 537-1660	Angelica Pinzon	2
Florida	St. Petersburg	360 Central Ave, #800 St. Petersburg, Florida 33701	(727) 777-5804	Cassie McNiven	1
Florida	Tampa	14809 N Florida Ave Tampa, Florida 33613	(813) 961-5900	Stephanie & Mike Harris	3
Florida	Wellington	378 Indigo Ave Wellington, Florida 33414	(561) 834-2898	Claudia Ducra	2
Georgia	Atlanta	3070 Presidential Drive, #242 Atlanta, Georgia 30340	(770) 234-0034	Renee and Scott Sherman	10
Hawaii	Honolulu	1035 Kikowaena Place Honolulu, Hawaii 96818	(808) 524-7788	Colin Miyabara	4
Idaho	Boise	3275 Brown Street Boise, Idaho 83714	(208) 685-0639	Russ Biaggne	2
Illinois	Rolling Meadows	1835 Rohlwing Rd, Suite C Rolling Meadows, Illinois 60008	(847) 253-2270	Chuck Willes	6
Illinois	West Chicago	245 W. Roosevelt R., Bldg 9, Ste 65 West Chicago, Illinois 60185	(630) 231-6243	Andris Slokenbergs	7
Indiana	Indianapolis	5230 Madison Ave #B Indianapolis, Indiana 46227	(317)781-6243	Lincoln Pagel	3
Kentucky	Lexington	634 Brookgreen Lane Lexington, Kentucky 40509	(859) 260-8744	Larry Fraher	1
Maryland	Gaithersburg	9318 Gaither Road Gaithersburg, Maryland 20877	(301) 424-6243	Rachel and Duane Epperly	5
Maryland	Kensington	3855 Farragut Avenue Kensington, Maryland 20895-2004	(301) 946-5500	Pat Santelices	2
Massachusetts	Hanover	1130 Washington St, Suite 1 Hanover, Massachusetts 02339	(781) 909-3900	Mary Worthington	1
Michigan	Clinton Township	42657 Garfield Road , #220 Clinton Township, Michigan 48038	(586) 286-6074	Elizabeth Whitley	2
Minnesota	St. Paul	1642 Carroll Ave St. Paul, Minnesota 55104	(651) 686-0900	Quentin Ritchie	10
Nevada	Las Vegas	205 E Warm Springs Road, #108 Las Vegas, Nevada 89119	(702) 324-4725	Brandon and Darlene Cross	4
New Jersey	Pittstown	291 Quakertown Road, Suite 2 Pittstown, New Jersey 08867	(908) 735-5784	Matt Spidella and Evelyn Herrera	1
New Jersey	Westwood	123 Woodlands Avenue, #3-B Westwood, New Jersey 07675	(201) 664-6243	John and Lynn Lomer	2
New Mexico	Albuquerque	1100 Alameda Blvd NW, Unit 5 Albuquerque, New Mexico 87114	(505) 266-1300	JoAnna Silva	2
New York	Bohemia	355 Central Ave, Unit E Bohemia, New York 11716	(631) 471-6245	Jennifer LoFranco	2

FRANCHISEES OPEN AS OF DECEMBER 31, 2025					
State	City	Address	Phone	Owner Name(s)	Territories
New York	Freeport	42 Guy Lombardo Ave, Suite 207D Freeport, New York 11520	(516) 867-6243	Michael Elias	2
New York	Hicksville	246 West Old Country Road Hicksville, New York 11801	(516) 931-6243	Rob Lawrence	5
New York	Niagara Falls	2065 River Road, Suite 5 Niagara Falls, New York 14304	(716) 236-0699	Nicholas Hall	1
New York	White Plains	901 North Broadway White Plains, New York 10603	(914) 741-0552	Robin and Gary Murphy	9
North Carolina	Cary	101 Woodwinds Industrial Ct., Ste. H Cary, North Carolina 27511	(919) 289-4777	Fawzi Ali and Khalid Abualhawa	1
North Carolina	Mathews	1014 Industrial Dr. Mathews, North Carolina 28105	(704) 568-0028	Pamela Samuels	7
North Carolina	Raleigh	2617 Rowland Road , #100 Raleigh, North Carolina 27615	(919) 877-1050	Itzy and Jordan Wallace	2
Oklahoma	Tulsa	10984 East 23rd Street Tulsa, Oklahoma 74129	(918) 259-0031	Dennis Haddock	1
Oregon	Fairview	PO BOX 729 Fairview, Oregon 97024	(503) 492-0197	Lisa Flood	3
Oregon	Tigard	8260 SW Hunziker Rd, Suite 100 Tigard, Oregon 97223	(503) 624-3935	Mark Brands	3
Tennessee	Knoxville	8814 Kelsey Lane Knoxville, Tennessee 37922	(865) 978-5555	Moses and Kahle Madera	1
Tennessee	Old Hickory	3614 Old Hickory Blvd Old Hickory, Tennessee 37138	(615) 889-7740	Puleolas Nashville	5
Texas	Austin	9415 Burnet Rd. Ste 300 Austin, Texas 78758	(512) 832-8651	Dinesh Jivani	3
Texas	Conroe	1100 Old Magnolia Rd Conroe, Texas 77304	(281) 363-0022	Richard Journey	4
Texas	Deer Park	2110 Center St. Deer Park, Texas 77536	(281) 464-6243	Brandon and Kaneetra Bass	2
Texas	Ft. Worth	3851 Southwest Loop 820 Ft. Worth, Texas 76133	(817) 263-9300	Keith Clem	5
Texas	Houston	9215 Solon Road #D-4 Houston, Texas 77064	(281) 469-3939	Graig Kibinda and Aqua Johnson	2
Texas	Houston	5320 Gulfton St, Suite 18 Houston, Texas 77081	(713) 271-3110	Robert Moser	7
Texas	Plano	1301 W. Parker Rd. Ste. 109 Plano, Texas 75023	(972) 422-0029	Angela McCall	11
Texas	Prosper	450 Business Park Prosper, Texas 75078	(469) 476-5560	Philip & Catherine Ibegbu	2
Texas	San Antonio	9906 San Pedro Avenue San Antonio, Texas 78216	(210) 424-0166	Jose Flores	2
Utah	Salt Lake City	715 E.3900 Street, Suite 208 Salt Lake City, Utah 84107	(385) 350-0001	Steven Connors	3

FRANCHISEES OPEN AS OF DECEMBER 31, 2025					
State	City	Address	Phone	Owner Name(s)	Territories
Virginia	Alexandria	4813-A Eisenhower Avenue Alexandria, Virginia 22304	(703) 823-1726	Pete Glavas	25
Virginia	Manassas	6471 McKee Way Manassas, Virginia 20111	(703) 754-3635	Erin Jacobson	2
Virginia	Richmond	4104 E. Parham Road, Suite A Richmond, Virginia 23228	(804) 355-6263	Bryan and Annette Sklar	3
Virginia	Sterling	24315 Stone Springs Blvd Sterling, Virginia 20166	(703) 661-6464	Puleolas Virginia	5
Washington	Renton	201 SW 41st Street Renton, Washington 98055	(425) 251-5013	Clark Eccles	3
Washington	Shoreline	14720 Aurora Ave N Shoreline, Washington 98133	(206) 362-8439	Mark and Marisa Harding	5
Washington	Vancouver	3110 NE Minnehaha St, Suite F Vancouver, Washington 98663	(360) 694-7505	John and Gerrie Chiarella	1
Washington	Woodinville	17710 134th Ave, NE Woodinville, Washington 98072	(425) 487-2367	Cathy and Brian Grefsrud	4
Wisconsin	Milwaukee	1966 South 4th Street, Suite 400 Milwaukee, Wisconsin 53204	(414) 384-4620	Andris Slokenbergs	2

The following table lists franchisees with signed franchise agreements that were not open as of December 31, 2025.

FRANCHISEES NOT OPEN AS OF DECEMBER 31, 2025					
State	City	Address	Phone	Owner Name(s)	Territories
Florida	Cape Coral	1722 SW 21st Terrace Cape Coral, Florida 33991	(239) 236-9800	Dawn and Mike Pudlin	1
Texas	Austin	4101 Bluffsides Lane Round Rock, Texas 78665	(512) 965-8056	Luis Moreira	1

Part B (Former Franchisees Who Left System During Prior Fiscal Year)

State	City	Current Business Phone or Last Known Home Phone	Owner Name(s)	Territories
California	Redwood City	(650) 368-2105	Gabie Reiter	5
Florida	Orlando	(689) 808-2620	Lu Tachella and Mauro Meira	1
Missouri	St. Louis	(314) 696-5530	Edward Canavan	3
New Jersey ¹	Morganville	(732) 617-5921	Jared Rappoport	1
North Carolina	Matthews	(704) 568-0028	Marc Titlebaum	7
Pennsylvania	Lancaster	(717) 738-3857	Matt Motyka	1

¹ This outlet closed in 2024.

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

EXHIBIT "G"
TO DISCLOSURE DOCUMENT

FINANCIAL STATEMENTS

[See Attached]

EHC Holding Company, LLC and Subsidiaries

Consolidated Financial Report
December 31, 2025

EHC Holding Company, LLC and Subsidiaries

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Plante & Moran, PLLC
Suite 300
2601 Cambridge Court
Auburn Hills, MI 48326
Tel: 248.375.7100
Fax: 248.375.7101
plantemoran.com

Independent Auditor's Report

To the Board of Directors
EHC Holding Company, LLC and Subsidiaries

Opinion

We have audited the consolidated financial statements of EHC Holding Company, LLC and Subsidiaries (the "Company"), which comprise the consolidated balance sheet as of December 31, 2025 and 2024 and the related consolidated statements of operations, members' equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

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

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audits of the Consolidated Financial Statements* section of our report. We are required to be independent of the Company and to meet our ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the consolidated financial statements are issued or available to be issued.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that audits conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

To the Board of Directors
EHC Holding Company, LLC and Subsidiaries

In performing audits in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audits in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits, significant audit findings, and certain internal control-related matters that we identified during the audits.

Plante & Moran, PLLC

April 13, 2026

EHC Holding Company, LLC and Subsidiaries

Consolidated Balance Sheet

December 31, 2025 and 2024

	2025	2024
Assets		
Current Assets		
Cash	\$ 10,168,793	\$ 7,200,071
Investments	103,668	-
Accounts receivable - Net	3,853,514	2,685,757
Inventory	516,419	47,090
Deferred commission costs	1,042,598	225,341
Prepaid expenses and other current assets	1,301,424	807,450
Total current assets	16,986,414	10,965,709
Property and Equipment - Net	2,467,907	2,069,949
Operating Lease Right-of-use Assets - Net	913,143	792,487
Goodwill - Net	99,375,260	52,665,564
Intangible Assets - Net	61,352,930	28,380,024
Other Assets		
Deferred commission costs - Net of current portion	7,828,647	5,332,257
Other noncurrent assets	1,239,170	489,961
Total assets	\$ 190,163,471	\$ 100,695,951
Liabilities and Members' Equity		
Current Liabilities		
Accounts payable	\$ 2,455,210	\$ 868,428
Current portion of operating lease liabilities	321,614	212,365
Deferred franchise fees	3,927,355	3,010,287
Other current liabilities:		
Taxes payable	110,665	-
Accrued compensation	737,075	596,645
Other accrued liabilities	1,784,377	1,279,257
Total current liabilities	9,336,296	5,966,982
Long-term Debt	46,646,902	-
Operating Lease Liabilities - Net of current portion	622,636	603,246
Other Long Term Liabilities		
Deferred franchise fees - Net of current portion	20,098,827	16,498,710
Deferred tax liabilities	1,801,324	-
Total liabilities	78,505,985	23,068,938
Members' Equity	111,657,486	77,627,013
Total liabilities and members' equity	\$ 190,163,471	\$ 100,695,951

See notes to consolidated financial statements.

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EHC Holding Company, LLC and Subsidiaries**Consolidated Statement of Operations****Years Ended December 31, 2025 and 2024**

	2025	2024
Net Revenue		
Royalty fees	\$ 13,608,581	\$ 9,732,577
Initial franchise fees	4,362,781	4,547,181
National brand fund fees	3,727,498	2,706,984
Service fees	7,492,249	7,467,150
Other	1,779,058	1,283,105
Total net revenue	30,970,167	25,736,997
Operating Expenses	45,186,193	32,452,294
Nonoperating Expense - Interest expense	(639,467)	-
Loss - Before income taxes	(14,855,493)	(6,715,297)
Income Tax Recovery	(333,964)	-
Consolidated Net Loss	\$ (14,521,529)	\$ (6,715,297)

See notes to consolidated financial statements.

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EHC Holding Company, LLC and Subsidiaries

Consolidated Statement of Members' Equity

Years Ended December 31, 2025 and 2024

Balance - January 1, 2024	\$ 84,342,310
Consolidated net loss	<u>(6,715,297)</u>
Balance - December 31, 2024	77,627,013
Consolidated net loss	(14,521,529)
Issuance of Class A units	<u>48,552,002</u>
Balance - December 31, 2025	<u>\$ 111,657,486</u>

See notes to consolidated financial statements.

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EHC Holding Company, LLC and Subsidiaries

Consolidated Statement of Cash Flows

Years Ended December 31, 2025 and 2024

	2025	2024
Cash Flows from Operating Activities		
Consolidated net loss	\$ (14,521,529)	\$ (6,715,297)
Adjustments to reconcile consolidated net loss to net cash from operating activities:		
Depreciation and amortization	12,214,482	9,997,566
Noncash lease expense	54,529	16,064
Credit loss expense	187,898	219,820
Deferred income tax recovery	(444,629)	-
Changes in operating assets and liabilities that provided (used) cash:		
Accounts receivable	710,827	(955,312)
Prepaid expenses and other assets	(917,780)	(980,991)
Deferred commission costs	(3,313,645)	(3,364,692)
Accounts payable and other accrued liabilities	76,589	807,195
Deferred franchise fees	2,098,787	606,768
Net cash used in operating activities	(3,854,471)	(368,879)
Cash Flows from Investing Activities		
Cash paid for acquisitions - Net of cash acquired	(85,045,980)	-
Purchase of property and equipment	(579,731)	(689,514)
Net cash used in investing activities	(85,625,711)	(689,514)
Cash Flows from Financing Activities		
Proceeds from long-term debt	47,500,000	-
Debt issuance costs	(853,098)	-
Proceeds from issuance of Class A units	45,802,002	-
Net cash provided by financing activities	92,448,904	-
Net Increase (Decrease) in Cash	2,968,722	(1,058,393)
Cash - Beginning of year	7,200,071	8,258,464
Cash - End of year	\$ 10,168,793	\$ 7,200,071
Supplemental Cash Flow Information - Cash paid for interest	\$ 364,467	\$ -
Significant Noncash Transactions - Fair value of rollover equity issued for business acquisitions	\$ 2,750,000	\$ -

See notes to consolidated financial statements.

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EHC Holding Company, LLC and Subsidiaries

Notes to Consolidated Financial Statements

December 31, 2025 and 2024

Note 1 - Nature of Business

EHC Holding Company, LLC and Subsidiaries (the "Company") includes its wholly owned subsidiaries, Evive Brands, LLC (Evive); Executive Home Care Franchising, LLC (EHC); ALL Franchising, LLC (ALL); ALL Licensing, LLC (Licensing); B&P Burke, LLC (Grasons); Brothers Parsons Franchising, LLC (Brothers); Brothers Parsons HV, LLC (BPHV); Brothers Parsons IP, LLC (BPIP); Evive Holdco, Inc. (Holdco); Pacific Lawn Sprinklers Franchise, LLC (PLSF); PLS Corporate Stores, LLC (PLSC); PLS Hub, LLC (PLSH); and Shine Development, LLC (Shine).

EHC is a franchisor that provides home care services to the elderly, physically handicapped, and injured, allowing them to live at home. EHC began operations in 2004.

ALL is a franchisor that provides senior care placement and referral service for in-home companion care, independent retirement options, assisted living, memory care, and skilled nursing facilities. ALL began operations in 2006 and provides services nationwide. Licensing is an operating company that owns the intellectual property used by ALL.

Grasons is a franchisor that provides services for estate sales and business liquidation services and was established in 2011.

Brothers is a franchisor that provides services associated with gutter installation, repair, and maintenance. BPIP is an operating company that owns the intellectual property used by Brothers. BPHV operates a Brothers franchise. BPHV was sold on October 15, 2025.

Holdco's wholly owned subsidiary, MB Franchise Holdings, Inc. (Maid Brigade), is a franchisor that provides residential and commercial professional cleaning services.

PLSF is a franchisor that primarily provides lawn sprinkler and landscape light services to residential and commercial customers. PLSC is a corporate owned location and PLSH is the national call center for the franchise system.

Shine is a franchisor that provides window care and holiday lighting services to residential and commercial businesses.

Note 2 - Significant Accounting Policies

Basis of Accounting

The consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America. The Company has elected to adopt certain accounting alternatives for private companies developed by the Private Company Council, including the alternative for accounting for goodwill and intangibles.

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and all of its wholly owned subsidiaries. All material intercompany accounts and transactions have been eliminated in consolidation.

Adoption of New Accounting Pronouncement

In July 2025, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2025-05, *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets*. The ASU introduced a practical expedient for estimating expected credit losses on current accounts receivable and current contract assets arising from transactions accounted for under ASC 606, *Revenue from Contracts with Customers*. Under the practical expedient, the Company assumes that current conditions as of the consolidated balance sheet date will not change for the remaining life of the asset. The standard also permits an accounting policy election to consider collection activity after the balance sheet date when estimating credit losses.

Notes to Consolidated Financial Statements

December 31, 2025 and 2024

Note 2 - Significant Accounting Policies (Continued)

The Company adopted the new guidance on January 1, 2025 on a prospective basis. The adoption of this guidance did not have a significant impact on the consolidated financial statements.

Accounts Receivable

Trade accounts receivable are stated at invoice amounts. An allowance for credit losses is established for amounts expected to be uncollectible over the contractual life of the receivables. At December 31, 2025 and 2024, the Company had recorded an allowance for credit losses in the amount of \$695,999 and \$131,037, respectively. The Company evaluates the collectibility of its accounts receivable and determines the appropriate allowance for expected credit losses based on a combination of factors, including the aging of the receivables, historical collection trends, and charge-offs, and includes adjustments for current economic conditions. When the Company is aware of a franchisee or customer's inability to meet its financial obligation, the Company may individually evaluate the related receivable to determine the allowance for expected credit losses. The Company has elected the practical expedient to assume that the current conditions as of the consolidated balance sheet date will not change for the remaining life of the asset. The Company has also made the policy election to consider collection activity subsequent to year end in making its estimate of expected losses. The Company has considered subsequent collection activity through January 31, 2026. Uncollectible amounts are written off against the allowance for credit losses in the period they are determined to be uncollectible. Recoveries of amounts previously written off are recognized when received. The net accounts receivable balance as of January 1, 2024 was \$1,950,265.

Property and Equipment

Property and equipment are recorded at cost. Depreciation and amortization are computed using the straight-line method. Assets are depreciated over their estimated useful lives, which range from 3 to 10 years. The cost of leasehold improvements is depreciated (amortized) over the lesser of the length of the related leases or the estimated useful lives of the assets. Costs of maintenance and repairs are charged to expense when incurred.

Capitalized Software Costs

The Company capitalizes significant costs incurred in the acquisition or development of software for internal use, including the costs of the software, materials, consultants, interest, payroll, and payroll-related costs for employees incurred in developing internal-use computer software, once final selection of the software is made. Costs incurred prior to the final selection of software and costs not qualifying for capitalization are charged to expense. Capitalized software amortization expense was approximately \$250,000 and \$203,000 in 2025 and 2024, respectively. The net book value of capitalized software costs included in property and equipment at December 31, 2025 and 2024 was approximately \$781,000 and \$1,032,000, respectively. The estimated useful life of the capitalized software is five years.

Leases

The Company has operating leases for corporate office space. The Company recognizes expense for operating leases on a straight-line basis over the lease term. The Company made a policy election not to separate lease and nonlease components for all operating leases. Therefore, all payments are included in the calculation of the right-of-use asset and lease liability. Total rent expense for the years ended December 31, 2025 and 2024 equaled approximately \$308,000 and \$267,000. Cash paid for leases approximated these expense amounts.

The Company has an operating lease with a lease term of one year or less that the Company elected to account for as a short-term lease. As this lease is a short-term lease, it is not included in the right-of-use asset and lease liability. Total expense related to short-term leases is *de minimis*.

The Company elected to use the risk-free rate as the discount rate for calculating the right-of-use asset and lease liability in place of the incremental borrowing rate for all operating leases.

Notes to Consolidated Financial Statements

December 31, 2025 and 2024

Note 2 - Significant Accounting Policies (Continued)

Intangible Assets

Acquired intangible assets subject to amortization are stated at cost and are amortized using the straight-line method over the estimated useful lives of the assets, which range from 5 to 14 years. Intangible assets that are subject to amortization are reviewed for potential impairment whenever events or circumstances indicate that carrying amounts may not be recoverable. Assets not subject to amortization are tested for impairment at least annually.

The Company elected to apply the private company accounting alternative for intangible assets acquired in a business combination developed by the Private Company Council. Under the accounting alternative, certain acquired customer-related intangible assets and noncompetition agreements are not separately recognized apart from goodwill.

Debt Issuance Costs

Debt issuance costs are recorded as a reduction in the recorded balance of the outstanding debt. The costs are amortized over the term of the related debt and reported as a component of interest expense.

Goodwill

The recorded amounts of goodwill from prior business combinations are based on management's best estimates of the fair values of assets acquired and liabilities assumed at the date of acquisition.

The Company elected to apply the private company accounting alternative for goodwill developed by the Private Company Council. Under the accounting alternative, goodwill is amortized on a straight-line basis over a 10-year period. Additionally, goodwill is assessed for potential impairment if events occur or circumstances change that indicate the fair value of the Company may be less than its carrying value. The Company elected to test goodwill for impairment at the entitywide level.

No impairment charge was recognized during the years ended December 31, 2025 and 2024.

Revenue Recognition

The Company's franchise agreements include (a) the right to use its symbolic intellectual property over the term of each franchise agreement (typically 10 years); (b) preopening services, such as training; (c) ongoing services, such as management of the national brand fund contributions and support services for the franchisees; and (d) for certain subsidiaries, a license to use the Company's internal-use software, which is hosted on the Company's software as a service (SaaS) platform. These promises are highly dependent upon and interrelated with the franchise right granted in the franchise agreement, so they are not considered to be individually distinct and, therefore, are accounted for as a single performance obligation. The performance obligation under the franchise agreement is the promise to provide daily access to the symbolic intellectual property over the term of each franchise agreement, which is a series of distinct services that represents a single performance obligation. Although the franchisor's underlying activities associated with the symbolic intellectual property will vary both within a day and day to day, the symbolic intellectual property is accessed over time and the customer (the "franchisee") simultaneously receives and consumes the benefit from the franchisor's performance of providing access to the symbolic intellectual property (including other related activities). Revenue earned from providing these services is identified as royalty fees, initial franchise fees, and national brand fund fees on the accompanying consolidated statement of operations.

The Company also operates certain franchise locations. The revenue for these consist of revenue recognized at a point in time as the service is completed. This revenue is identified as service fees on the accompanying consolidated statement of operations.

Notes to Consolidated Financial Statements

December 31, 2025 and 2024

Note 2 - Significant Accounting Policies (Continued)

Payment Terms

Initial franchise fees are due and typically paid when a franchise agreement is executed and are nonrefundable. These fees are collected prior to the satisfaction of the Company's performance obligations, resulting in the Company recognizing deferred revenue contract liabilities. The portion of contract liabilities that is expected to be recognized as revenue within one year is classified as current on the consolidated balance sheet. Deferred initial franchise fees as of January 1, 2024 equaled \$18,902,229. Initial franchise fees are also received pursuant to area development agreements, which grant the right to develop franchised territories in future periods in specific geographic areas. Royalties and advertising fees are paid on a monthly basis based upon a percentage of franchisee gross sales. Technology fees are paid on a monthly basis based upon a fixed amount. Service fees are due 30 days from when the service is performed.

Allocating the Transaction Price

The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for providing franchisees with the franchise rights to service customers. To determine the transaction price, the Company considers its customary business practices and the terms of the underlying agreement. For the purpose of determining transaction prices, the Company assumes performance obligations will be satisfied as promised in accordance with franchise agreements and that the agreements will not be canceled, renewed, or modified.

The Company's franchise agreements with franchisees have transaction prices that contain a fixed and variable component. Variable consideration includes revenue related to royalties and advertising fees, as the transaction price is based on the franchisees' sales. The variable consideration is recognized based on the actual amounts incurred each month.

Costs to Obtain a Franchise Agreement

The Company incurs commission costs to obtain franchise agreements with franchisees. The commissions are related to franchise fee revenue, which is recognized over time. As a result, the commission costs are capitalized as deferred commission costs and are expensed over the term of the respective franchise agreement, which is determined to be the period of benefit. During the years ended December 31, 2025 and 2024, commission expenses incurred related to obtaining franchise agreements was approximately \$2,100,000 and \$623,000, respectively.

Advertising Expense

In accordance with the Company's franchise agreements, franchisees pay a percentage of monthly sales to an advertising fund to be used for advertising, marketing, and other promotional purposes. Advertising expense is charged to income during the year in which it is incurred. Advertising expense for 2025 and 2024 was approximately \$5,540,000 and \$3,756,000, respectively.

Income Taxes

The Company is treated as a partnership for federal income tax purposes. Consequently, federal income taxes are not payable or provided for by the Company. Members are taxed individually on their pro rata ownership share of the Company's earnings. The Company's net income or loss is allocated among the members in accordance with the Company's operating agreement.

Holdco is structured as a C corporation; therefore, a current tax liability or asset is recognized for the estimated taxes payable or refundable on tax returns for the year. Deferred tax liabilities or assets are recognized for the estimated future tax effects of temporary differences between financial reporting and tax accounting.

Notes to Consolidated Financial Statements

December 31, 2025 and 2024

Note 2 - Significant Accounting Policies (Continued)***Concentrations of Credit Risk***

The Company maintains cash in bank deposit accounts that at times may exceed federally insured limits. The Company has not experienced any losses in such accounts.

Use of Estimates

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

Subsequent Events

The consolidated financial statements and related disclosures include evaluation of events up through and including April 13, 2026, which is the date the financial statements were available to be issued.

Note 3 - Business Combinations***MB Franchise Holdings, Inc.***

On May 30, 2025, the Company acquired 100 percent of the outstanding capital stock of MB Franchise Holdings, Inc. The primary reason for the acquisition was to expand the Company's portfolio of franchised brands within the facility maintenance service industry.

The fair value of the consideration transferred equaled \$17,834,448, all of which was paid in cash.

The following table summarizes the acquisition-date fair values of the assets acquired and liabilities assumed:

Cash	\$	209,151
Accounts receivable		202,278
Prepays and other assets		16,307
Right-of-use assets		116,952
Intangible assets		11,657,000
Accounts payable		(386,108)
Deferred franchise fees		(632,153)
Lease liabilities		(70,406)
Accrued expenses		(365,293)
Deferred tax liabilities		(2,245,953)
Total identifiable net assets		8,501,775
Goodwill		9,332,673
Total	\$	17,834,448

The fair value of financial assets includes accounts receivable with a gross contractual value of \$202,278, all of which is expected to be collectible.

Identifiable intangible assets acquired and subject to amortization include the trade name and franchise agreements with estimated useful lives of 10 years. The fair value of the trade name was determined using a relief from royalty method, and the fair value of the franchise agreements was determined using a multiperiod excess earnings method.

EHC Holding Company, LLC and Subsidiaries

Notes to Consolidated Financial Statements

December 31, 2025 and 2024

Note 3 - Business Combinations (Continued)

Goodwill was recognized for the excess of the purchase price over the fair value of the net assets acquired. Goodwill relates to the growth potential of the Company, the value of customer-related intangibles, and management and operational expertise. The weighted-average amortization period for the goodwill recognized is 10 years.

Acquisition-related costs, which include legal, accounting, and transaction fees, were approximately \$1,478,000 and have been included in operating expenses on the accompanying consolidated statement of operations.

Pacific Lawn Sprinklers

On October 23, 2025, the Company acquired 100 percent of the membership interests of Pacific Lawn Sprinklers Franchise LLC; PLS IP, LLC; and PLS Hub, LLC, and PLSC purchased all assets of PLS Inc. The primary reason for the acquisition was to expand the Company's portfolio of franchised brands within the facility maintenance service industry.

The following table summarizes the fair value of the consideration transferred as part of the acquisition:

Cash	\$ 57,119,262
Noncash rollover equity - Class A units	<u>1,000,000</u>
Fair value of total consideration transferred	<u>\$ 58,119,262</u>

The fair value of the 892 Class A units issued as noncash rollover equity was based on a valuation of the Company's membership interests using an option-pricing model. See Note 9 for further details.

The following table summarizes the acquisition-date fair values of the assets acquired and liabilities assumed:

Cash	\$ 476,305
Accounts receivable	1,211,555
Inventory	516,419
Prepays and other assets	257,245
Property and equipment	548,204
Right-of-use assets	238,355
Intangible assets	20,887,000
Accounts payable	(357,951)
Deferred franchise fees	(581,855)
Lease liabilities	(238,355)
Accrued expenses	<u>(344,142)</u>
Total identifiable net assets	22,612,780
Goodwill	<u>35,506,482</u>
Total	<u>\$ 58,119,262</u>

The fair value of financial assets includes accounts receivable with a gross contractual value of \$1,211,555, all of which is expected to be collectible.

Identifiable intangible assets acquired and subject to amortization include the trade name and franchise agreements with estimated useful lives of 10 years. The fair value of the trade name was determined using a relief from royalty method, and the fair value of the franchise agreements was determined using a multiperiod excess earnings method.

Notes to Consolidated Financial Statements

December 31, 2025 and 2024

Note 3 - Business Combinations (Continued)

Goodwill was recognized for the excess of the purchase price over the fair value of the net assets acquired. Goodwill relates to the growth potential of the Company, the value of customer-related intangibles, and management and operational expertise. The weighted-average amortization period for the goodwill recognized is 10 years.

Acquisition-related costs, which include legal, accounting, and transaction fees, were approximately \$1,885,000 and have been included in operating expenses on the accompanying consolidated statement of operations.

Shine Development Holdings, Inc.

On November 24, 2025, the Company acquired 100 percent of the outstanding capital stock of Shine Development Holdings, Inc. The primary reason for the acquisition was to expand the Company's portfolio of franchised brands within the facility maintenance service industry.

The following table summarizes the fair value of the consideration transferred as part of the acquisition:

Cash	\$ 10,810,568
Noncash rollover equity - Class A units	<u>1,750,000</u>
Fair value of total consideration transferred	<u>\$ 12,560,568</u>

The fair value of the 1,248 Class A units issued as noncash rollover equity was based on a valuation of the Company's membership interests using an option-pricing model. See Note 9 for further details.

The following table summarizes the acquisition-date fair values of the assets acquired and liabilities assumed:

Cash	\$ 32,842
Investments	103,668
Accounts receivable	652,649
Prepays and other assets	4,781
Property and equipment	24,455
Right-of-use assets	92,436
Intangible assets	4,583,000
Accounts payable	(143,367)
Deferred franchise fees	(1,204,390)
Lease liabilities	(92,436)
Accrued expenses	<u>(669,547)</u>
Total identifiable net assets	3,384,071
Goodwill	<u>9,176,497</u>
Total	<u>\$ 12,560,568</u>

The fair value of financial assets includes accounts receivable with a gross contractual value of \$652,649, all of which is expected to be collectible.

Identifiable intangible assets acquired and subject to amortization include the trade name and franchise agreements with estimated useful lives of 10 years. The fair value of the trade name was determined using a relief from royalty method, and the fair value of the franchise agreements was determined using a multiperiod excess earnings method.

Goodwill was recognized for the excess of the purchase price over the fair value of the net assets acquired. Goodwill relates to the growth potential of the Company, the value of customer-related intangibles, and management and operational expertise. The weighted-average amortization period for the goodwill recognized is 10 years.

EHC Holding Company, LLC and Subsidiaries**Notes to Consolidated Financial Statements****December 31, 2025 and 2024****Note 3 - Business Combinations (Continued)**

Acquisition-related costs, which include legal, accounting, and transaction fees, were approximately \$1,068,000 and have been included in operating expenses on the accompanying consolidated statement of operations.

Note 4 - Property and Equipment

Property and equipment are summarized as follows:

	2025	2024
Machinery and equipment	\$ 151,978	\$ 224,961
Vehicles	541,000	281,658
Furniture and fixtures	149,944	140,755
Computer equipment and software	2,095,919	1,678,755
Leasehold improvements	228,551	251,913
Total cost	3,167,392	2,578,042
Accumulated depreciation	699,485	508,093
Net property and equipment	<u>\$ 2,467,907</u>	<u>\$ 2,069,949</u>

Depreciation expense was approximately \$482,000 and \$329,000 for the years ended December 31, 2025 and 2024, respectively.

Note 5 - Intangible Assets and Goodwill

Intangible assets and goodwill of the Company at December 31, 2025 and 2024 are summarized as follows:

	2025		2024	
	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
Amortized intangible assets and goodwill:				
Franchise agreements	\$ 55,246,000	\$ 6,607,365	\$ 24,937,000	\$ 3,205,115
Trade names	13,949,232	1,781,070	7,131,232	934,157
Developed technology	1,097,752	551,619	807,674	356,610
Goodwill	116,038,647	16,663,387	62,057,306	9,391,742
Total amortized intangible assets and goodwill	<u>\$ 186,331,631</u>	<u>\$ 25,603,441</u>	<u>\$ 94,933,212</u>	<u>\$ 13,887,624</u>

Amortization expense for intangible assets and goodwill totaled approximately \$11,732,000 and \$9,669,000 for the years ended December 31, 2025 and 2024, respectively.

Estimated amortization expense for the years ending December 31 is as follows:

Years Ending	Amount
2026	\$ 18,941,087
2027	18,941,087
2028	18,941,087
2029	18,941,087
2030	18,941,087
Thereafter	66,022,755
Total	<u>\$ 160,728,190</u>

EHC Holding Company, LLC and Subsidiaries**Notes to Consolidated Financial Statements****December 31, 2025 and 2024****Note 6 - Long-term Debt**

Long-term debt at December 31, 2025 is as follows:

Term loan	\$ 40,000,000
Delayed draw term loan	<u>7,500,000</u>
Total	47,500,000
Unamortized debt issuance costs	<u>853,098</u>
Long-term portion	<u>\$ 46,646,902</u>

The balance of the above debt matures as follows:

Years Ending	Amount
2026	\$ -
2027	-
2028	475,000
2029	475,000
2030	475,000
Thereafter	<u>46,075,000</u>
Total	<u>\$ 47,500,000</u>

In October 2025, the Company entered into a credit agreement with a financial institution to help fund current and future acquisitions. Maximum borrowings under the credit agreement are as follows: an initial term loan commitment of \$40,000,000, total delayed draw term loan commitments of \$25,000,000, and a revolving loan commitment of \$7,000,000. All commitments are secured by substantially all of the assets of the Company. Principal payments of 0.25 percent of the outstanding loan amounts are due quarterly starting in 2028 until maturity in October 2031, at which time all unpaid principal is due.

The interest rate is a floating rate equal to the Secured Overnight Financing Rate (SOFR), or the alternate base rate (ABR), plus the applicable margin, as defined in the credit agreement. The effective interest rate on the term loan as of December 31, 2025 was 8.67 percent. The effective rate on the delayed draw term loan as of December 31, 2025 was 8.42 percent.

Debt issuance costs of approximately \$853,000 were incurred to secure the credit facility.

Under the agreements with the bank, the Company is subject to various financial covenants, including a net leverage ratio covenant, and excess cash flow payments. As of December 31, 2025, the Company was in compliance with all financial covenants and was not required to make an excess cash flow payment.

Note 7 - Income Taxes

The components of the income tax provision included in the consolidated statement of operations for the year ended December 31, 2025, are all attributable to continuing operations and are detailed as follows:

Current income tax expense	\$ 110,665
Deferred income tax recovery	<u>(444,629)</u>
Total income tax recovery	<u>\$ (333,964)</u>

The income tax provision differs from the expense that would result from applying statutory rates to income before income taxes as a result of state taxes and temporary timing differences primarily related to intangible assets and revenue recognition.

EHC Holding Company, LLC and Subsidiaries

Notes to Consolidated Financial Statements

December 31, 2025 and 2024

Note 7 - Income Taxes (Continued)

The details of the net deferred tax liability are as follows:

Total deferred tax liabilities	\$ (2,304,376)
Total deferred tax assets	<u>503,052</u>
Total	<u>\$ (1,801,324)</u>

Note 8 - Related Party Transactions

The majority member charges the Company for financial and management services under a management services agreement for reimbursement of reasonable direct expenses, which is included in operating expenses on the accompanying consolidated statement of operations. Total expense for the years ended December 31, 2025 and 2024 was approximately \$809,000 and \$702,000, respectively.

Note 9 - Members' Equity

Class A units have voting rights on all matters requiring the consent, approval, or vote of the members. The Class A units receive preference on distributions. There were 1,000,000 units authorized and 154,175 and 109,546 units issued and outstanding, respectively, as of December 31, 2025 and 2024.

Class B units do not have voting rights and are issued to designated management employees of the Company without any corresponding capital contribution. The holders of these units are entitled to share in the appreciation of the Company's assets that occur subsequent to the date of grant. The Class B units are dilutive to the participating preferred units. There were 1,000,000 units authorized and no units issued or outstanding as of December 31, 2025 and 2024.

As defined in the EHC Holding Company, LLC Amended and Restated Limited Liability Company Agreement, a deferred unit provides the right to be issued a Class B unit prior to a significant sale, assuming the fair market value of the Company exceeds the threshold amount, as defined in the Deferred Unit Agreements. The deferred units are time-vesting units that generally vest one-seventh each continuous year of service, becoming fully vested on the seventh anniversary of the grant date. These units allow for accelerated vesting upon the occurrence of a significant sale. As of December 31, 2025 and 2024, there were 5,114 and 3,803 deferred units issued, 3,851 and 2,540 deferred units outstanding, and 849 and 502 deferred units vested, respectively. No compensation expense was recognized during 2025 and 2024, as the fair value of the units is *de minimis*.

EHC Holding Company, LLC and Subsidiaries

**Consolidated Financial Report
December 31, 2024**

EHC Holding Company, LLC and Subsidiaries

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Plante & Moran, PLLC
Suite 300
2601 Cambridge Court
Aurum Hills, MI 48326
Tel: 248.375.7100
Fax: 248.375.7101
plantemoran.com

Independent Auditor's Report

To the Board of Directors
EHC Holding Company, LLC and Subsidiaries

Opinion

We have audited the consolidated financial statements of EHC Holding Company, LLC and Subsidiaries (the "Company"), which comprise the consolidated balance sheet as of December 31, 2024 and the related consolidated statements of operations, members' equity, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

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

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are required to be independent of the Company and to meet our ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the consolidated financial statements are issued or available to be issued.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

To the Board of Directors
EHC Holding Company, LLC and Subsidiaries

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Plante & Moran, PLLC

March 25, 2025

EHC Holding Company, LLC and Subsidiaries**Consolidated Balance Sheet****December 31, 2024**

Assets	
Current Assets	
Cash	\$ 7,200,071
Accounts receivable - Net	2,685,757
Inventory	47,090
Prepaid expenses and other current assets	<u>1,032,791</u>
Total current assets	10,965,709
Property and Equipment - Net	2,069,949
Operating Lease Right-of-use Assets - Net	792,487
Goodwill - Net	52,665,564
Intangible Assets - Net	28,380,024
Other Assets	
Deferred commission costs - Net of current portion	5,332,257
Other noncurrent assets	<u>489,961</u>
Total other assets	<u>5,822,218</u>
Total assets	<u>\$ 100,695,951</u>
Liabilities and Members' Equity	
Current Liabilities	
Accounts payable	\$ 868,428
Current portion of operating lease liabilities	212,365
Deferred franchise fees	3,010,287
Other current liabilities:	
Accrued compensation	596,645
Other accrued liabilities	<u>1,279,257</u>
Total current liabilities	5,966,982
Operating Lease Liabilities - Net of current portion	603,246
Deferred Franchise Fees - Net of current portion	<u>16,498,710</u>
Total liabilities	23,068,938
Members' Equity	<u>77,627,013</u>
Total liabilities and members' equity	<u>\$ 100,695,951</u>

See notes to consolidated financial statements.

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EHC Holding Company, LLC and Subsidiaries

Consolidated Statement of Operations

Year Ended December 31, 2024

Net Revenue	
Royalty fees	\$ 9,732,577
Initial franchise fees	4,547,181
National brand fund fees	2,706,984
Service fees	7,467,150
Other	1,283,105
Total net revenue	25,736,997
Operating Expenses	32,452,294
Consolidated Net Loss	<u>\$ (6,715,297)</u>

See notes to consolidated financial statements.

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EHC Holding Company, LLC and Subsidiaries

Consolidated Statement of Members' Equity

Year Ended December 31, 2024

Balance - January 1, 2024	\$ 84,342,310
Consolidated net loss	<u>(6,715,297)</u>
Balance - December 31, 2024	<u>\$ 77,627,013</u>

See notes to consolidated financial statements.

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EHC Holding Company, LLC and Subsidiaries**Consolidated Statement of Cash Flows****Year Ended December 31, 2024****Cash Flows from Operating Activities**

Consolidated net loss	\$ (6,715,297)
Adjustments to reconcile consolidated net loss to net cash from operating activities:	
Depreciation and amortization	9,997,566
Noncash lease expense	16,064
Bad debt expense	219,820
Changes in operating assets and liabilities that (used) provided cash:	
Accounts receivable	(955,312)
Prepaid expenses and other assets	(980,991)
Deferred commission costs	(3,364,692)
Accounts payable and other accrued liabilities	807,195
Deferred franchise fees	606,768
Net cash used in operating activities	(368,879)

Cash Flows Used in Investing Activities - Purchase of property and equipment (689,514)**Net Decrease in Cash** (1,058,393)**Cash** - Beginning of year 8,258,464**Cash** - End of year \$ 7,200,071

See notes to consolidated financial statements.

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EHC Holding Company, LLC and Subsidiaries

Notes to Consolidated Financial Statements

December 31, 2024

Note 1 - Nature of Business

EHC Holding Company, LLC and Subsidiaries (the "Company") includes its wholly owned subsidiaries, Evive Brands, LLC (Evive); Executive Home Care Franchising, LLC (EHC); ALL Franchising, LLC (ALL); ALL Licensing, LLC (Licensing); B&P Burke, LLC (Grasons); Brothers Parsons Franchising, LLC (Brothers); Brothers Parsons HV, LLC (BPHV); and Brothers Parsons IP, LLC (BPIP).

EHC is a franchisor that provides home care services to the elderly, physically handicapped, and injured, allowing them to live at home. EHC began operations in 2004.

ALL is a franchisor that provides senior care placement and referral service for in-home companion care, independent retirement options, assisted living, memory care, and skilled nursing facilities. ALL began operations in 2006 and provides services nationwide. Licensing is an operating company that owns the intellectual property used by ALL.

Grasons is a franchisor that provides services for estate sales and business liquidation services and was established in 2011.

Brothers is a franchisor that provides services associated with gutter installation, repair, and maintenance. BPIP is an operating company that owns the intellectual property used by Brothers. BPHV operates a Brothers franchise.

Note 2 - Significant Accounting Policies

Basis of Accounting

The consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America. The Company has elected to adopt certain accounting alternatives for private companies developed by the Private Company Council, including the alternative for accounting for goodwill and intangibles.

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and all of its wholly owned subsidiaries. All material intercompany accounts and transactions have been eliminated in consolidation.

Accounts Receivable

Trade accounts receivable are stated at invoice amounts. An allowance for credit losses is established for amounts expected to be uncollectible over the contractual life of the receivables. At December 31, 2024, the Company had recorded an allowance for credit losses in the amount of \$131,037. The Company evaluates the collectibility of its accounts receivable and determines the appropriate allowance for expected credit losses based on a combination of factors, including the aging of the receivables, historical collection trends, and charge-offs, and includes adjustments for current economic conditions and reasonable and supportable forecasts. When the Company is aware of a franchisee or customer's inability to meet its financial obligation, the Company may individually evaluate the related receivable to determine the allowance for expected credit losses. Uncollectible amounts are written off against the allowance for credit losses in the period they are determined to be uncollectible. Recoveries of amounts previously written off are recognized when received. The net accounts receivable balance as of January 1, 2024 was \$1,950,265.

Property and Equipment

Property and equipment are recorded at cost. Depreciation and amortization are computed using the straight-line method. Assets are depreciated over their estimated useful lives, which range from 3 to 10 years. The cost of leasehold improvements is depreciated (amortized) over the lesser of the length of the related leases or the estimated useful lives of the assets. Costs of maintenance and repairs are charged to expense when incurred.

Notes to Consolidated Financial Statements

December 31, 2024

Note 2 - Significant Accounting Policies (Continued)

Capitalized Software Costs

The Company capitalizes significant costs incurred in the acquisition or development of software for internal use, including the costs of the software, materials, consultants, interest, payroll, and payroll-related costs for employees incurred in developing internal-use computer software, once final selection of the software is made. Costs incurred prior to the final selection of software and costs not qualifying for capitalization are charged to expense. Capitalized software amortization expense was approximately \$203,000 in 2024. The net book value of capitalized software costs included in property and equipment at December 31, 2024 was approximately \$1,032,000. The estimated useful life of the capitalized software is five years.

Leases

The Company has operating leases for corporate office space. The Company recognizes expense for operating leases on a straight-line basis over the lease term. The Company made a policy election not to separate lease and nonlease components for all operating leases. Therefore, all payments are included in the calculation of the right-of-use asset and lease liability.

The Company has an operating lease with a lease term of one year or less that the Company elected to account for as a short-term lease. As this lease is a short-term lease, it is not included in the right-of-use asset and lease liability. Total expense related to short-term leases is *de minimis*.

The Company elected to use the risk-free rate as the discount rate for calculating the right-of-use asset and lease liability in place of the incremental borrowing rate for all operating leases.

Intangible Assets

Acquired intangible assets subject to amortization are stated at cost and are amortized using the straight-line method over the estimated useful lives of the assets, which range from 5 to 14 years. Intangible assets that are subject to amortization are reviewed for potential impairment whenever events or circumstances indicate that carrying amounts may not be recoverable. Assets not subject to amortization are tested for impairment at least annually.

The Company has elected to apply the private company accounting alternative for intangible assets acquired in a business combination developed by the Private Company Council. Under the accounting alternative, certain acquired customer-related intangible assets and noncompetition agreements are not separately recognized apart from goodwill.

Goodwill

The recorded amounts of goodwill from prior business combinations are based on management's best estimates of the fair values of assets acquired and liabilities assumed at the date of acquisition.

The Company has elected to apply the private company accounting alternative for goodwill developed by the Private Company Council. Under the accounting alternative, goodwill is amortized on a straight-line basis over a 10-year period. Additionally, goodwill is assessed for potential impairment if events occur or circumstances change that indicate the fair value of the Company may be less than its carrying value. The Company has elected to test goodwill for impairment at the entitywide level.

No impairment charge was recognized during the year ended December 31, 2024.

Notes to Consolidated Financial Statements

December 31, 2024

Note 2 - Significant Accounting Policies (Continued)

Revenue Recognition

The Company's franchise agreements include (a) the right to use its symbolic intellectual property over the term of each franchise agreement (typically 10 years); (b) preopening services, such as training; (c) ongoing services, such as management of the national brand fund contributions and support services for the franchisees; and (d) for certain subsidiaries, a license to use the Company's internal-use software, which is hosted on the Company's software as a service (SaaS) platform. These promises are highly dependent upon and interrelated with the franchise right granted in the franchise agreement, so they are not considered to be individually distinct and, therefore, are accounted for as a single performance obligation. The performance obligation under the franchise agreement is the promise to provide daily access to the symbolic intellectual property over the term of each franchise agreement, which is a series of distinct services that represents a single performance obligation. Although the franchisor's underlying activities associated with the symbolic intellectual property will vary both within a day and day to day, the symbolic intellectual property is accessed over time and the customer (the franchisee) simultaneously receives and consumes the benefit from the franchisor's performance of providing access to the symbolic intellectual property (including other related activities). Revenue earned from providing these services is identified as royalty fees, initial franchise fees, and national brand fund fees on the accompanying consolidated statement of operations.

The Company also operates a franchise location. The revenue for this consists of revenue recognized at a point in time as the service is completed. This revenue is identified as service fees on the accompanying consolidated statement of operations.

Payment Terms

Initial franchise fees are due and typically paid when a franchise agreement is executed and are nonrefundable. These fees are collected prior to the satisfaction of the Company's performance obligations, resulting in the Company recognizing deferred revenue contract liabilities. The portion of contract liabilities that is expected to be recognized as revenue within one year is classified as current on the consolidated balance sheet. Deferred initial franchise fees as of January 1, 2024 equaled \$18,902,229. Initial franchise fees are also received pursuant to area development agreements, which grant the right to develop franchised territories in future periods in specific geographic areas. Royalties and advertising fees are paid on a monthly basis based upon a percentage of franchisee gross sales. Technology fees are paid on a monthly basis based upon a fixed amount. Service fees are due 30 days from when the service is performed.

Allocating the Transaction Price

The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for providing franchisees with the franchise rights to service customers. To determine the transaction price, the Company considers its customary business practices and the terms of the underlying agreement. For the purpose of determining transaction prices, the Company assumes performance obligations will be satisfied as promised in accordance with franchise agreements and that the agreements will not be canceled, renewed, or modified.

The Company's franchise agreements with franchisees have transaction prices that contain a fixed and variable component. Variable consideration includes revenue related to royalties and advertising fees, as the transaction price is based on the franchisees' sales. The variable consideration is recognized based on the actual amounts incurred each month.

Costs to Obtain a Franchise Agreement

The Company incurs commission costs to obtain franchise agreements with franchisees. The commissions are related to franchise fee revenue, which is recognized over time. As a result, the commission costs are capitalized as deferred commission costs and are expensed over the term of the respective franchise agreement, which is determined to be the period of benefit.

EHC Holding Company, LLC and Subsidiaries

Notes to Consolidated Financial Statements

December 31, 2024

Note 2 - Significant Accounting Policies (Continued)

Advertising Expense

In accordance with the Company's franchise agreements, franchisees pay a percentage of monthly sales to an advertising fund to be used for advertising, marketing, and other promotional purposes. Advertising expense is charged to income during the year in which it is incurred. Advertising expense for 2024 was \$3,755,611.

Income Taxes

The Company is treated as a partnership for federal income tax purposes. Consequently, federal income taxes are not payable or provided for by the Company. Members are taxed individually on their pro rata ownership share of the Company's earnings. The Company's net income or loss is allocated among the members in accordance with the Company's operating agreement.

Concentrations of Credit Risk

The Company maintains cash in bank deposit accounts that at times may exceed federally insured limits. The Company has not experienced any losses in such accounts.

Use of Estimates

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

Subsequent Events

The consolidated financial statements and related disclosures include evaluation of events up through and including March 25, 2025, which is the date the financial statements were available to be issued.

Note 3 - Property and Equipment

Property and equipment are summarized as follows:

Machinery and equipment	\$ 224,961
Vehicles	281,658
Furniture and fixtures	140,755
Computer equipment and software	1,678,755
Leasehold improvements	251,913
Total cost	2,578,042
Accumulated depreciation	508,093
Net property and equipment	<u>\$ 2,069,949</u>

Depreciation expense was \$328,825 for the year ended December 31, 2024.

EHC Holding Company, LLC and Subsidiaries**Notes to Consolidated Financial Statements****December 31, 2024****Note 4 - Intangible Assets and Goodwill**

Intangible assets and goodwill of the Company at December 31, 2024 are summarized as follows:

	Gross Carrying Amount	Accumulated Amortization
Amortized intangible assets and goodwill:		
Franchise agreements	\$ 24,937,000	\$ 3,205,115
Trade names	7,131,232	934,157
Developed technology	807,674	356,610
Goodwill	62,057,306	9,391,742
Total amortized intangible assets and goodwill	<u>\$ 94,933,212</u>	<u>\$ 13,887,624</u>

Amortization expense for intangible assets and goodwill totaled \$9,668,741 for the year ended December 31, 2024.

Estimated amortization expense for the years ending December 31 is as follows:

Years Ending	Amount
2025	\$ 9,515,106
2026	9,515,106
2027	9,515,106
2028	9,515,106
2029	9,515,106
Thereafter	<u>33,470,058</u>
Total	<u>\$ 81,045,588</u>

Note 5 - Leases

The Company leases three offices under operating lease agreements that have an initial term of three to six years. Some leases include one or more options to exercise renewal terms that can extend the lease term at the Company's sole discretion. In addition, some leases contain rights to terminate whereby those termination options are held by the Company, the lessor, or both parties. These options to extend or terminate the lease are included in the lease terms only when it is reasonably certain that the Company will exercise that option. The Company's leases generally do not contain any material restrictive covenants.

EHC Holding Company, LLC and Subsidiaries**Notes to Consolidated Financial Statements****December 31, 2024****Note 5 - Leases (Continued)**

Future minimum annual commitments under these operating leases are as follows:

Years Ending December 31	Amount	
2025	\$ 230,942	
2026	228,719	
2027	203,733	
2028	139,664	
2029	53,632	
Total	856,690	
Less amount representing interest	41,079	
Present value of net minimum lease payments	815,611	
Less current obligations	212,365	
Long-term obligations under leases	\$ 603,246	
Lease cost - Operating lease cost	\$ 235,997	
Other information:		
Cash paid for amounts included in the measurement of lease liabilities - Operating cash flows from operating leases	\$ 222,245	
Weighted-average remaining lease term (years) - Operating leases	3.7	
Weighted-average discount rate - Operating leases	2.6 %	

Note 6 - Related Party Transactions

The majority member charges the Company for financial and management services under a management services agreement for reimbursement of reasonable direct expenses, which is included in operating expenses on the accompanying consolidated statement of operations. The total expense for the year ended December 31, 2024 is \$701,563.

Note 7 - Members' Equity

Class A units have voting rights on all matters requiring the consent, approval, or vote of the members. The Class A units receive preference on distributions. There were 1,000,000 units authorized and 109,546 units issued and outstanding as of December 31, 2024.

Class B units do not have voting rights and are issued to designated management employees of the Company without any corresponding capital contribution. The holders of these units are entitled to share in the appreciation of the Company's assets that occur subsequent to the date of grant. The Class B units are dilutive to the participating preferred units. There were 1,000,000 units authorized and no units issued or outstanding as of December 31, 2024.

Notes to Consolidated Financial Statements

December 31, 2024

Note 7 - Members' Equity (Continued)

As defined in the EHC Holding Company, LLC Amended and Restated Limited Liability Company Agreement, a deferred unit provides the right to be issued a Class B unit prior to a significant sale, assuming the fair market value of the Company exceeds the threshold amount, as defined in the Deferred Unit Agreements. The deferred units are time-vesting units that generally vest one-seventh each continuous year of service, becoming fully vested on the seventh anniversary of the grant date. These units allow for accelerated vesting upon the occurrence of a significant sale. As of December 31, 2024, there were 3,803 deferred units issued, 2,540 deferred units outstanding, and 502 deferred units vested. No compensation expense was recognized during 2024, as the fair value of the units is *de minimis*.

EHC Holding Company, LLC and Subsidiaries

Consolidated Financial Report
December 31, 2023

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Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

RSM US LLP

Detroit, Michigan
April 18, 2024

EHC Holding Company, LLC and Subsidiaries

Consolidated Balance Sheets
December 31, 2023 and 2022

	2023	2022
Assets		
Current assets:		
Cash and cash equivalents	\$ 8,258,464	\$ 7,906,497
Accounts receivable, net allowance for credit losses	1,950,265	595,028
Inventory	47,089	-
Prepaid expenses and other current assets	490,729	146,386
Total current assets	10,746,547	8,647,911
Property, plant, and equipment, net	2,039,654	1,671
Other assets:		
Operating lease right-of-use assets, net	1,025,134	121,846
Goodwill, net	48,652,991	16,450,078
Intangibles, net	31,456,699	5,157,183
Other assets	129,180	131,896
Contract costs	12,163,663	1,865,412
Total other assets	93,427,667	23,726,415
Total assets	\$ 106,213,868	\$ 32,375,997
Liabilities and Members' Equity		
Current liabilities:		
Accounts payable	\$ 972,368	\$ 391,621
Accrued expenses	964,767	1,230,707
Current portion of deferred franchise fees	2,422,957	422,746
Current portion operating lease liabilities	198,150	29,701
Total current liabilities	4,558,242	2,074,775
Deferred franchise fees, net of current portion	16,479,272	4,869,898
Operating lease liability, net of current portion	834,044	95,071
	17,313,316	4,964,969
Total liabilities	21,871,558	7,039,744
Members' equity	84,342,310	25,336,253
Total liabilities and members' equity	\$ 106,213,868	\$ 32,375,997

See notes to consolidated financial statements.

EHG Holding Company, LLC and Subsidiaries

Consolidated Statements of Operations
Years Ended December 31, 2023 and 2022

	2023	2022
Revenues:		
Franchise fee revenue	\$ 6,507,714	\$ 2,171,527
Support services	666,668	-
Total revenues	7,174,382	2,171,527
Operating expenses:		
Cost of services	306,538	-
General and administrative expenses	5,531,685	2,986,145
Payroll and benefits	3,885,484	1,755,242
Transaction expenses	1,579,290	1,502,800
Amortization and depreciation expense	3,040,926	919,800
Other operating expenses	546,426	15,406
Total operating expenses	14,890,349	7,179,393
Net loss	\$ (7,715,967)	\$ (5,007,866)

See notes to consolidated financial statements.

EHC Holding Company, LLC and Subsidiaries

**Consolidated Statements of Changes in Members' Equity
Years Ended December 31, 2023 and 2022**

Balance, January 1, 2022	\$ 7,844,119
Contributed capital	22,500,000
Net loss	<u>(5,007,866)</u>
Balance at December 31, 2022	25,336,253
Contributed capital	66,722,024
Net loss	<u>(7,715,967)</u>
Balance at December 31, 2023	<u>\$ 84,342,310</u>

See notes to consolidated financial statements.

EHG Holding Company, LLC and Subsidiaries

Consolidated Statements of Cash Flows
Years Ended December 31, 2023 and 2022

	2023	2022
Cash flows from operating activities:		
Net loss	\$ (7,715,967)	\$ (5,007,866)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	3,040,926	919,800
Changes in assets and liabilities, net of acquisitions:		
Accounts receivable	146,847	(453,957)
Prepaid expenses and other current assets	(235,413)	(44,821)
Other assets	2,716	(6,575)
Contract costs	(1,143,324)	(117,661)
Accounts payable and accrued expenses	(538,706)	142,018
Deferred franchise fees	1,532,134	300,099
Operating lease assets and liabilities	95,605	2,926
Net cash used in operating activities	(4,815,182)	(4,266,037)
Cash flows from investing activities:		
Acquisition of businesses, net of cash acquired	(46,199,803)	(13,055,236)
Purchase of intangible assets	-	(40,512)
Purchase of property and equipment	(1,355,072)	(1,270)
Net cash used in investing activities	(47,554,875)	(13,097,018)
Cash flows from financing activities:		
Proceeds from capital contributions	52,722,024	20,000,000
Net cash provided by financing activities	52,722,024	20,000,000
Net increase in cash and cash equivalents	351,967	2,636,945
Cash and cash equivalents, beginning	7,906,497	5,269,552
Cash and cash equivalents, ending	\$ 8,258,464	\$ 7,906,497

(Continued)

EHC Holding Company, LLC and Subsidiaries

Consolidated Statements of Cash Flows (Continued)
Years Ended December 31, 2023 and 2022

	2023	2022
Supplemental schedule of noncash operating, investing and financing activities:		
Acquisition of businesses:		
Assets acquired	\$ 40,044,046	\$ 7,257,883
Liabilities assumed	(13,661,493)	(5,078,960)
Net identifiable assets acquired	26,382,553	2,178,923
Goodwill	34,390,411	14,545,344
Net assets acquired	60,772,964	16,724,267
Less cash acquired	(992,260)	(620,715)
Add due from seller	419,099	45,924
Less contingent consideration	-	(594,240)
Less units issued as consideration	(14,000,000)	(2,500,000)
Cash purchase price	\$ 46,199,803	\$ 13,055,236

See notes to consolidated financial statements.

EHC Holding Company, LLC and Subsidiaries

Notes to Consolidated Financial Statements

Note 1. Summary of Significant Accounting Policies

Nature of business: EHC Holding Company, LLC and Subsidiaries (the Company) through its wholly owned subsidiaries, including Executive Home Care Franchising, LLC (EH), ALL Franchising, LLC (ALL), ALL Licensing, LLC (Licensing), B&P Burke, LLC (Grasons), Brothers Franchising, LLC (Brothers), and Brothers That Just do Gutters, LLC (BG).

EH is a franchisor that provides home care services to the elderly, physically handicapped and injured, allowing them to live at home. Executive Homecare began operations in 2004.

ALL is a franchisor that provides senior care placement and referral service for in-home companion care, independent retirement options, assisted living, memory care, and skilled nursing facilities. Assisted Living Locators began operations in 2006 and provides services nationwide.

Licensing is an operating company that owns technology used by ALL.

Grasons is a franchisor that provides services for estate sales and business liquidation services. Grasons was established in 2011 and conducts operations from its principal office in California.

Brothers is a franchisor that provides services associated with gutter installation, repair, and maintenance.

BG operates a Brothers franchise.

Significant accounting policies:

Basis of presentation: The consolidated balance sheets is presented as of December 31, 2023 and 2022. The consolidated statements of operations, changes in members' equity, and cash flows are presented for the years ended of December 31, 2023 and 2022. The accompanying consolidated financial statements of the Company include its wholly owned subsidiaries.

All intercompany transactions have been eliminated. The accompanying consolidated financial statements have been prepared in accordance with accounting standards set by the Financial Accounting Standards Board (FASB). The FASB sets accounting principles generally accepted in the United States of America (U.S. GAAP) that the Company follows to ensure its financial condition, results of operations, and cash flows are consistently reported. References to U.S. GAAP issued by the FASB in these notes to the consolidated financial statements are to the FASB Accounting Standards Codification (ASC).

Revenue recognition policy: The Company recognizes revenue in accordance with ASC 606, Revenue from Contracts with Customers, which provides a five-step model for recognizing revenue from contracts with customers as follows: identify the contract with a customer, identify the performance obligations in the contract, determine the transaction price, allocate the transaction price to the performance obligations in the contract, and recognize revenue when or as performance obligations are satisfied.

Note 1. Summary of Significant Accounting Policies (Continued)

Nature of services - The Company's franchise agreements include (a) the right to use its symbolic intellectual property over the term of each franchise agreement, (b) preopening services, such as training, (c) ongoing services, such as management of the national brand fund contributions and support services for the franchisees and (d) for certain subsidiaries, a license to use the Company's internal-use software, which is hosted on the Company's software as a service (SaaS) platform. These promises are highly dependent upon and interrelated with the franchise right granted in the franchise agreement, so they are not considered to be individually distinct and therefore are accounted for as a single performance obligation. The performance obligation under the franchise agreement is the promise to provide daily access to the symbolic intellectual property over the term of each franchise agreement, which is a series of distinct services that represents a single performance obligation. Although the franchisor's underlying activities associated with the symbolic intellectual property will vary both within a day and day to day, the symbolic intellectual property is accessed over time and the customer (the franchisee) simultaneously receives and consumes the benefit from the franchisor's performance of providing access to the symbolic intellectual property (including other related activities). Revenue earned from providing the services is collectively referred to as franchise fee revenue.

The Company's franchise fee revenue includes franchise royalties, franchise fees, advertising fund contributions and support services performed for franchisees. Initial franchise fees are based on the market type selected and are paid at the time an individual franchise agreement is signed.

The Company also operates a franchise location. The revenue for this consists of revenue recognized at a point in time as the service is completed.

Payment terms - The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring goods and services to the customer. Agreements may include initial and renewal franchise fees, sales-based royalties, and fees for administrative services performed for the franchisee.

The Company believes its franchising agreements do not contain a significant financing component because (a) the timing of the upfront payment does not arise for the reason of provision of financing to the Company and (b) the sales-based royalty is variable and based on factors outside the Company or the franchisee's control.

Revenue recognition - Initial and renewal franchise fees are recognized as revenue on a straight-line basis over the term of the respective agreement beginning when the agreement is signed. Franchise agreements typically have a term of 10 years with the option to renew for an additional five years if the franchisee is in compliance with the terms of the franchise agreement.

Continuing royalties are calculated as a percentage of franchisees' reported sales that are related entirely to the Company's performance obligation under the franchise agreement. These royalties are considered variable consideration, but because they relate to a license of intellectual property, they are not included in the transaction price. Instead, royalty revenue is recognized as franchisee sales occur. Advertising contributions received from the Company's franchisees are recorded as a component of franchise fee revenue in the consolidated statements of operations.

Contract balances - The Company records accounts receivable when it has the unconditional right to issue an invoice and receive payment, regardless of whether revenue has been recognized. If revenue has not yet been recognized, a contract liability (deferred franchise fees) also is recorded. Revenue is recognized on a straight-line basis over the life of the franchise agreement.

Note 1. Summary of Significant Accounting Policies (Continued)

Commission costs - The Company defers those direct and incremental costs associated with the sale of franchises. Contract costs are charged to earnings when the related deferred franchise and territory fees are recognized as revenue over the term of the respective agreement. The Company has determined the period of benefit for direct and incremental costs associated with the sale of franchises to be the initial term of the franchise agreement. Expense is recognized on a straight-line basis commensurate with the pattern of revenue recognition. Contract costs are recorded in other assets in the accompanying consolidated balance sheets.

Advertising funds - The Company collects funds from its franchisees for advertising pursuant to the Company's franchise agreements at a percentage of franchisee sales. These advertising services are not considered distinct because they are highly dependent and interrelated to the franchise right. Advertising contributions are considered part of the transaction price for the franchise right and recognized as revenue as the underlying sales occur. The advertising costs incurred for franchisees will be expensed in accordance with the Company's normal policy.

Cash and cash equivalents: The Company considers all short-term, highly liquid investments with original maturities of 90 days or less to be cash and cash equivalents. Cash equivalents consist of money market accounts.

Accounts receivable: Accounts receivables represent amounts due from franchisees pursuant to their individual franchise agreements. Accounts receivables are stated at historical value which approximates fair value. The allowance for credit losses on accounts receivables represents the Company's estimate of expected credit losses over the lifetime of the receivables. This estimation process is based on historical experience, current conditions, asset-specific risk characteristics and reasonable and supportable forecasts about future economic and market conditions. Accounts receivables are written off when deemed uncollectible. Recoveries of royalty receivables previously written off are recorded when received. The allowance for credit loss was approximately \$144,000 and \$37,000 for the years ended December 31, 2023 and 2022, respectively. The Company will continue to monitor and evaluate the adequacy of the allowance for credit losses on accounts receivable on a regular basis and make adjustments as necessary in response to changes in economic conditions and credit quality indicators.

The Company adopted Accounting Standards Update (ASU) 2016-13, *Financial Instruments—Credit Losses (Topic 326)*, on January 1, 2023. This accounting standard requires companies to measure expected credit losses on financial instruments based on the total estimated amount to be collected over the lifetime of the instruments which would include accounts receivables. Prior to the adoption of this accounting standard, the Company recorded incurred loss reserves against account receivable balances based on current and historical information. The adoption of this ASU did not have a material effect on the Company's financial statements.

Concentration of credit risk: The Company's financial instruments that are exposed to concentrations of credit risk consist primarily of cash and cash equivalents and accounts receivable. The Company maintains its cash and cash equivalents in bank deposit accounts, which at times may exceed federally insured limits. The Company has not experienced any losses in such accounts. The Company believes it is not exposed to any significant credit risk on cash and cash equivalents. The Company grants credit to its franchisees and customers. Consequently, the Company's ability to collect the amounts due from franchisees and customers is affected by economic fluctuations. The Company routinely assesses the financial strength of its franchisees and customers and believes that its accounts receivable credit risk exposure is limited.

Note 1. Summary of Significant Accounting Policies (Continued)

Software development costs: Costs for software developed for internal use are accounted for in accordance with ASC 350, Intangibles—Goodwill and Other - Internal-Use Software. ASC 350 requires the capitalization of certain costs incurred in connection with developing or obtaining internal-use software. In accordance with ASC 350, the Company expenses costs incurred in the preliminary project stage of developing or acquiring internal use software, such as research and feasibility studies, as well as costs incurred in the post-implementation/operational stage, such as maintenance and training. Capitalization of software development costs occurs only after the preliminary project stage is complete, management authorizes the project, and it is probable that the project will be completed and the software will be used for the function intended. Costs associated with the purchase and development of computer software are capitalized and amortized on a straight-line basis over the estimated useful life of the related asset. Software development costs are recorded in property and equipment in the accompanying consolidated balance sheets. The Company capitalized software development costs of approximately \$1,271,000 and \$0 for the years ended December 31, 2023 and 2022, respectively.

Property and equipment: Property and equipment are stated at cost, net of accumulated depreciation and amortization. Expenditures for additions and improvements are capitalized while maintenance and repair expenditures are charged to operations as incurred. When assets are sold or otherwise retired from service, their cost and related accumulated depreciation and amortization are removed from the accounts and any gain or loss is included in the results of operations. Depreciation and amortization is computed using the straight-line method. Property and equipment have estimated useful lives of three to ten years. Depreciation expense for the years ended December 31, 2023 and 2022, was approximately \$98,000 and \$700, respectively.

Goodwill and intangibles: Goodwill is recognized for the excess of the fair value of an acquired business over the fair value of the identifiable net assets acquired. Under ASC 350, Intangibles—Goodwill and Other, the Company elected the accounting alternative to amortize goodwill on a straight-line basis over 10 years.

The Company has elected the provisions of ASU 2014-18, *Business Combinations (Topic 805): Accounting for Identifiable Intangible Assets in a Business Combination*. ASU 2014-18 specifies that a private company that elects the accounting alternative to recognize or otherwise consider the fair value of intangible assets as a result of any in-scope transactions should no longer recognize separately from goodwill: (1) customer-related intangible assets unless they are capable of being sold or licensed independently from the other assets of the business and (2) noncompetition agreements.

The Company tests its recorded goodwill for impairment upon a triggering event. Factors that could trigger an impairment test include, but are not limited to, underperformance relative to historical or projected future operating results, significant changes in the manner of use of the acquired assets or the overall business, significant negative industry or economic trends and a sustained period where market capitalization, plus an appropriate control premium, is less than member's equity. Goodwill is tested using a fair-value approach at the entity level. No indicators of impairment were identified for the years ended December 31, 2023 and 2022.

Intangible assets include franchise agreements, trade names, and developed technology. Intangible assets are amortized on a straight-line basis over their estimated useful lives, which range between five to 14 years.

Note 1. Summary of Significant Accounting Policies (Continued)

Long-lived assets: Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable. If impairment is considered, recoverability of these assets is measured by a comparison of the carrying amount of the asset to estimated future undiscounted cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized by the amount of which the carrying amount of the asset exceeds the fair value of the asset. No impairment loss has been recognized by the Company as of December 31, 2023 and 2022.

Leases: In February 2016, the FASB issued ASC 842, Leases, to increase transparency and comparability among organizations related to their leasing arrangements. The update requires lessees to recognize most leases on their balance sheets as a right-of-use (ROU) asset representing the right to use an underlying asset and a lease liability representing the obligation to make lease payments over the lease term, measured on a discounted basis. ASC 842 also requires additional disclosure of key quantitative and qualitative information for leasing arrangements. Similar to the previous lease guidance, the update retains a distinction between finance leases (similar to capital leases in ASC 840, Leases) and operating leases, with classification affecting the pattern of expense recognition in the income statement. The Company adopted ASC 842 on January 1, 2022, using the optional transition method to the modified retrospective approach, which eliminates the requirement to restate the prior-period consolidated financial statements. Under this transition provision, the Company has applied ASC 842 to reporting periods beginning on January 1, 2022, while prior periods continue to be reported and disclosed in accordance with the Company's historical accounting treatment under ASC 840, Leases.

The Company elected the package of practical expedients under the transition guidance within ASC 842, in which the Company does not reassess (1) the historical lease classification, (2) whether any existing contracts at transition are or contain leases or (3) the initial direct costs for any existing leases. The Company has not elected to adopt the hindsight practical expedient, and therefore measured the ROU asset and lease liability using the remaining portion of the lease term upon the adoption of ASC 842 on January 1, 2022.

The Company determines if an arrangement is or contains a lease at inception, which is the date on which the terms of the contract are agreed to, and the agreement creates enforceable rights and obligations. A contract is or contains a lease when (i) explicitly or implicitly identified assets have been deployed in the contract and (ii) the Company obtains substantially all of the economic benefits from the use of that underlying asset and directs how and for what purpose the asset is used during the term of the contract. The Company also considers whether its service arrangements include the right to control the use of an asset.

The Company made an accounting policy election available under ASC 842 not to recognize ROU assets and lease liabilities for leases with a term of 12 months or less. For all other leases, ROU assets and lease liabilities are measured based on the present value of future lease payments over the lease term at the commencement date of the lease (or January 1, 2022, for existing leases upon the adoption of ASC 842). The ROU assets also include any initial direct costs incurred and lease payments made at or before the commencement date and are reduced by any lease incentives. To determine the present value of lease payments, the Company made an accounting policy election available to nonpublic companies to utilize a risk-free borrowing rate, which is aligned with the lease term at the lease commencement date (or remaining term for leases existing upon the adoption of ASC 842).

EHC Holding Company, LLC and Subsidiaries

Notes to Consolidated Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

The Company has made an accounting policy election to account for lease and nonlease components in its contracts as a single lease component for its various asset classes. The nonlease components typically represent additional services transferred to the Company, such as common area maintenance for real estate, which are variable in nature and recorded in variable lease expense in the period incurred.

Adoption of ASC 842 resulted in the recording of additional ROU assets and lease liabilities related to the Company's operating leases of approximately \$153,000 at January 1, 2022. The adoption of the new lease standard did not materially impact consolidated net earnings or consolidated cash flows and did not result in a cumulative-effect adjustment to the opening balance of retained earnings.

Fair value measurements: The Company uses the fair value measurement and disclosure guidance for all assets and liabilities that are recognized or disclosed at fair value in the consolidated financial statements. The guidance defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In determining fair value, the Company uses various methods including market, income and cost approaches. Based on these approaches, the Company often utilizes certain assumptions that management believes market participants would use in pricing the asset or liability, including assumptions about risk and or the risks inherent in the inputs to the valuation technique. These inputs can be readily observable, market corroborated, or generally unobservable inputs. The Company utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. The fair value hierarchy ranks the quality and reliability of the information used to determine fair values. Assets and liabilities carried at fair value will be classified and disclosed in one of the following three categories:

- Level 1:** Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that are accessible at the measurement date.
- Level 2:** Inputs to the valuation methodology include quoted prices in markets that are not active or quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.
- Level 3:** Inputs to the valuation methodology are unobservable, reflecting the entity's own assumptions about assumptions market participants would use in pricing the asset or liability.

Income taxes: As a limited liability company, the Company is treated as a partnership for federal and state income tax purposes. As such, the taxable income of the Company is allocated in the tax returns of its members for federal and state tax purposes in accordance with their respective percentage ownership. Accordingly, no provision for federal income taxes is included in the consolidated financial statements. Entity-level, composite state and local income taxes (benefits) are accrued at the applicable rates, if any, and are included in the consolidated statements of operations.

The FASB provides guidance for how uncertain tax provisions should be recognized, measured, disclosed, and presented in the consolidated financial statements. The Company identifies its tax positions taken or expected to be taken in the course of preparing its tax returns and determines whether any tax positions are more likely than not of being sustained when challenged or when examined by the applicable tax authority. Management has determined that there are no uncertain tax positions at December 31, 2023 and 2022.

EHC Holding Company, LLC and Subsidiaries

Notes to Consolidated Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Use of estimates: The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent events: The Company evaluated subsequent events for potential required disclosure through April 18, 2024, which is the date the consolidated financial statements were available to be issued.

Note 2. Acquisition of Businesses

Assisted Living Locators: On August 24, 2022, the Company acquired ALL and Licensing. ALL is a franchisor and the franchises provide senior placement and referral services. Licensing is an operating company that owns technology used by ALL. As a result of the transaction, the Company gains penetration into this industry. The Company obtained control of the business by acquiring 100% of the membership interests of ALL and Licensing, therefore the acquisition was accounted for as a business combination. The results of this acquisition have been included in the consolidated financial statements since the date of the acquisition.

The acquisition was funded through cash contributions of equity.

The goodwill arising from the above acquisition is largely due to the ALL's and Licensing's fair value of certain intangible assets along with the assembled workforce subsumed into goodwill, ALL's and Licensing's presence in the marketplace and their long-term expected revenue growth. The goodwill is deductible for income tax purposes.

The following table summarizes the consideration paid and the amounts of the assets acquired, and liabilities assumed at the date of acquisition:

Consideration:	
Cash	\$ 10,604,497
3,409 Class A shares of EHC Holding Company, LLC	2,500,000
Total invested capital	<u>\$ 13,104,497</u>
Recognized amount of identifiable assets acquired and liabilities assumed	
Cash	\$ 554,552
Receivables	90,587
Prepaid assets	63,265
Contract assets	1,535,871
Intangible assets	4,212,000
Other asset	20,232
Accounts payable	(198,630)
Accrued expenses and other liabilities	(246,569)
Contract liabilities	(4,004,575)
Total identifiable net assets acquired	<u>2,026,733</u>
Goodwill	<u>11,077,764</u>
	<u>\$ 13,104,497</u>

EHC Holding Company, LLC and Subsidiaries

Notes to Consolidated Financial Statements

Note 2. Acquisition of Businesses (Continued)

The fair value of the 3,409 Class A Units was determined based on the value of the Company at the acquisition date, using unobservable inputs.

Transaction expenses of approximately \$1,077,000 were incurred as a result of the business combination and have been expensed by the Company and included in the consolidated statement of operations within the transaction expenses line item for the year ended December 31, 2022.

Of the \$4,212,000 of identified intangible assets, \$2,736,000 was assigned to franchise agreements, \$1,034,000 was assigned to trade name, and \$442,000 was assigned to developed technology. Each were determined to have useful lives of 10 years, 14 years and five years, respectively. The weighted-average useful life in years for the identified intangible assets in aggregate was 10.45 years. Franchise agreements, trade names, and developed technology were valued using the multiperiod excess earnings method, relief from royalty method, and cost-to-recreate method, respectively.

Grasons: On November 21, 2022, the Company acquired Grasons. Grasons is a franchisor and the franchises provides downsizing and estate sale services, business liquidation services, senior transition assistance, home staging, and home organization services. As a result of the transaction, the Company gains penetration into this industry. The Company obtained control of the business by acquiring 100% of the membership interests of Grasons, therefore the acquisition was accounted for as a business combination. The results of this acquisition have been included in the consolidated financial statements since the date of the acquisition.

The acquisition was funded through cash contributions of equity.

The goodwill arising from the above acquisition is largely due to the Grasons' fair value of certain intangible assets along with the assembled workforce subsumed into goodwill, Grasons' presence in the marketplace and its long-term expected revenue growth. The goodwill is deductible for income tax purposes.

The following table summarizes the consideration paid and the amounts of the assets acquired, and liabilities assumed at the date of acquisition:

EHC Holding Company, LLC and Subsidiaries**Notes to Consolidated Financial Statements****Note 2. Acquisition of Businesses (Continued)**

Consideration:	
Cash	\$ 3,071,454
Contingent consideration	594,240
Due from seller	(45,924)
Total invested capital	<u>\$ 3,619,770</u>
Recognized amount of identifiable assets acquired and liabilities assumed:	
Cash	\$ 66,163
Accounts receivable	25,255
Other current assets	12,508
Deposits	1,450
Intangible assets	676,000
Accounts payable	(792)
Accrued expenses and other liabilities	(23,777)
Deferred revenue	(604,617)
Total identifiable net assets acquired	<u>152,190</u>
Goodwill	<u>3,467,580</u>
	<u>\$ 3,619,770</u>

The Company engaged an independent valuation firm to assist with the valuation of intangible assets using the relief from royalty method.

Contingent consideration in the amount of \$594,240 was recognized at the date of acquisition and is included in the balance sheet within the accrued expenses line item at December 31, 2022. The contingent consideration is based on annual royalties for the 12 months ended December 31, 2022 multiplied by an agreed upon rate. The contingent consideration was settled for approximately \$492,000 and goodwill was adjusted for approximately \$102,000 in 2023.

Transaction expenses of approximately \$404,000 were incurred as a result of the business combination and have been expensed by the Company and included in the consolidated statement of operations within the transaction expenses line item for the year ended December 31, 2022.

Of the \$676,000 of identified intangible assets, \$295,000 was assigned to franchise agreements and \$381,000 was assigned to trade name. Each were determined to have useful lives of 10 years and 14 years, respectively. The weighted-average useful life in years for the identified intangible assets in aggregate was 12.25 years. Franchise agreements and trade names were valued using the multiperiod excess earnings method and relief from royalty method, respectively.

Brothers: on November 22, 2023, the Company acquired Brothers and BG (collectively Brothers Gutters). Brothers Gutters includes a franchisor and the franchises provide services associated with gutter installation, repair and maintenance. In addition, one franchisee was acquired. As a result of the transaction, the Company gains penetration into this industry. The Company obtained control of the business by acquiring 100% of the membership interests of Brothers Gutters, therefore the acquisition was accounted for as a business combination. The results of this acquisition have been included in the financial statements since the date of the acquisition.

The acquisition was funded through cash contributions of equity.

EHC Holding Company, LLC and Subsidiaries**Notes to Consolidated Financial Statements**

Note 2. Acquisition of Businesses (Continued)

The goodwill arising from the above acquisition is largely due to the Brothers Gutters' fair value of certain intangible assets along with the assembled workforce subsumed into goodwill, Brothers Gutters' presence in the marketplace and its long-term expected revenue growth. The goodwill is deductible for income tax purposes.

The following table summarizes the consideration paid and the amounts of the assets acquired, and liabilities assumed at the date of acquisition:

Consideration:

Cash	\$ 47,192,063
14,709 Class A shares of EHC Holding Company, LLC	14,000,000
Due from seller	(419,099)
Total purchase consideration	<u>\$ 60,772,964</u>

Fair value of identifiable assets acquired and liabilities assumed:

Cash	\$ 992,260
Accounts receivable	1,082,985
Inventory	47,089
Prepaid assets	108,930
Fixed asset	780,949
Contract assets	9,154,927
Intangible assets	27,157,000
Right-of-use asset and other assets	719,906
Accounts payable	(497,365)
Accrued expenses and other	(458,242)
Lease liabilities	(628,435)
Contract liabilities	(12,077,451)
Total identifiable net assets acquired	<u>26,382,553</u>
Goodwill	<u>34,390,411</u>
	<u>\$ 60,772,964</u>

The fair value of the 14,709 Class A Units was determined based on the value of the Company at the acquisition date, using unobservable inputs.

The primary area of the preliminary valuation that is not yet finalized relates to the on-going negotiation with the Company and the seller on the working capital adjustment. An estimate of \$419,099 was recorded at December 31, 2023.

Transaction expenses of approximately \$1,579,000 were incurred as a result of the business combination and have been expensed by the Company and included in the statement of operations within the transaction expenses line item for the year ended December 31, 2023.

Of the \$27,157,000 of identified intangible assets, \$21,578,000 was assigned to franchise agreements and \$5,579,000 was assigned to trade name. Each were determined to have useful lives of 10 years and 14 years, respectively. The weighted-average useful life in years for the identified intangible assets in aggregate was 10.8 years. Franchise agreements and trade names were valued using the multi-period excess earnings method and relief from royalty method, respectively.

EHC Holding Company, LLC and Subsidiaries

Notes to Consolidated Financial Statements

Note 3. Property and Equipment

Property and equipment is summarized as follows:

	2023	2022
Furniture and fixtures	\$ 386,373	\$ 2,367
Computer equipment and software	1,450,561	-
Equipment	50,890	-
Leasehold improvements	250,564	-
Total property and equipment	2,138,388	2,367
Less accumulated depreciation and amortization	(98,734)	(696)
Property and equipment, net	<u>\$ 2,039,654</u>	<u>\$ 1,671</u>

Note 4. Intangible Assets and Goodwill

Following is a summary of intangible assets:

	December 31, 2023		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Franchise agreements	\$ 24,937,000	\$ 711,414	\$ 24,225,586
Trade names	7,126,000	248,785	6,877,215
Developed technology	482,512	128,614	353,898
	<u>\$ 32,545,512</u>	<u>\$ 1,088,813</u>	<u>\$ 31,456,699</u>
Goodwill	<u>\$ 51,475,640</u>	<u>\$ 2,822,649</u>	<u>\$ 48,652,991</u>

	December 31, 2022		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Franchise agreements	\$ 3,359,000	\$ 139,043	\$ 3,219,957
Trade names	1,547,000	60,174	1,486,826
Developed technology	482,512	32,112	450,400
	<u>\$ 5,388,512</u>	<u>\$ 231,329</u>	<u>\$ 5,157,183</u>
Goodwill	<u>\$ 17,187,323</u>	<u>\$ 737,245</u>	<u>\$ 16,450,078</u>

EHC Holding Company, LLC and Subsidiaries**Notes to Consolidated Financial Statements****Note 4. Intangible Assets and Goodwill (Continued)**

The change in the carrying value of goodwill for the year ended December 31, 2023 and 2022, is as follows:

Balance at December 31, 2021	\$ 2,602,433
Additions of goodwill	14,545,344
Amortization expense	(697,699)
Balance at December 31, 2022	\$ 16,450,078
Additions of goodwill	34,390,411
Reduction of contingent consideration	(102,094)
Amortization expense	(2,085,404)
Balance at December 31, 2023	<u>\$ 48,652,991</u>

Amortization expense recognized on intangible assets and goodwill totaled approximately \$2,943,000 and \$919,000 as of December 31, 2023 and 2022, respectively.

The future estimated aggregate amortization expense for intangibles and goodwill is as follows for each of the next five years ending December 31:

	Goodwill	Intangibles
Years ending December 31:		
2024	\$ 5,147,564	\$ 3,275,574
2025	5,147,564	3,275,574
2026	5,147,564	3,275,574
2027	5,147,564	3,239,050
2028	5,147,564	3,152,671

Note 5. Leases

The Company leases three offices under operating lease agreements that have an initial term of 3 - 6 years. Some leases include one or more option to exercise renewal terms that can extend the lease term for more years, at the Company's sole discretion. In addition, some leases contain rights to terminate whereby those termination options are held by either the Company, the lessor, or both parties. These options to extend or terminate the lease are included in the lease terms only when it is reasonably certain that the Company will exercise that option. The Company's leases generally do not contain any material restrictive covenants.

Operating lease cost is recognized on a straight-line basis over the lease term. Lease expense is approximately \$106,000 and \$29,000 for the years ended December 31, 2023 and 2022, respectively. For the years ended December 31, 2023 and 2022, weighted average remaining on lease term is 4.7 years and 3.8 years and the weighted average discount rate is 2.64% and 1.37%, respectively.

EHC Holding Company, LLC and Subsidiaries**Notes to Consolidated Financial Statements****Note 5. Leases (Continued)**

Supplemental cash flow information related to leases is as follows for the years ended December 31, 2023 and 2022:

	2023	2022
Operating leases:		
Operating cash outflows—payments on operating leases	\$ 91,762	\$ 30,150
Right-of-use assets in exchange for new lease obligations:		
Operating leases	\$ 1,084,556	\$ -

The future minimum rentals under this lease for the years subsequent to December 31, 2023, are as follows:

Years ending December 31:	
2024	\$ 222,245
2025	230,942
2026	228,719
2027	203,733
2028	139,664
Thereafter	53,632
Total lease payments	1,078,935
Less imputed interest	(46,741)
Total present value of lease liabilities	\$ 1,032,194

Note 6. Related-Party Transactions

A company related to the Company's majority member, charges the Company for financial and management services under a management services agreement for reimbursement of reasonable direct expenses, which is included in general and administrative expenses on the accompanying consolidated statements of operations. The total expense for the years ended December 31, 2023 and 2022, is approximately \$568,000 and \$500,000, respectively.

EHC Holding Company, LLC and Subsidiaries**Notes to Consolidated Financial Statements**

Note 7. Members' Equity

Members' equity consisted of the following membership units:

	2023	
	Units Authorized	Units Issued and Outstanding
Class A Units	1,000,000	109,546
Class B Units	1,000,000	1,661

	2022	
	Units Authorized	Units Issued and Outstanding
Class A Units	1,000,000	39,316
Class B Units	1,000,000	823

Class A Units have voting rights on all matters requiring the consent, approval or vote of the Members. The Class A Units receive preference on distributions.

Class B Units are deferred units that do not have voting rights and have been issued to designated management employees of the Company without any corresponding capital contribution. The holders of these units are entitled to share in the appreciation of the Company's assets that occur subsequent to the date of grant. The Class B Units are dilutive to the participating preferred units. The units substantially vest upon a change in control of the Company, if still employed.

The Company has issued 2,062 and 823 units to certain management employees as of December 31, 2023 and 2022 and had 1,224 units forfeited as of December 31, 2023.

No compensation expense is recognized on the Class B units as their vesting condition is not considered probable until a change in control occurs.

Note 8. Phantom Stock

During 2023, the Company adopted a phantom deferred unit plan. Each share of phantom deferred unit awarded to eligible individuals represents a contractual right to receive an amount in cash equal to the fair value of the unit upon the occurrence of a significant sale. The Company has authorized 1,000,000 units and 3,286 units are outstanding at December 31, 2023. No compensation expense is recognized on the phantom stock deferred units as their vesting condition is not considered probable until a significant sale occurs.

**EXHIBIT G-2
TO DISCLOSURE DOCUMENT**

[See Attached]

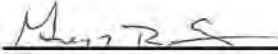
GUARANTEE OF PERFORMANCE

For value received, EHC Holding Company, LLC, a Delaware limited liability company (the "Guarantor"), located at 630 Fifth Avenue, Suite 400, New York, NY 10111, absolutely and unconditionally guarantees to assume the duties and obligations of MB Franchise Holdings, Inc., a Georgia corporation, located at 8100 E. Indian School Road, Suite 201, Scottsdale, Arizona 85251 (the "Franchisor"), under its franchise registration in each state where the franchise is registered, and under its Franchise Agreement identified in its 2026 Franchise Disclosure Document, as it may be amended, and as that Franchise Agreement may be entered into with franchisees and amended, modified or extended from time to time. This guarantee continues until all such obligations of the Franchisor under its franchise registrations and the Franchise Agreement are satisfied or until the liability of Franchisor to its franchisees under the Franchise Agreement has been completely discharged, whichever first occurs. The Guarantor is not discharged from liability if a claim by a franchisee against the Franchisor remains outstanding. Notice of acceptance is waived. The Guarantor does not waive receipt of notice of default on the part of the Franchisor. This guarantee is binding on the Guarantor and its successors and assigns.

The Guarantor signs this guarantee at Scottsdale, Arizona on the 20th day of April, 2026.

Guarantor:

EHC Holding Company, LLC

By: 

Gregory R. Esgar, CFO

EXHIBIT "H"
TO DISCLOSURE DOCUMENT

STATE EFFECTIVE DATES

State Effective Dates

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

State	Effective Date
California	
Hawaii	
Illinois	Exempt
Indiana	
Maryland	
Michigan	November 4, 2025 (amended April 24, 2026)
Minnesota	
New York	Exempt
North Dakota	
Rhode Island	
South Dakota	
Virginia	
Washington	
Wisconsin	

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

EXHIBIT "I"
TO DISCLOSURE DOCUMENT

RECEIPTS

[See Attached]

RECEIPT

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

If MB Franchise Holdings, Inc. offers you a franchise, it must provide this Disclosure Document to you 14 days before you sign a binding agreement or make a payment with the franchisor or an affiliate in connection with the proposed franchise sale. New York requires that we give you this Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

If MB Franchise Holdings, Inc. does not deliver this Disclosure Document on time, or if it contains a false or misleading statement or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, DC 20580, and the appropriate state agency listed in EXHIBIT "A" to this Disclosure Document.

The franchise seller(s) involved with the sale of this franchise is/are:

____ Jason Wiedder; 8100 E. Indian School Rd., Suite 201, Scottsdale, Arizona 85251; (770) 551-9630

____ Jessica Currie; 8100 E. Indian School Rd., Suite 201, Scottsdale, Arizona 85251; (770) 551-9630

____ [_____]

Issuance Date: April 24, 2026

MB Franchise Holdings, Inc.'s agent to receive service of process is listed in EXHIBIT "A" to this Disclosure Document (for franchise registration states) or EXHIBIT "B" to this Disclosure Document (for all other states).

I received a Franchise Disclosure Document that included the following Exhibits:

EXHIBIT "A"	List of State Administrators and Agents for Service of Process
EXHIBIT "B"	Agent for Service of Process
EXHIBIT "C"	Franchise Agreement
EXHIBIT "D"	Other Agreements
EXHIBIT "D"-1	State Addenda
EXHIBIT "D"-2	Franchisee Disclosure Questionnaire
EXHIBIT "D"-3	General Release
EXHIBIT "E"	Table of Contents of the confidential Brand Standards Manual
EXHIBIT "F"	List of Franchisees
EXHIBIT "G"	Financial Statements of MB Franchise Holdings, Inc.
EXHIBIT "H"	State Effective Dates
EXHIBIT "I"	Receipts

Print Name

Date

(Signature) Prospective Franchise Owner

(This Receipt should be executed in duplicate. One Receipt must be signed and remains in the Franchise Disclosure Document as the prospective franchise owner's copy. The other Receipt must be signed and returned to MB Franchise Holdings, Inc.)

RECEIPT

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

If MB Franchise Holdings, Inc. offers you a franchise, it must provide this Disclosure Document to you 14 days before you sign a binding agreement or make a payment with the franchisor or an affiliate in connection with the proposed franchise sale. New York requires that we give you this Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

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Print Name

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(Signature) Prospective Franchise Owner

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