

## FRANCHISE DISCLOSURE DOCUMENT



### Mobiledumps Franchising, LLC

A Virginia limited liability company  
3425-B W Leigh St., Richmond, VA 23230  
800-298-DUMP  
info@mobiledumps.com  
[www.mobiledumps.com](http://www.mobiledumps.com)

We offer franchises for a mobile dumpster service that allows residential and commercial customers to schedule Mobiledumps, our proprietary dumpster, through our website and use of the business management system and using “Mobiledumps” and related trademarks (each a “**Mobiledumps Business**” or “**Business**”).

The total investment necessary to begin operation of a single Mobiledumps Business ranges from \$61,640 to \$220,100. This includes \$30,100 to \$40,500 that must be paid to the franchisor or its affiliate(s). The franchisee may pay an additional \$10,000 to the franchisor for each additional 500,000 people in the protected area, with no applicable maximum.

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 or make any payment to us or an affiliate in connection with the proposed franchise sale. **Note, however, that no governmental agency has verified the information contained in this disclosure 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 Wesley Mullins, Chief Financial Officer, 3425-B W. Leigh St, Richmond, VA 23230; 800-298-DUMP; info@mobiledumps.com.

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

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as “[A Consumer’s Guide to Buying a Franchise](#),” which can help you understand how to use this disclosure document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, D.C. 20580. You can also visit the FTC’s home page at [www.ftc.gov](http://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.

The issuance date of this Franchise Disclosure Document is March 19, 2024

## 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
<b>How much can I earn?</b>	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.
<b>How much will I need to invest?</b>	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.
<b>Does the franchisor have the financial ability to provide support to my business?</b>	Item 21 or Exhibit C includes financial statements. Review these statements carefully.
<b>Is the franchise system stable, growing, or shrinking?</b>	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
<b>Will my business be the only Mobicams business in my area?</b>	Item 12 and the “territory” provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
<b>Does the franchisor have a troubled legal history?</b>	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
<b>What’s it like to be Mobicams franchisee?</b>	Item 20 or Exhibit F lists current and former franchisees. You can contact them to ask about their experiences.
<b>What else should I know?</b>	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 D.

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 litigation only in Virginia. Out of state litigation may force you to adopt a less favorable settlement for disputes. It may also cost more to litigate with the franchisor in Virginia than in your home state.
2. **Short Operating History.** The franchisor is at an early stage of development and has a limited operating history. This franchise is likely to be a riskier investment than a franchise in a system with a longer operating history.
3. **Financial Condition.** The franchisor's financial condition, as reflected in its financial statements (see Item 21) calls into question the franchisor's financial ability to provide services and support to you.

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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### EXHIBITS

- A. Franchise Agreement
- B. Table of Contents for Manual
- C. Financial Statements
- D. List of State Administrators and Agents for Service of Process
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- F. Lists of Franchised Locations, Franchise Agreements Signed but Outlet Not Open, and Former Franchisees
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## **ITEM 1**

### **THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES**

This disclosure document describes Mobiledumps Business franchises. In this disclosure document, “**we**,” “**us**,” and “**our**” means Mobiledumps Franchising, LLC, the franchisor, and “**you**” or “**your**” means the purchaser of the franchise. If the purchaser of the franchise is a corporation, partnership, or limited liability company, “you” means both the purchaser and the persons who own the business entity. If the franchisee is a legal entity, each of your owners, officers, directors, and limited liability company managers must sign and personally guarantee all of the franchisee’s obligations under the Franchise Agreement.

#### **The Franchisor**

The “Mobiledumps System” includes the use of our proprietary order center and online scheduling software, brand development, training, and marketing programs. Mobiledumps Franchising, LLC is a Virginia limited liability company formed on September 14, 2021. We do business under our corporate name and the name Mobiledumps. We do not conduct business under any other name. Our principal place of business is 3425-B W. Leigh Street, Richmond, Virginia, 23230. Our agents for service of process are listed in Exhibit D.

We began offering franchises for Mobiledumps Businesses in November 2021. We do not currently operate Mobiledumps Businesses, we have never offered franchises in any other line of business, and we do not conduct any other business. As of December 31, 2023, there were 25 franchised Mobiledumps businesses.

#### **Our Parent, Affiliates and Predecessors**

We do not have (1) any other parent companies; or (2) any predecessors; or (3) any affiliates that offer franchises in any line of business or (4) any affiliates that offer products or services to our franchisees.

#### **Mobiledumps Business Franchise**

Mobiledumps Businesses are mobile dumpster services that allows residential and commercial customers to schedule drop offs and pickups and manage the disposal process on their own time operated under the name “**Mobiledumps**” and related trademarks. We offer qualified persons and entities the right to develop and open Mobiledumps Businesses. Under the Franchise Agreement, we will grant you a license to use the “Mobiledumps” trademark and logo, as well as related trade names, service marks, trademarks, logos, emblems, and indicia of origin (the “**Proprietary Marks**”) for the operation of Mobiledumps Businesses. We may modify the Proprietary Marks from time to time. Also, under the franchise agreement, we require you to use the Mobiledumps operating system and the business management system to operate your business. You will be required to purchase or lease one truck and at least three (3) trailers to operate your business.

Mobiledumps Businesses operate according to a distinctive format and set specifications and operating procedures (“**System**”). Under the Franchise Agreement, we will grant you the right to utilize our System. Our mandatory and recommended standards, policies and procedures are represented in our confidential and proprietary operations and brand standards manual (the “**Manual**”), which we will make available to you during the term of your Franchise Agreement. We

have the right to change the Manual and the elements of the System at any time without consultation with you.

### **Industry-Specific Laws**

We are not aware of any regulations specific to the industry in which your business will operate. You will be required to comply with all federal, state and local laws and regulations. It is your responsibility to investigate, satisfy and stay current on all local, state, and federal laws and regulations since they vary from place to place and can change over time. You should consult with your attorney concerning these and other laws and ordinances that may affect your operations.

### **Market and Competition**

For the type of dumpster services provided by Mobiledumps businesses, there is a recognized and established business opportunity. The market for our services is highly competitive, generally mature and well-established. Mobiledumps Businesses primarily attract customers who are looking for a way to manage the disposal process on their own time, while using a professional and reliable provider. The waste disposal businesses are highly competitive based on price, service, and location and are subject to fluctuations in various demographic, market and economic conditions. You will compete with other waste disposal businesses. Some of our competitors have longer operating histories, larger and better financial resources, and better name recognition. You should independently research and review the legal documents with your own attorney before you sign any binding documents or make any investment, as you are solely responsible for compliance and adherence to the rules, regulations and laws in your area.

## **ITEM 2 BUSINESS EXPERIENCE**

### **Chief Executive Officer: James Pickren**

Mr. Pickren has been our Chief Executive Officer since January 2024. From April 2023 to December 2023, he was an operating partner for us. Mr. Pickren has been an operating partner for Jewett Automation, LLC located in Richmond, Virginia since January 2023 and for MediVisuals, LLC located in Richmond, Virginia since April 2022. From July 2019 to March 2022, he was President of Pickren Group in Richmond Virginia where he oversaw personal investments. From February 2017 to June 2019, Mr. Pickren was Chief Operating Officer of Just Energy Group in Houston, Texas.

### **Chief Financial Officer: Wesley Mullins**

Mr. Mullins has served as our Chief Financial Officer since September 2023. He has been President of the following companies located in Richmond, Virginia: Mullins Properties, LLC (commercial property management) since 2007, of LAVA Holdings, LLC (residential property management) since June 2021 and Mullins Advisors, LLC (small business consulting) since December 2022. Mr. Mullins was the owner of Virginia Portable Storage, LLC, located in Richmond, Virginia, from April 2002 to November 2021.

Vice President of Operations: Teresa Yaniga

Ms. Yaniga has served as our Vice President of Operations since December 2022. From September 2022 to November 2022, Ms. Yaniga served in hospitality at Willow Oaks Country Club, Inc. in Richmond, Virginia. From September 2020 to August 2022, Ms. Yaniga was unemployed. From June 2019 to August 2020, Ms. Yaniga served as Nanny/Tutor for Liz Stepanek in Richmond, Virginia. From January 2018 to August 2018, Ms. Yaniga served as Sales Representative/Receptionist for CycleBar in Richmond, Virginia.

**ITEM 3  
LITIGATION**

*In the Matter of Mobiledumps Franchising, LLC*, Case No. S-23-3546-23-CO01 (State of Washington Department of Financial Institutions, Securities Division, April 21, 2023). The State of Washington Department of Financial Institutions, Securities Division (the “Division”) conducted an investigation into our franchise related activities under the authority granted under the Franchise Investment Protection Act of Washington, chapter 10.100 RCW (the “Act”). Based on the investigation, the Division concluded that grounds exist to allege that we offered and sold one unregistered franchise to be operated in Washington in violation of the Act, and that we made false statements to the Division in January 2023 by stating that we had not sold a franchise in Washington when we had signed one franchise agreement with two Washington residents and accepted payment of an initial franchise fee in December 2022. Before the holding of a hearing in this matter and without trial or final adjudication of any issue of fact or law, the Division and us reached an agreement to enter into a Consent Order (the “Consent Order”) providing that we would cease and desist offering or selling franchises in violation of the Act; that we would cease and desist any violation of the anti-fraud section of the Act; and, that we would pay a fine in the amount of \$1,000 prior to the entry of the Consent Order.

Other than this action, no litigation is required to be disclosed in this Item.

**ITEM 4  
BANKRUPTCY**

No bankruptcy information is required to be disclosed in this Item.

**ITEM 5  
INITIAL FEES**

**Franchise Fee**

When you sign the Franchise Agreement, you must pay us an initial franchise fee (the “**Franchise Fee**”) in the amount of \$30,000 for a protected area with a population of up to a 350,000 and \$10,000 per each additional 500,000 people in the protected area. Population is based on the zip codes assigned to the protected area, per the most recent census. The Franchise Fee is fully earned when paid, is not refundable and is uniform for all new franchisees. During our last fiscal year, we waived the fee for franchisees who added additional 500,000 people to their territory and we reduced the Initial Franchise Fee to \$20,000 for a franchisee who purchased a third territory.

We may discount the Initial Franchise Fee by 10% for current and former members of the military and first responders.



### Referral / Finder's Fee

If an existing franchisee refers a potential franchisee candidate to us and that candidate meets our qualifications, executes a franchise agreement, pays the Initial Franchise Fee and remains in operation for at least 12 consecutive months, we may offer that existing franchisee a finder's fee. The amount of the finder's fee is 10% of the Initial Franchise Fee paid by the new franchisee, not to exceed \$4,000. The finder's fee will be paid as follows: 50% paid 6 months after the business opens and 50% paid when all conditions are satisfied.

### Purchases from Us.

Prior to commencing operations, you must purchase uniforms from us. The cost of the uniforms will be \$100 to \$500.

### ITEM 6 OTHER FEES

Type of Fee <sup>1</sup>	Amount	Date Due	Remarks
<b>Royalty</b>	7% of Gross Sales <sup>2</sup> (subject to minimum per month) (See Note 4)	Percentage fee is payable weekly on the date we specify <sup>3</sup>	See Note 2 for the definition of " <b>Gross Sales</b> "; see Note 3 for an explanation of the payment process. Royalty due upon opening of the market.
<b>IT Services</b>	Then-current amount which is \$175 per truck plus \$100 IT fee	Payable monthly on the date we specify <sup>3</sup>	Currently, we require you to use the business management system. IT Services fee due upon opening of the market.
<b>Brand Building Fund Fee</b>	1% of Gross Sales <sup>2</sup> (subject to minimum per month) (See Note)	Same as Royalty <sup>3</sup>	See Item 11 for more details. Brand Building Fund Fee due upon opening of the market.
<b>Local Advertising Requirement</b>	2% of Gross Sales <sup>2</sup> (subject to minimum per month) (See Note)	Must be spent monthly	Payable to your local advertising suppliers. Any advertising you propose to use must first be approved by us. See Item 11 for further details. Local Advertising Requirement begins upon opening of the market.
<b>Renewal Franchise Fee</b>	Twenty five percent (25%) of the then current Initial Franchise Fee	Upon execution of a renewal franchise agreement	If you choose to and are approved to continue operating your Mobicdumps business for the renewal term, you must sign our then current form of renewal franchise agreement.

Type of Fee <sup>1</sup>	Amount	Date Due	Remarks
<b>Pass Through Fees and Reimbursements</b>	Any fees, charges, costs, expenses or amounts we incur on your behalf.	Upon Demand	If we incur any reasonable fees, charges, costs, expenses or amounts reasonably attributable to your operation of the Business or to our efforts to obtain your compliance, we will deduct such reasonable amounts upon notice to you. These amounts may include reimbursement for customer satisfaction programs.
<b>Interest</b>	Maximum rate permitted for indebtedness of this nature in the state in which the Business is located, not to exceed 1.5% per fiscal period (or a portion of a fiscal period)	Upon Demand	Due if any payment is not received by the date due
<b>Audit Fees</b>	Actual cost of the audit or inspection	Upon Demand	Due if any inspection or audit discloses an understatement of Gross Sales for the period of the audit greater than 5%
<b>Alternative Suppliers</b>	Amount not to exceed actual costs of review	Upon Demand	If you want to use a supplier we have not approved, you can submit a request and pay all costs for our review. We are not required to approve the supplier.
<b>Training Charges</b>	No fee for the initial training. Minimum of \$2,500 for subsequent training.	Upon Demand	We do not charge for the first group of Designated Principal Employees we train. If you send additional attendees, you must pay \$750 per person. You pay all travel, living and other expenses for employees to attend any training. If the training occurs in a location other than Richmond, Virginia, you shall pay all travel, living and other expenses incurred by our personnel.

Type of Fee <sup>1</sup>	Amount	Date Due	Remarks
<b>Transfer Fee</b>	\$10,000	Before Transfer Approved	Transfers are subject to our consent; we may impose certain conditions.
<b>Enforcement Expenses</b>	Actual cost to enforce the Franchise Agreement	Upon demand	Payable if we obtain injunctive or other relief for the enforcement of any term of the Franchise Agreement.
<b>Indemnification</b>	Will vary under circumstances.	As incurred	You must indemnify and reimburse us and our affiliates for any expenses or losses that we incur, including attorneys' fees and other costs, or if we are held liable for claims arising out of your operation.
<b>Liquidated Damages</b>	Will vary	30 days after termination	Due only if we terminate the Franchise Agreement before the end of the term because of your material breach, or you terminate the Franchise Agreement without legal cause.

**NOTES TO CHART:**

- (1) Unless otherwise noted, all of the fees or charges described in this Item derive from the Franchise Agreement. Unless otherwise noted, all fees are non-refundable, payable to us, and uniformly imposed on all franchisees receiving this offering; however we have negotiated differing renewal and transfer fees over time.
- (2) **“Gross Sales”** means the aggregate amount of all revenues generated from the sale of all products and services sold and all other income of every kind related to the Business, whether for cash or credit (and regardless of collection in the case of credit), whether from sales in the Protected Area or elsewhere (whether the sales method is permitted or not). You may not reduce Gross Sales by the amount of any discounts provided to employees, family members and other businesses that you control. Gross Sales does not include sales taxes or other taxes collected from customers for transmittal to the appropriate taxing authority, proceeds from the sale of gift cards or stored value cards, and customer refunds made in good faith. We reserve the right to modify our policies consistent with industry practices regarding revenue recognition, revenue reporting, and the inclusion in or exclusion of certain revenue from Gross Sales as circumstances, business practices, and technology change.
- (3) All jobs or work booked by or for customers and completed by the Business must be entered into the designated business management system. All money collected for such work must be transmitted through the business management system. From the monies collected, we will retain the amounts due to us and then remit to you the remainder weekly

by electronic funds transfer with a summary report of the monies collected and fees retained.

- (4) The minimum monthly Royalty is based upon the number of trailers you operate. For the first 6 months of your operation, there is no minimum Royalty per trailer. Minimum Royalty commences the 7<sup>th</sup> month after you open. When you add additional trailers, you pay the minimum Royalty for that trailer commencing on the date you put the trailer in service based upon the schedule below.

Year trailer is put into service	Minimum Royalty Due Per Trailer
Year 1	\$100
Year 2	\$150
Year 3 and remainder of term	\$200

On a quarterly basis, we review the percentage Royalty paid for the prior three months and, if that amount is less than the minimum Royalty, we collect the difference.

The minimum annual Brand Building Fund Fee is \$1,200 in Year 1, \$1,800 in Year 2, and \$2,400 in Year 3 and remainder of term. Annually, on the date we specify, we will review the total Brand Building Fund Fees paid and if that amount is less than the minimum Brand Building Fee, we collect the difference.

The minimum monthly Local Advertising Requirement is \$300 in Year 1, \$400 in Year 2, and \$500 in Year 3 and remainder of term. If you do not spend that amount, we can require you to pay the amount not spent into the Brand Building Fund.

**ITEM 7  
ESTIMATED INITIAL INVESTMENT**

**YOUR ESTIMATED INITIAL INVESTMENT**

Type of Expenditure	Low Amount	High Amount <sup>1</sup>	Payment Method <sup>1</sup>	When Due	Payment To
Franchise Fee <sup>2</sup>	\$30,000	\$40,000	Lump sum	At signing of Franchise Agreement	Us
Location / Site Acquisition <sup>3</sup>	\$0	\$1,000	Varies	Varies	Site owner
Vehicles – Trucks <sup>4</sup>	\$0	\$65,000	Installments or Lump Sum	As agreed	Vendor

Type of Expenditure	Low Amount	High Amount <sup>1</sup>	Payment Method <sup>1</sup>	When Due	Payment To
Vehicles – Trailers <sup>5</sup>	\$900	\$50,000	Installments or Lump Sum	As agreed	Vendor
Vehicles -Shipping <sup>6</sup>	\$1,000	\$6,000	Varies	As agreed	Vendor
Licenses and Permits <sup>7</sup>	\$0	\$1,000	As incurred	Before opening	Third party
Graphics and Signage <sup>8</sup>	\$840	\$1,400	Installments or Lump Sum	Before opening	Vendor
Other Equipment and Computer <sup>9</sup>	\$3,300	\$5,700	As incurred	Before opening	Third Party
Uniforms	\$100	\$500	As incurred	Before opening	Us
Professional Fees <sup>10</sup>	\$2,500	\$7,500	As incurred	Before opening	Third Parties
Insurance <sup>11</sup>	\$6,500	\$14,000	As incurred	Before opening	Insurance company
Initial Training – Travel and Living Expenses <sup>12</sup>	\$1,500	\$3,000	As incurred	Before opening	Approved suppliers
Additional Funds - 3 months <sup>13</sup>	\$15,000	\$25,000	As incurred	After opening	Various
Total	\$61,640	\$220,100			

**NOTES TO ITEM 7 TABLES:**

- (1) Refunds, Financing. Costs paid to us are not refundable. Whether any costs paid to third parties are refundable will vary based on the third parties' business terms. We do not provide any direct or indirect financing for the fees or costs paid to us or to third parties. If you meet the credit requirements determined by third party vendors, you may be able to obtain financing.
- (2) Franchise Fee. When you sign the Franchise Agreement, you must pay us an initial franchise fee in the amount of \$30,000 for a protected area with a population of up to 350,000 and \$10,000 per each additional 500,000 people in the protected area. The way in which the Franchise Fee is calculated and paid is explained in detail in Item 5.

- (3) Location / Site Acquisition. You may choose to lease or own a separate lot for storage or staging of unused equipment associated with your Mobiledumps Business. The lot should be approximately 500 to 1000 square feet. This range is typical for what landlords have charged company-owned businesses as monthly rents for spaces or lots used for a Mobiledumps Business. Pre-paid rent is generally non-refundable, while security or other deposits may be refundable either in full, or in part, depending upon the lease contract. Security deposit requirements will depend on a variety of factors, including your credit and financial condition. The low estimate is \$0 because you may not need to lease a space, and we have franchisees who operate out of their homes and incurred no site acquisition expense. In addition to a storage site, you will need an office site with an address to which deliveries can be made, from which to conduct administrative operations relating to your Mobiledumps business. The office site can be the same as the storage site, or it may be a different site. The storage site and/or office site may be your home, and this estimate assumes that the office site will be the same as the storage site or will be the franchisee's home.
- (4) Vehicles – Trucks. We do not require you to purchase or lease a truck to commence franchise operations; however, any truck you use for the franchise operations must meet our specifications. The low cost estimate assumes you already have a truck that meets our specifications. The high cost estimate assumes you will purchase one (1) truck. Should you desire more than one truck, this cost would increase. If you lease the truck, the estimated lease cost is \$1,000 to \$1,300 per month.
- (5) Vehicles – Trailers. The low range reflects the rental cost and the high range reflects the purchase cost for the minimum equipment package, which includes three (3) trailers. The trailers must meet our specifications. Should you desire more trailers, these costs would increase.
- (6) Vehicles – Shipping. This cost estimate is for the shipping and final delivery of three (3) trailers. Distance from the supplier will affect this cost. You or a 3rd party freight vendor may pick up the trailers at the vendor and transport them to the local market. Another vendor may also be required to receive the trailers and perform a final inspection.
- (7) Licenses and Permits. You are responsible for obtaining and maintaining all required permits and licenses necessary to operate a Mobiledumps Business. The typical permits and licenses required are a business license and waste hauling or disposal permits. Waste and disposal permits are not required in the locales in which the company businesses currently operate, but each locale is different. You should ensure that you are adhering to the local requirements. If you are operating a waste hauling business, you will not incur additional costs for licenses and permits that you have obtained.
- (8) Graphics and Signage. This estimate includes the cost to produce signage for a Mobiledumps Business, including signage for the trucks and trailers. All signage must follow our standards. This estimate is calculated based on \$240 to \$350 per truck and \$200 to \$350 per trailer and includes the cost for one truck and three (3) trailers.
- (9) Other Equipment and Computer. This estimate covers the purchase of the equipment you may need to operate a Mobiledumps Business. That includes coupler locks, wheel chocks, jack pads, lug wrenches, truck jacks, spare trailer tires, battery chargers, a pressure washer, and miscellaneous items. We recommend you obtain basic computer systems, which we estimate will cost \$500 to \$800. If you are operating a waste hauling

business, you may not incur additional costs for some of these items that you have obtained.

- (10) Professional Fees. These fees are representative of the costs for engagement of professionals for the start-up of a business. We also strongly recommend that you seek the assistance of attorneys and accountants to review this franchise opportunity, this disclosure document, and subsequently, the Franchise Agreement, the cost for which is also included in this estimate.
- (11) Insurance. This estimate includes the cost of insurance deposits and premiums during the pre-opening phase. You will need to check with your local carrier for actual premium quotes and costs, as well as the actual cost of the deposit. The cost of coverage will vary based upon the area in which your business will be located, your experience with the insurance carrier, the loss experience of the carrier, your estimated sales / revenues or payrolls for employees, and other factors beyond our control. You should also check with your insurance agent or broker regarding any additional insurance that you may wish to carry above our stated minimums.
- (12) Initial Training – Travel and Living Expenses. Although there are no fees charged by us to participate in our initial training program, you will incur initial training expenses associated with our program. The estimate assumes that you will pay for the travel, meals, auto, and lodging, for up to four (4) individuals for up to two (2) days of training at our office in Richmond, Virginia or at another site we choose. You will have to provide approval for more than four (4) individuals to provide the training. Training for more than 4 individuals may incur an additional fee of \$750 per person. The cost you incur will vary depending upon factors such as the distance traveled, mode of transportation, per diem expenses actually incurred, and the number of persons who will attend training, as well as your chosen style of travel and accommodations.
- (13) Additional Funds – 3 Months. This is an estimate of the additional funds you may need to operate your Mobiledumps Business during the first three months of operation and is net of any revenue you receive during this period. Typical franchisees do not take an initial salary or wages from the franchised business, or hire employees, during this period. This estimate is based upon our affiliate's experience in opening and owning Mobiledumps Businesses. We cannot guarantee that you will not incur additional expenses in operating the business. The estimate includes items such as dump fees, fuel and equipment leases or payments, and working capital including rent and insurance premiums. This estimate does not include initial period wages, salaries, or benefits. The expenses you incur during the initial start-up period will depend on factors such as local economic and market conditions, the cost of labor in your area, the amount you pay your staff, the number of employees you hire, your experience and business acumen, competition, and the sales level you reach during this initial period. This three-month period is not intended, and should not be interpreted, to identify a point at which your business will break even.

## ITEM 8 RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

### **System Standards**

You must comply with all System specifications, standards and operating procedures (whether contained in the Manuals or any other written communication) relating to the appearance, function, and operation of the Business.

### **Suppliers**

We may require that all supplies, equipment (including trailers and trucks), information technology services, credit card processing services, and other products and services that you purchase for operation of or sale in the Business: (1) meet our specifications; and/or (2) be purchased only from suppliers that we have approved; and/or (3) be purchased only from a manufacturer, wholesaler, distributor, dealer, retailer, or other vendor or source that we designate (a “**Designated Supplier**”) (which may be us or an affiliate or a buying cooperative that we organize); and/or (4) establish distribution facilities (directly, through our affiliates, and/or its designees), and designate these as Designated Suppliers or approved suppliers. To the extent that we establish specifications, require use of approved of suppliers, or name Designated Suppliers, we will provide the requirements to you in writing. Certain products or services may be provided by us, our parent or an affiliate. The products or services and the Designated Suppliers are subject to change by us in our sole discretion. Neither we nor an affiliate are the only approved supplier for any product or service, and none of our officers own any interest in any supplier.

If we require you to use an approved supplier for a particular item, but you wish to purchase the item from a supplier that we have not approved, you may submit a written request for approval of the supplier, unless it is an item for which we have Designated Supplier. We will provide our standards and specifications to you or to the proposed supplier, subject to the supplier’s execution of a confidentiality agreement in a form acceptable to us. We have the right to inspect the proposed supplier’s facilities and to require delivery of product samples either to us or to an independent laboratory designated by us for testing. You may be required to pay a fee, which will not exceed our actual costs incurred in evaluating the supplier. We generally will give you written notice of approval or disapproval within 60 days after receiving your request.

We have the right to revoke approval of particular suppliers if we determine that the suppliers or their products or services no longer meet our standards. Upon receipt of written notice of revocation, you must stop buying from the disapproved supplier. In addition, if we revoke our approval of the products because they fail to meet our standards, you may be required not to use your remaining inventory of those products.

There currently are no purchasing or distribution cooperatives for the System. We and our affiliates may negotiate purchase arrangements with suppliers (including price terms) for the benefit of the System. We and our affiliates seek to promote the overall interests of the System. We do not provide material benefits to you (for example, renewal or granting additional franchises) based on your purchase of particular products or services or use of particular suppliers.

We and our affiliates may earn a profit on products and services sold to you and other franchisees. We are the approved supplier for uniforms as noted in Item 5 and 7, which must be purchased before you open the Franchised Business. We and our affiliates are not the only



approved supplier for any other equipment, trucks, trailers, or other branded merchandise. The prices charged to franchisees for any such products or services will be fair and reasonable as required by applicable law. In our last fiscal year ending December 31, 2023, we and our affiliates did not receive any revenue for such items.

We may receive rebates or other consideration from suppliers with respect to their sales of products or services to you or other franchisees, whether or not the product or service is presently mentioned in this Item. In 2023, we earned rebates of \$1,900 based upon franchisee purchases of trailers (\$100 per trailer). In our next fiscal year, we anticipate that we will receive rebates from trailer suppliers, which will be up to \$750 per trailer.

**Vehicles (Trucks and Trailers) and the business management system**

We have identified a recommended model for the trucks and trailers you will use in the Mobiledumps Business. Your truck(s) and trailers must meet our specifications. You must also use the business management system we require. We recommend that you obtain a basic computer system. We may negotiate with vendors for the price, warranties, delivery costs, maintenance contracts, etc. We do not represent that we will be able to obtain for you the lowest costs or best terms available.

**Insurance**

Before undertaking any activities in connection with your franchise, you must obtain insurance policies meeting our current requirements, at your expense. All insurance policies must be written by a carrier with an industry rating that we periodically specify. You must provide us with certificates of insurance. Each policy must list us (and any affiliate we require) as an additional insured and must provide that policies cannot be cancelled, materially changed, or non-renewed, except upon thirty (30) days advance written notice. We require the following insurance:

Type of Insurance Policy	Coverage Requirements
Workers' Compensation and Employers' Liability	Statutory Coverage as required by the State in which the Work is performed Employers Liability Coverage (or per state limit) \$1,000,000 each accident for bodily injury \$1,000,000 policy limit for bodily injury by disease
General Liability	\$1,000,000 per occurrence \$2,000,000 general aggregate
Excess / Umbrella Policy	\$1,000,000 per occurrence/\$1,000,000 Aggregate
Automobile Liability	\$1,000,000 for each accident for bodily injury and property damage

\* \* \*

We estimate that approximately 70% to 80% of your total purchases and leases in establishing the Mobiledumps Business and approximately 70% to 80% of your total purchases and leases in operating the Mobiledumps Business will be subject to at least one of the restrictions described in this item.

## ITEM 9 FRANCHISEE'S OBLIGATIONS

**This table lists your principal obligations under the franchise and other agreements. It will help you find more detailed information about your obligations in these agreements and in other items of this disclosure document.**

Obligation	Section in Franchise Agreement	Disclosure Document Item
a. Site selection and acquisition/lease	8.A	5, 7, 8, 11 and 12
b. Pre-opening purchases/ leases	8.B	5, 7, 8 and 12
c. Site development and other pre-opening requirements	8, 9.A	5, 6, 7, 8, 11 and 12
d. Initial and ongoing training	9	6, 7 and 11
e. Opening	8.C	11
f. Fees	2.D, 3.A, 3.B, 5.A, 5.B, 9.A, 9.B, 9.E, 10.C, 14.B	5, 6 and 7
g. Compliance with standards and policies/Operating Manual	6, 10	11 and 14
h. Trademarks and proprietary information	11	13 and 14
i. Restrictions on products/ services offered	10.B, 10.C	8 and 16
j. Warranty and customer service requirements	9.E	Not Applicable
k. Territorial development and sales quotas	1.B	1 and 12
l. Ongoing product/service purchases	10.A, 10.B, 10.D	6, 7 and 8
m. Maintenance, appearance and remodeling requirements	10.E, 10.I	11
n. Insurance	12	7 and 8

Obligation	Section in Franchise Agreement	Disclosure Document Item
o. Advertising	5	6 and 11
p. Indemnification	20	Not Applicable
q. Owner's participation/ management/staffing	10.G, 10.H, 15	11 and 15
r. Records and reports	4.A	6
s. Inspections and audits	4.B, 9.E	6 and 11
t. Transfer	13, 14	17
u. Renewal	2.B – 2.D	17
v. Post-termination obligations	18	17
w. Non-competition covenants	16.B	17
x. Dispute resolution	24	17

## ITEM 10 FINANCING

We may, in our sole discretion, provide financing to existing, qualified franchisees (i.e., creditworthy and in good standing with us) for the initial franchise fee for additional franchises. The table below provides an example of the terms of a loan and the estimated loan repayment. Exhibit H includes the promissory note that must be signed.

Summary of Financing Offered*	
Source of Financing / Lender	Franchisor
Financing Fees Due with Financing Request	None
Down Payment Required	\$5,000 (or percentage depending on creditworthiness)
Amount financed	Remainder of Initial Fee Due (for example, \$25,000)
Term (months)	27 (but no payments during first 3 months; however, interest accrues)
Annual Interest Rate*	Secured Overnight Financing Rate (SOFR) plus three percent (3%) (for example, 8.3%) (note 3)
Estimated Monthly Payment	Depends on amount financed (for example, if \$25,000 amount financed, \$1,134 / month)
Deferral Period (note 4)	1st payment due on the 15 <sup>th</sup> of the 4 <sup>th</sup> month after effective date
Required Guarantors	Any owners of the maker of the note
Security Interest	No security interest granted
Prepayment Permitted	Yes
Prepay Penalty	None
Security Deposit	None

<b>Summary of Financing Offered*</b>	
Late Payment Fee*	None
Liability upon default	See note 4
Loss of legal rights on Default	See note 4

\* terms are subject to state law

### **NOTES TO TABLE**

- (1) We do not arrange financing from other sources.
- (2) We require owners of the maker to sign a personal guarantee.
- (3) Interest begins accruing as of the date of the note. At month 12, if the SOFR has moved by more than 50 BP, we can adjust the interest rate.
- (4) Potential liabilities upon default include, but are not limited to, acceleration of amount due, attorneys' fees and costs, interest, and termination of the Franchise Agreement.
- (5) We do not now, but reserve the right to do so in the future, sell, assign or discount to a third party all or part of the financing arrangement, at which time, the assignment terms and conditions (such as loss of defenses against the lender as a result of the sale are assignment) will be determined.
- (6) You are required, subject to state law, to waive defenses or other legal rights, and you are barred from asserting any defenses.

### **ITEM 11**

#### **FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING**

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

#### **Our Obligations Prior to Opening:**

Before your Mobiledumps Business opens, we will:

1. Approve you to open. (Section 8.C.)
2. Provide a list of our approved suppliers. (Franchise Agreement, Section 8.B)
3. Provide a training program. (Franchise Agreement, Section 9.A.)
4. Loan you a copy of our confidential manual. (Franchise Agreement, Section 6)  
We may revise the contents of the manual, and you agree to comply with each new or changed section. The table of contents for the manual is attached as Exhibit B. The manual currently has 47 pages.

We do not provide any assistance in establishing minimum and/or maximum prices at which you must sell products or services.

## **Continuing Obligations**

After your Business opens, we will:

1. Administer the Brand Building Fund. (Franchise Agreement, Section 5.A)
2. Provide additional training. (Franchise Agreement, Section 9.B.)
3. At your request, review any proposed supplier to determine whether the supplier and its products or services meet our standards. (Franchise Agreement, Section 10.C)
4. In our discretion, conduct inspections of your Mobicumps Business. (Franchise Agreement, Section 9.E)

## **Identify the Business Location**

You must select a site from which to run and operate the Business. That site must permit the parking and storage of commercial trucks and trailers necessary to operate the Business. We may inspect the site prior to operations commencing; however, we do not find sites or approve sites for the Business. We do not own sites for Businesses and lease the sites to franchisees. When you notify us of the site, that site will be recorded as the Premises in the Franchise Agreement. You must secure a site at your own expense. We suggest the site be located in or close to the Protected Area, but we do not require that.

You must purchase or lease approved brands, types or models of equipment (including trucks and trailers at initial acquisition and replacement) supplies and signs only from suppliers designated or approved by us. You must notify us of the anticipated date you will commence operations. You may inspect the Premises for compliance with the System before you begin operating the Business.

You may need back-office computers and other computer equipment (including a computer, monitor, and printer and smartphones or iPads), and software systems that we specify in writing from time to time; however, if you are operating a waste hauling business, the back office computers and other computer equipment may be used to operate the Business. You will be required to use the business management system software, for which you will pay monthly via ACH deduction. The other components currently can be purchased from any vendor and we do not place any restrictions on when these components must be replaced. Our specifications may evolve over time and, in some cases, require the items that may only be available through us and/or designated suppliers. The type of data generated and stored in includes customer data such as name, address, and phone number. Currently, we have independent, unlimited access to the data in the business management system but we do not otherwise access your computer systems. There are no contractual limitations on our ability to access the information and data contained in the business management system. We and our affiliates have the right to retain the information and to use it internally without restriction.

The estimated cost to purchase a computer system (if you do not have one) is \$500 to \$800. The estimated costs for annual maintenance and support range from \$75 to \$200. The estimated cost for the business management system is currently \$250 per month (with a cap of \$600 per month). The costs for the business management system may increase if you add users. We currently license the business management system from a third party and provide you with

the right to use the software, as well as maintenance and support associated with the business management system. The estimated cost to purchase and install the upgraded or replacement computer is similar to the initial investment cost. You must update or upgrade the business management system any time we require. There are no contractual limitations on the frequency or costs of upgrades, updates, or maintenance for the computer systems.

It typically takes 30 to 60 days between the signing of the franchise agreement and opening the Business. The actual time will vary depending on the availability of financing and the time you need to obtain any necessary permits (if applicable), licenses (if applicable), or supplies and equipment for operation of the Business.

**Training**

**Initial Training Program**

You, the General Partner, and/or selected employees (collectively “**Designated Principal Employees**”, must complete the initial training program to our satisfaction. Initial training may vary based upon the role of the attendee, but typically lasts up to (two) 2 days. This program includes classroom training, web-based training, programs offered by third parties, and on-the-job training. The training will be conducted at our Richmond, Virginia office or another location that we may choose.

**TRAINING PROGRAM**

<b>Subject</b>	<b>Hours of Classroom Training</b>	<b>Hours of On-The-Job Training</b>	<b>Location</b>
<b>Total</b>	<b>13</b>	<b>4</b>	
OPERATIONS	4	4	Corporate headquarters
MARKETING	4	0	Corporate headquarters
The business management system	4	0	Corporate headquarters
ADMINISTRATION	1	0	Virtual

We will schedule the initial training program for new franchisees and you must complete the program at least (ten) 10 days before opening. Wesley Mullins, Chief Financial Officer, is responsible for developing, directing, and conducting our training program along with the Mobiledumps franchise support team. Mr. Mullins has twenty (20) years of experience in similar operations and has been with our team since late 2023.

The instructional materials may include handouts, the Manuals, marketing slideshows, operational slideshows, safety slideshows, and on-the-road training.

**Additional Training Programs**

We may require your employees to take and successfully complete additional training courses, attend marketing webinars, and participate in franchise committees. These training

programs will be implemented on an as-needed basis, and will be conducted virtually, at our corporate headquarters, or at your franchised business.

### Training Fees

We charge you a tuition fee of \$2,500 for additional training we provide. You must pay all travel, living and other expenses incurred by your employees while attending any training. If we conduct any training in your area, you must reimburse us for any costs and expenses we incur for such training.

## **Advertising**

### Marketing Contributions and Expenditures

You must make contributions to the Brand Building Fund and make Local Store Marketing expenditures. We are not required to spend any amount on advertising in your area or territory.

### Brand Building Fund

We have established and will administer the Brand Building Fund for the enhancement, promotion and protection of the System and the Proprietary Marks, and for the development of advertising, marketing, and public relations programs and materials as we deem appropriate. We will have the sole right to direct all advertising, media placement, marketing and public relations programs and activities financed by the Brand Building Fund, with final discretion over the strategic direction, creative concepts, materials and endorsements used and the geographic, market and media placement and allocation. We may use monies in the Brand Building Fund to pay reasonable salaries and expenses of our and our affiliates' employees who work on advertising, marketing, public relations materials, programs, activities or promotions prepared, planned or undertaken on behalf of the Brand Building Fund and professional fees and administrative costs and overhead that we or our affiliates incur in activities reasonably related to the administration and activities of the Brand Building Fund (including accounting fees, legal fees, and interest on monies borrowed by the Brand Building Fund).

You must participate in all advertising, marketing, promotions, research and public relations programs instituted by the Brand Building Fund. The Brand Building Fund Fee will be payable at the same time and in the same manner as the payment of the Royalty Fee. We require you to contribute one percent (1%) of the Gross Sales to the Brand Building Fund; provided that, the minimum annual Brand Building Fund Fee is \$1,200 in Year 1, \$1,800 in Year 2, and \$2,400 in Year 3 and remainder of the term. Annually, on the date we specify, we will review the total Brand Building Fund Fees paid and, if that amount is less than the minimum Brand Building Fee, we collect the difference.

The monies collected for the Brand Building Fund in our last fiscal year were spent 100% on website related expenses. We are not obligated, in administering the Brand Building Fund, to make expenditures for you which are equivalent or proportional to any contribution, or to ensure that any particular franchisee benefits directly or pro rata from expenditures by the Brand Building Fund.

We will prepare an annual, unaudited statement of Brand Building Fund collections and expenses within ninety (90) days after our fiscal year end on December 31, and, upon written request, will provide a copy of the statement to any franchisee. We retain the final authority on

all programs financed by the Brand Building Fund. We have the right to change or dissolve the Brand Building Fund at any time. If we disband the Brand Building Fund, we will spend all monies in the fund for any activities noted above or distribute all unspent monies to contributors in proportion to their respective Brand Building Fund Fees during the preceding twelve (12) month period.

We will not use the Brand Building Fund for anything whose sole purpose is the marketing of franchises, however, the System website, public relations activities, community involvement activities and other activities supported by the Brand Building Fund may contain information about franchising opportunities.

We do not currently have an advertising council composed of franchisees, but we may establish one in the future.

Mobiledumps Businesses operated by us and our affiliates will contribute to the Brand Building Fund on the same basis as comparable franchisees.

#### Local Advertising

You must conduct local advertising and marketing in your Protected Area. You must spend two percent (2%) of Gross Sales on local advertising or a minimum of \$300 monthly in Year 1, \$400 monthly in Year 2, and \$500 monthly in Year 3 and remainder of term. If you do not spend that amount, we can require you to pay the amount not spent into the Brand Building Fund. You must obtain and maintain any online listings for the Franchised Business that we require.

#### Advertising Cooperatives

You are not required to participate in and we do not currently have any local or regional advertising cooperatives, but we reserve the right to establish them in the future.

#### Advertising Council

We do not currently have any advertising councils, but we reserve the right to establish them in the future.

#### Approval Requirement

All advertising and promotion by you must be in the type of media and format that we approve, must be conducted in a dignified manner, and must conform to our standards and requirements. You must submit written samples of all proposed advertising and promotional plans and materials for our approval at least 15 days before their intended use, unless the plans and materials were prepared by us or have been approved by us within the last 12 months.

#### Social Media Advertising

All social media advertising and/or posts by you must strictly conform to our social media guidelines and requirements as set forth in the Manual and as may be modified in our sole discretion. We have right to prohibit you from posting on social media if you are not conforming to our social media policy.



## Electronic Marketing and Electronic Communications

We will provide and maintain a Mobiledumps webpage, which will include market area and pricing for each franchise and company operated area of responsibility. You may not use, register, maintain, or sponsor any alternate URL, social networking platform, blog, messaging system, email account, user name, text address, mobile application, or other electronic, mobile or Internet presence that uses or displays any of the Proprietary Marks (or any derivative thereof). The use of any electronic medium constitutes advertising and promotion subject to our approval as described above. If we approve the use of an electronic medium, our approval will be conditioned on your compliance with any standards and procedures we issue with respect to that type of electronic medium, including the use of any disclaimers, warnings, and other statements that we may prescribe.

## **ITEM 12 TERRITORY**

### **Franchise Agreement**

Each Franchise Agreement is granted for responsibility Protected Area which is mutually agreed, and based on zip codes with a population of up to 350,000. You must operate your Mobiledumps Business only in your Protected Area. No other franchisee will be granted access to your Protected Area, nor will we open a company-owned business in your Protected Area. However, if you are unable to meet the service demand in your Protected Area, we have the right to reduce your Protected Area or to offer part of your Protected Area to new franchisee. There is no minimum sales quota. You may not advertise the Business or directly solicit customers outside your Protected Area unless you obtain our prior written permission. The Franchise Agreement does not authorize you to sell services or products through other channels of distribution, such as the Internet, catalog sales, or telemarketing, or other direct marketing efforts. We do not reserve the right to use other channels of distribution, including the Internet, within your Protected Area using our principal trademarks or using trademarks other than those that you will use.

We reserve the right to develop and own other franchise systems for the same or similar products and services using trade names and trademarks other than the Propriety Marks and the right to purchase, be purchased by, merge or combine with businesses that compete with Mobiledumps businesses. 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.

We do not grant you any options, rights of first refusal, or similar rights to acquire additional franchises under the Franchise Agreement.

You may not relocate your Protected Area without our prior written approval. We will base the approval on a variety of factors, including population density, the proximity of the protected areas of other franchisees and other relevant demographic factors.

Neither we nor any of our affiliates have established or presently intends to establish, other franchises or company-owned outlets selling or leasing similar products or services under a different trade name or trademark; however, we retain the right to do so in the future.

**ITEM 13  
TRADEMARKS**

We grant you a non-exclusive license to use the Proprietary Marks during the term of the Franchise Agreement. We may also authorize you to use other current or future Proprietary Marks to operate your Mobiledumps Business. Mobiledumps, LLC has registered the following marks and filed all required affidavits with the United States Patent and Trademark Office (“USPTO”) on the Principal Register:

<b>Mark</b>	<b>Registration Date</b>	<b>Registration Number</b>
<b>MOBILEDUMPS</b>	August 24, 2021	6464464

We intend to file all required affidavits and renewals for the Proprietary Mark listed below.

We have the right to use, and to license others to use, the Proprietary Marks in the United States under a non-exclusive, renewable Intellectual Property License Agreement between us and Mobiledumps, LLC, dated as of November 3, 2021 (“License Agreement”). Under the terms of this License Agreement, Mobiledumps, LLC licenses us to use and sublicense the Proprietary Marks. This license will remain in effect unless Mobiledumps, LLC gives us notice of termination if we materially breach, we cease to be an affiliate, or for any other reason so long as adequate notice is provided. Upon termination, Mobiledumps, LLC will assume the franchise agreements.

There are no currently effective determinations of the USPTO, the Trademark Trial and Appeal Board, the trademark administrator of any state, or any court involving the principal mark, nor any pending infringement, opposition, or cancellation proceedings or material litigation involving the Proprietary Marks. We are not aware of any infringing uses that could materially affect your use of the Proprietary Marks. Other than the License Agreement noted above, there are no agreements that limit our rights to use or license the use of the Proprietary Marks and we are not aware of any superior rights that could affect your use of the Proprietary Marks. There are no agreements that limit our right to license the Proprietary Marks to you under the Franchise Agreement.

You must notify us of any unauthorized use of the Proprietary Marks. You must also notify us of any challenge to the validity of, or the right to use, any of the Proprietary Marks. We have the right to control any administrative proceeding or litigation that involves the Proprietary Marks. This right includes the right to settle any of those disputes. We may, but are not required to, try to stop other people from using the Proprietary Marks.

We will defend you against any infringement claims that arise from your use of the Proprietary Marks (as defined in Item 14) at our expense, including the cost of any judgment or settlement, if your use of the Proprietary Marks complied with the Franchise Agreement, but at your expense if your use of the Proprietary Marks did not comply with the Franchise Agreement. You must assist us in any action we take to protect the Proprietary Marks. Unless this action results from your inappropriate use of the Proprietary Marks, we will reimburse you for your out-of-pocket costs in assisting us.

You must follow our rules when you use the Proprietary Marks. You may not use any of the Proprietary Marks as part of your corporate name, Internet domain name, or e-mail address,

or with modifying words, designs or symbols. You may not use the Proprietary Marks for the sale of an unauthorized product or in any other manner not authorized by the Franchise Agreement.

We can modify the Proprietary Marks and/or substitute different marks for use in identifying Mobiledumps Businesses and the System. You must promptly implement any modification or substitution at your own cost and expense. We will have no obligation or liability to you as a result of the modification or substitution.

## **ITEM 14 PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION**

### **Patents**

No patents are material to the operation of your Business.

### **Copyrights**

We and our affiliates claim copyright protection for certain proprietary materials, which include, but are not limited to, the Manual, training materials, advertisements, promotional materials, signs, websites, and specifications. Neither we nor our affiliates have registered the copyrights but we are not required to do so. You can use the materials only for the purpose of developing and operating your Mobiledumps Business. You must notify us of any unauthorized use of our materials. You must also notify us of any challenge to the validity of, or the right to use, any of our materials. We have the right to control any administrative proceeding or litigation that involves our materials. This right includes the right to settle any of those disputes. We may, but are not required to, try to stop other people from using our materials.

### **The Manual and Confidential Information**

We will loan you one copy of, or electronic access to, the Manual, which contains information and knowledge that is unique, necessary and material to the System. The Manual contains detailed standards, specifications, instructions, requirements, methods and procedures for management and operation of Mobiledumps Businesses. You must at all times to operate the Mobiledumps Business in strict conformity with the Manual; maintain the Manual at the Mobiledumps Business; not reproduce the Manual or any part of it; and treat the Manual as confidential and proprietary, and; disclose the contents of the Manual only to your employees who have signed a confidentiality agreement and who have a demonstrated need to know the information contained in the Manual.

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

The Business shall at all times be under the on-site supervision of a General Manager who shall: **(1)** be a full-time employee; **(2)** successfully complete the initial and ongoing training we require; and **(3)** be approved by us, which approval shall have not been withdrawn. You must select the General Manager no later than 6 weeks before the targeted commencement date for operations and the General Manager must successfully complete the initial training program by no later than 10 days before the targeted commencement date for operations. The General Manager is not required to have an ownership interest in the Business.

Designated Principal Employees must successfully complete our training program (see Item 11). Each owner with at least a 10% interest, officers, directors, and limited liability company managers shall be bound by the confidentiality and non-competition restrictions described in Item 17 and must personally guarantee Franchisee's payment and performance. The current form Guarantee is Attachment C to the Franchise Agreement. The personal guarantee includes a commitment to be bound personally by the confidentiality and non-competition provisions of the Franchise Agreement.

**ITEM 16  
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL**

You must only sell the services and products we permit under the System. You may not offer or sell any products or services not listed without obtaining our prior written consent. You must cease selling or offering for sale any products or services that we disapprove at any time. We may change the types of authorized products and services, and there are no limits on our right to make changes.

**ITEM 17  
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION**

**THE FRANCHISE RELATIONSHIP**

**This table lists important provisions of the franchise and related agreements. You should read these provisions in the agreements attached to this disclosure document.**

Provision	Section in Franchise Agreement	Summary
a. Length of the franchise term	2.A	Five years
b. Renewal or extension of the term	2.B	Two five year terms
c. Requirements for you to renew or extend	2.C	Provide written notice of intent to renew; be in compliance with agreements with us and all laws; upgrade equipment; attend training; sign renewal franchise agreement; sign general release (see Exhibit G); pay renewal franchise fee. The renewal franchise agreement may contain terms that are materially different from your expiring Franchise Agreement, such as different fee requirements.
d. Termination by you	Not Applicable	Subject to state law, you may not terminate the Franchise Agreement.
e. Termination by us without cause	Not Applicable	We may not terminate the Franchise Agreement without cause.

Provision	Section in Franchise Agreement	Summary
f. Termination by us with cause	17	We may terminate the Franchise Agreement only if you commit any one of several violations.
g. "Cause" defined - defaults which can be cured	17.A and 17.B	You have 10 days to cure non-payment of fees and 30 days to cure other defaults, except for those described in h. below.
h. "Cause" defined - noncurable defaults	17.C	Two (2) or more notices of default within a twelve (12) month period.
i. Your obligations on termination/ non-renewal	18	Close the Business, pay all amounts due, return Manuals, comply with confidentiality and non-compete restrictions, discontinue use of Proprietary Marks, and modify the equipment
j. Assignment of contract by us	13	There are no restrictions on our right to assign.
k. "Transfer" by you – definition	14.A	Restrictions apply to transfer of any direct or indirect interest in the Agreement, in you, or the assets.
l. Our approval of transfer by you	14.A	We have the right to approve all transfers.
m. Conditions for our approval of transfer	14.B	Transferee qualified; accrued fees paid; no default exists; general release signed (see Exhibit G); required agreements signed; training complete; and transfer fee paid
n. Our right of first refusal to acquire your business	14.C.	We have the right to match any offer.
o. Our option to purchase your business	Not Applicable	
p. Your death or disability	Not Applicable	
q. Non-competition covenants during the term of the franchise	16.B	No diverting customers to a Competing Business and no involvement in a <b>"Competing Business"</b> defined as any business: (1) that offers or provides trash

Provision	Section in Franchise Agreement	Summary
		removal services, or any other product or service that is similar to the services and products authorized to be offered or sold under the Proprietary Marks and the System; or (2) whose method of operation or trade dress is similar to that employed in the System.
r. Non-competition covenants after the franchise is terminated or expires	16.B	No involvement with any Competing Business for two years at or within a thirty (30) mile radius of the Protected Area or of any other then-existing Mobicdumps Business
s. Modification of the agreement	23	No modification generally without signed agreement, but we may modify the System and the Manual.
t. Integration/ merger clause	23	Only the terms of the Franchise Agreement and Operations Manual are binding (subject to state law). Any representations or promises outside of the disclosure document and Franchise Agreement may not be enforceable. Notwithstanding the foregoing, nothing in this or any related agreement is intended to disclaim the express representations made in the Franchise Disclosure Document, its exhibits and amendments.
u. Dispute resolution by arbitration or mediation	Not applicable	
v. Choice of forum	24.B	Subject to state law, you must file in the federal or state court located in the judicial district where we have our principal offices, which is currently Richmond, Virginia. We must file suit in the federal or state court located in the judicial district where our principal offices are located at the time of suit, in the jurisdiction where you reside or do business, where the Business is or was located, or where the claim arose.
w. Choice of law	24.A	Subject to state law, Virginia law applies.

**ITEM 18  
PUBLIC FIGURES**

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

**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.

The Tables below do not include costs of sales, operating expenses or other costs or expenses that must be deducted from gross sales figures to obtain your net income or profit.

We have included Gross Sales for the Period July 1, 2023 to December 31, 2023 because we changed reporting and software programs. Prior data may not be reliable. This data was collected from inputs by franchisees and we have not audited or independently reviewed the data. No units that were open as of July 1, 2023 were excluded. The characteristics of the included franchised Mobicdumps Businesses are generally similar to the franchises offered to prospective franchisees under this Disclosure Document. Written substantiation for the financial performance representation will be made available to you upon reasonable request.

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**HISTORICAL GROSS SALES FOR THE PERIOD JULY 1, 2023 TO DECEMBER 31, 2023  
AT FRANCHISED MOBILEDUMPS BUSINESSES OPEN PRIOR TO JULY 1, 2023**

<i>Open Date</i>	<i>Territory</i>	<i>July Gross Sales</i>	<i>July Jobs</i>	<i>Aug. Gross Sales</i>	<i>Aug. Jobs</i>	<i>Sept. Gross Sales</i>	<i>Sept. Jobs</i>	<i>Oct. Gross Sales</i>	<i>Oct. Jobs</i>	<i>Nov. Gross Sales</i>	<i>Nov. Jobs</i>	<i>Dec. Gross Sales</i>	<i>Dec. Jobs</i>	<i>July – Dec. Gross Sales</i>	<i>July – Dec. Jobs</i>
4/1/2022	1,000,000	24,943	80	20,542	67	15,928	51	17,907	58	13,810	42	9,962	33	103,092	331
4/1/2022	1,000,000	7,661	24	8,749	28	8,417	29	7,558	24	7,275	23	4,510	14	44,170	142
6/1/2022	500,000	3,677	10	6,246	14	9,598	22	5,598	11	8,089	13	6,292	15	39,500	85
6/1/2022	750,000	2,368	7					389	1	1,167	3	1,017	3	4,941	14
8/1/2022	750,000	3,519	12	5,258	14	2,678	4	3,120	10	1,495	5	1,824	6	17,894	51
8/1/2022	750,000	3,578	12	887	3	2,013	7	1,186	4	5,927	13	2,742	9	16,333	48
9/1/2022	1,250,000	22,142	71	15,411	45	14,389	43	11,233	36	11,212	34	12,903	42	87,290	271
11/1/2022	750,000	5,507	24	4,679	16	9,122	37	4,787	17	8,780	25	7,767	26	40,642	145
2/1/2023	750,000	1,996	6	1,598	5	1,696	5	1,726	5	768	2	1,697	4	9,481	27
3/1/2023	750,000	10,525	34	14,372	43	8,577	20	6,799	21	7,047	16	5,815	11	53,134	145
5/1/2023	750,000	4,350	11	2,600	8	2,300	6	6,400	18	3,475	7	3,990	10	23,115	60
7/1/2023	1,250,000	1,885	6	3,286	10	1,676	5	1,337	4	4,260	9	3,051	6	15,495	40
7/1/2023	750,000	1,161	2	2,512	9	2,231	7	1,596	5	2,192	7	1,008	3	10,700	33



For the franchised Mobiledumps Businesses in Table 1, below is the historical average, high, low and median gross sales and jobs for the period July 1, 2023 to December 31, 2023.

\$35,830	107	Average Gross Sales / Average Jobs*
\$103,092	331	Highest Gross Sales / Highest Jobs
\$4,941	14	Lowest Gross Sales / Lowest Jobs
\$23,115	60	Median Gross Sales / Median Jobs**

\*The number and percentage of franchised Mobiledumps Business that exceeded the average gross sales was: 6 or 46%.

\*\*The number and percentage of franchised Mobiledumps Business that met or exceeded the median gross sales was: 7 or 54%.

**“Gross Sales”** means the aggregate amount of all revenues generated from the sale of all products and services sold and all other income of every kind related to the Franchised Business, whether for cash or credit (and regardless of collection in the case of credit), whether from sales in the Protected Area or elsewhere (whether the sales method is permitted or not). Franchisee may not reduce Gross Sales by the amount of any discounts provided to employees, family members and other businesses that Franchisee controls. Gross Sales does not include sales taxes or other taxes collected from customers for transmittal to the appropriate taxing authority, proceeds from the sale of gift cards or stored value cards, and customer refunds made in good faith. Franchisor reserves the right to modify its policies consistent with industry practices regarding revenue recognition, revenue reporting, and the inclusion in or exclusion of certain revenue from Gross Sales as circumstances, business practices, and technology change.

Before signing any documents or making any investment, you must make your own independent investigation regarding the purchase of a Mobiledumps franchise, including independent market and industry reviews and comparisons and talking to current and former Mobiledumps franchisees. You must consult with your own independent advisors, such as attorneys and accountants, to assist in determining the suitability of this investment for you.

**Some Mobiledumps Businesses have sold this amount. Your individual results may differ. There is no assurance that you’ll sell as much.**

Other than the preceding financial performance representation, We do not make any representations about a franchisee’s future financial performance or the past financial performance of company-owned or franchised outlets. 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 our management by contacting Wesley Mullins, Chief Financial Officer, 3425-BW. Leigh St., Richmond, VA 23230, 800-298-DUMP, the Federal Trade Commission and the appropriate state regulatory agencies.

**ITEM 20  
OUTLETS AND FRANCHISEE INFORMATION**

**Table No. 1  
Systemwide Outlet Summary  
For Years 2021 to 2023\***

<b>Outlet Type</b>	<b>Year</b>	<b>Outlets at the Start of the Year</b>	<b>Outlets at the End of the Year</b>	<b>Net Change</b>
Franchised Outlets	2021	0	0	0
	2022	0	8	+8
	2023	8	25	+17
Company-Owned Outlets	2021	2	2	0
	2022	2	0	-2
	2023	0	0	0
Total Outlets	2021	2	2	0
	2022	2	8	+6
	2023	8	25	+17

**Table No. 2  
Transfers of Outlets from Franchisees to New Owners  
(Other than the Franchisor)  
For Years 2021 to 2023\***

<b>State</b>	<b>Year</b>	<b>Number of Transfers</b>
Total	2021	0
	2022	0
	2023	0

**Table No. 3  
Status of Franchised Outlets  
For Years 2021 to 2023\***

<b>State</b>	<b>Year</b>	<b>Outlets at Start of Year</b>	<b>Outlets Opened</b>	<b>Terminations</b>	<b>Non-Renewals</b>	<b>Reacquired by Franchisor</b>	<b>Ceased Operations Other Reasons</b>	<b>Outlets at End of the Year</b>
Arizona	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
California	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	3	0	0	0	0	3
Florida	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
	2023	1	2	0	0	0	0	3

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations Other Reasons	Outlets at End of the Year
Georgia	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
	2023	1	1	0	0	0	0	2
Illinois	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
Maryland	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
Massachusetts	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
	2023	1	0	0	0	0	0	1
North Carolina	2021	0	0	0	0	0	0	0
	2022	0	2	0	0	0	0	2
	2023	2	1	0	0	0	0	3
Ohio	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
Pennsylvania	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
Texas	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
	2023	1	3	0	0	0	0	4
Virginia	2021	0	0	0	0	0	0	0
	2022	0	2**	0	0	0	0	2
	2023	2	1	0	0	0	0	3
Washington	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
Total	2021	0	0	0	0	0	0	0
	2022	0	8	0	0	0	0	8
	2023	8	17	0	0	0	0	25

**Table No. 4**  
**Status of Company-Owned Outlets**  
**For Years 2021 to 2023\***

State	Year	Outlets at Start of Year	Outlets Opened	Reacquired from Franchisees	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of the Year
Virginia	2021	2	0	0	0	0	2
	2022	2	0	0	0	2	0
	2023	0	0	0	0	0	0
Total	2021	2	0	0	0	0	2
	2022	2	0	0	0	2	0
	2023	0	0	0	0	0	0

**Notes for Tables 1 – 4:**

\* The numbers for 2021-2023 are as of December 31 our fiscal year end. States not listed had no activity to report.

\*\*These 2 businesses were sold to a franchisee who commenced operations as of April 1, 2022. See franchisee information in Exhibit F.

**Table No. 5**  
**Projected Openings as of December 31, 2023**

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
Arkansas	1	0	0
Nevada	1	0	0
New York	1	0	0
Total	3	0	0

Attached as Exhibit F is a list of franchised locations, franchise agreements signed but not yet open, and those franchisees who had an outlet terminated, transferred cancelled, not renewed, cease to operate or otherwise voluntarily or involuntarily ceased to do business under a Franchise Agreement during the most recently completed fiscal year, or who have 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.

During the last three fiscal years, no current or former franchisees have signed confidentiality clauses that restrict them from discussing with you their experiences as a franchisee in our franchise system. There are no trademark-specific franchisee organization associated with the franchise system offered in this Franchise Disclosure Document and no independent franchisee organization has asked to be included in this Franchise Disclosure Document.

**ITEM 21  
FINANCIAL STATEMENTS**

Exhibit C contains our financial statements as of December 31, 2023, December 31, 2022, and December 31, 2021. Our fiscal year ends on December 31 of each year.

**ITEM 22  
CONTRACTS**

Attached as Exhibits to this disclosure document are the following contracts:

Exhibit A	Franchise Agreement
Exhibit E	State Addenda
Exhibit G	General Release

**ITEM 23  
RECEIPTS**

Two copies of an acknowledgement of your receipt of this Disclosure Document appear at the last two pages of this Disclosure Document. Please date, sign and return one copy to us and keep the other with this Disclosure Document for your records.

# **EXHIBIT A**

## **FRANCHISE AGREEMENT**

**MOBILEDUMPS  
FRANCHISE AGREEMENT**

**Franchisee:**

**Protected Area:**

**FRANCHISE AGREEMENT**

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## MOBILEDUMPS FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (“**Agreement**”) is entered into as of \_\_\_\_\_, 20\_\_\_\_ (the “**Effective Date**”) by and between **Mobiledumps Franchising, LLC** a Virginia limited liability company (“**Franchisor**”) and the person(s) or entity identified on Attachment A to this Agreement (“**Franchisee**”)

### BACKGROUND

A. Franchisor and its affiliates have developed a system relating to the establishment and operation of a professional, timely, cost-effective mobile dumpster service that allows residential and commercial customers to schedule drop offs and pickups and manage the disposal process in a convenient time frame (the “**System**”).

B. The distinguishing characteristics of the System include, but are not limited to, the process developed for delivery and pick up of mobile dumpsters; a dumpster design that facilitates a seamless loading process, eliminates unsightly and possibly illegal street placement of dumpsters and limits the occurrence of property damage during drop offs and pickups; back end systems to manage business; specialized technology or software programs; operating standards and procedures; advertising and promotional programs and marketing techniques; customer service standards; and the accumulated experience reflected in Franchisor’s operating procedures and training program; all of which Franchisor may change, improve, and further develop from time to time.

C. Franchisor and its affiliates identify the businesses operating under the System by means of certain trade names, service marks, trademarks, logos, emblems, and indicia of origin, including the mark “**Mobiledumps**” and such other trade names, service marks, and trademarks as Franchisor may in the future designate for use in connection with the System (collectively, the “**Proprietary Marks**”).

D. Franchisee wishes to obtain the right to establish and operate a Mobiledumps business (the “**Franchised Business**”) in the geographic Protected Area identified in Attachment A (the “**Protected Area**”). The Protected Area will be determined by zip codes.

E. Franchisee understands and acknowledges the importance of Franchisor’s standards of quality, operations and service and the necessity of developing and operating the Franchised Business in strict conformity with this Agreement and Franchisor’s confidential operations manual (the “**Manuals**”).

NOW THEREFORE, the parties, in consideration of the undertakings and commitments of each party to the other party set forth herein, hereby agree as follows:

### 1 GRANT OF FRANCHISE AND PROTECTED AREA

**A. Grant.** During the term of this Agreement, Franchisor grants Franchisee the non-exclusive right, and Franchisee undertakes the obligation, on the terms and conditions set forth in this Agreement, to establish and operate the Franchised Business only within the Protected Area. Franchisee shall have the right to use the Proprietary Marks, Manuals and the System solely in connection with the operation of the Franchised Business.

**B. Protected Area.** During the term of this Agreement, Franchisor will not operate, or grant the right to any other individual or entity to operate, a Mobiledumps franchise in the Protected Area, except as otherwise provided in Sections 1.C. (1) through 1.C. (6) below. Franchisee will service orders placed from addresses in the Protected Area.

**C. Reservation of Rights.** Franchisor and its affiliates reserve all rights not expressly granted to Franchisee under this Agreement. Nothing in this Agreement shall prevent Franchisor and its affiliates from engaging with, licensing or operating other businesses, including those that may compete with the

Franchised Business. Notwithstanding proximity to the Protected Area or any actual or threatened impact on sales of the Franchised Business, Franchisor and its affiliates may do any of the following:

(1) Operate or license others to operate at any location any other type of dumpster business (such as a roll off dumpster business) or event toilets that is not a mobile dumpster on wheels or on a trailer; provided that if Franchisor intends to offer or grant a third party the right to offer such services in the Protected Area, Franchisor shall provide Franchisee written notice that such services will be offered ("Additional Services Notice"). Franchisee will have fifteen (15) days after Franchisor gives Franchisee the Additional Services Notice (the "Response Period") within which to decide whether to Franchisee desires to add those additional services to this Agreement and sign an amendment to this Agreement. Franchisor may charge any then current fees being charged to other operators for the right to offer such services. If Franchisee notifies Franchisor that Franchisee elects not to add these services or Franchisee does not give Franchisor notice by the end of the Response Period, Franchisor may offer the right to conduct such services in the Protected Area to third parties;

(2) Operate or license others to operate Mobiledumps businesses at any location outside of the Protected Area;

(3) Operate or license others to operate, after this Agreement terminates or expires, Mobiledumps businesses at any location, including within the Protected Area;

(4) Merchandise and distribute goods and services identified by the Proprietary Marks at any location through any other method or channel of distribution;

(5) Develop and own other franchise systems for the same or similar products and services using trade names and trademarks other than the Proprietary Marks; and

(6) Purchase, be purchased by, merge or combine with, businesses that compete with Mobiledumps businesses.

## 2 TERM

**A. Initial Term.** This initial term of the Agreement shall begin on the Effective Date and continue thereafter for a period of five (5) years, unless otherwise terminated sooner as provided in this Agreement (the "Initial Term").

**B. Renewal Terms.** Franchisee may renew this Agreement for two (2) additional terms of five (5) years (a "Renewal Term"), provided the Conditions for a Renewal Term are satisfied as described below.

### **C. Conditions for a Renewal Term:**

(1) Franchisee must give Franchisor written notice of Franchisee's election to renew no fewer than three (3) months and no more than six (6) months prior to the expiration the Initial Term;

(2) Franchisee must not be in default under this Agreement or any other agreements with Franchisor and/or Franchisor's affiliates; Franchisee must not be in default beyond the applicable cure period under any real estate lease, equipment lease or financing instrument relating to the Franchised Business; Franchisee must not be in default beyond the applicable cure period with any vendor or supplier to the Franchised Business; and, for the twelve (12) months before the date of Franchisee's renewal notice and the twelve (12) months before the expiration of the Initial Term, Franchisee must not have been in material default beyond the applicable cure period under this Agreement or any other agreements with Franchisor and/or Franchisor's affiliates;

(3) Franchisee must make the capital expenditures required to upgrade all equipment used in the operation of the Franchised Business to conform to the requirements then in effect for new franchised businesses;

(4) As determined by Franchisor in its' sole discretion, Franchisee has operated the Franchised Business, and Franchisee and its affiliates have operated all of Franchisee's other franchised businesses, in accordance with the applicable franchise agreements and the System (as set forth in the Manuals or otherwise and as revised by Franchisor);

(5) Franchisee must be operating the Franchised Business in full compliance with all federal, state and local laws and regulations and Franchisee must demonstrate that Franchisee is able to maintain all licenses and permits necessary to continue to operate the Franchised Business for the Renewal Term; and

(6) Franchisee must comply with Franchisor's qualification and training requirements for new MobileDumps franchisees.

**D. Renewal Franchise Agreement.** If the Franchise Agreement is renewed under the terms of this Agreement, Franchisee and its owners must: (1) Sign Franchisor's then-current form of renewal franchise agreement (modified as necessary to reflect the fact that it is a renewal franchise agreement), which will supersede this Agreement in all respects and which may provide for higher fees, fees not included in this Agreement, and other terms and conditions materially different from the terms of this Agreement; (2) Sign a general release, in a form Franchisor prescribes, of any and all claims against Franchisor, Franchisor's affiliates, and their respective past and present officers, directors, shareholders, and employees, in their corporate and individual capacities; and (3) Pay Franchisor a renewal franchise fee of twenty five percent (25%) of the then current Initial Franchise Fee (the "**Renewal Franchise Fee**"). Franchisee's failure to sign the renewal franchise agreement and general release and return these documents to Franchisor with the Renewal Franchise Fee prior to the expiration of the Initial Term will be deemed an election by Franchisee not to exercise its right to remain a Franchisee for the Renewal Term and will result in the expiration of this Agreement and the franchise granted by this Agreement at the expiration of the Initial Term.

### 3 FEES

**A. Initial Franchise Fee.** Upon execution of this Agreement and in consideration of the franchise rights granted herein, Franchisee shall pay Franchisor a non-refundable fee in the amount set forth in Attachment A (the "**Initial Franchise Fee**").

**B. Continuing Fees.** All jobs or work booked by or for customers and completed by the Franchised Business must be entered into Franchisor's designated business management system. All money collected for such work must be transmitted through the business management system. From the monies collected, Franchisor will retain the following amounts (along with any other amounts due to Franchisor) and then remit to Franchisee the remainder by electronic funds transfer with a summary report of the monies collected and fees retained:

(1) **Royalty Fee.** Commencing as of the later of (a) the Effective Date or (b) the date Franchisee commences operation of the Franchised Business, for each week, a non-refundable fee in an amount equal to seven percent (7%) of the Gross Sales of the Franchised Business (the "**Royalty Fee**"); provided that, commencing as of the 7<sup>th</sup> month of operations, Franchisee must pay a minimum monthly Royalty payment based upon the number of trailers in operation. When Franchisee adds trailers, Franchisee must pay the minimum Royalty for each trailer commencing on the date the trailer is put into service based upon the schedule below:

Year trailer is put into service	Minimum Royalty Due Per Trailer
Year 1	\$100
Year 2	\$150
Year 3 and remainder of term	\$200

Franchisor will on a quarterly basis review the percentage Royalty Fee paid for the prior three months and if that amount is less than the minimum royalty, Franchisor will collect the difference.

**(2) IT Services Fee.** For each month, a non-refundable IT services fee in an amount of \$175 per truck, plus \$100 IT fee (the “**IT Services Fee**”). The IT Services fee is due upon opening of the market. Upon notice to Franchisee, Franchisor may increase the IT Services Fee. Currently, Franchisor requires Franchisee to use the approved business management system and the optional and mandatory components are set forth in Attachment A. Franchisor shall be permitted to change the software at any time.

**(3) Brand Building Fund Fee.** For each week, a non-refundable brand building fund fee (the “**Brand Building Fund Fee**”) of 1% of Gross Sales is due to the Franchisor; provided that, the minimum annual Brand Building Fund Fee is \$1,200 in Year 1, \$1,800 in Year 2, and \$2,400 in Year 3 and remainder of term. The Brand Building Fund Fee is due upon opening of the market. Annually on the date Franchisor specifies, Franchisor will review the total Brand Building Fund Fees paid and if that amount is less than the minimum Brand Building Fee, Franchisor will collect the difference.

**(4) Other Fees / Amounts.** If Franchisor incurs any fees, charges, costs, expenses or amounts reasonably attributable to Franchisee’s operation of the Franchised Business not otherwise required to be provided by Franchisor pursuant to the terms hereof or incurred by Franchisor’s efforts to obtain Franchisee’s compliance with this Agreement, Franchisor shall be permitted to deduct such reasonable amounts upon notice to Franchisee.

**C. Gross Sales Definition.** As used in this Agreement, “**Gross Sales**” means the aggregate amount of all revenues generated from the sale of all products and services sold and all other income of every kind related to the Franchised Business, whether for cash or credit (and regardless of collection in the case of credit), whether from sales in the Protected Area or elsewhere (whether the sales method is permitted or not). Franchisee may not reduce Gross Sales by the amount of any discounts provided to employees, family members and other businesses that Franchisee controls. Gross Sales does not include sales taxes or other taxes collected from customers for transmittal to the appropriate taxing authority, proceeds from the sale of gift cards or stored value cards, and customer refunds made in good faith. Franchisor reserves the right to modify its policies consistent with industry practices regarding revenue recognition, revenue reporting, and the inclusion in or exclusion of certain revenue from Gross Sales as circumstances, business practices, and technology change.

**D. Payments.** For any payments due to Franchisor, Franchisee acknowledges that Franchisor may, in Franchisor’s sole discretion, modify the payment amounts, payment due dates and process for calculation and payment of such amounts. Franchisee must complete the ACH form attached as Attachment D and agrees that, notwithstanding the current payment set up under Section 3.B., Franchisor may debit the identified account for any amount due to Franchisor.

**E. Sales Records.** Franchisee agrees that sales records for the Franchised Business will be maintained in the business management system, required by Franchisor and that Franchisor shall have unlimited access to such records.

**F. Interest.** If any payment by Franchisee due to Franchisor is not received by Franchisor by the date due, Franchisee, in addition to paying the amount owed, shall pay Franchisor interest on the amount owed from the date due until paid at the maximum rate permitted for indebtedness of this nature in the state in which the Franchised Business is located, not to exceed 1.5% per fiscal period (or a portion of a fiscal period). Payment of interest by Franchisee on past due obligations is in addition to all other remedies and rights available to Franchisor under this Agreement or under applicable law.

#### **4 RECORDKEEPING AND REPORTS**

**A. Recordkeeping / Reports.** Franchisee agrees to use any systems and to record all jobs or work performed by the Franchised Business in the Protected Area as required by Franchisor. Franchisee will keep accurate books and records for the Franchised Business, using generally accepted accounting principles. Franchisee shall submit to Franchisor, for review or auditing, any forms, reports, records, information and data regarding the Franchised Business as Franchisor may reasonably designate, in the form and at the times and places reasonably required by Franchisor.

**B. Audit Rights.** Franchisor or its designee shall have the right at all reasonable times, both during and after the Term of this Agreement, to inspect, copy and audit the books and records related to the operation of the Franchised Business. If an inspection or audit discloses an understatement of Gross Sales or any other issue, Franchisee shall pay Franchisor the deficiency in the fees, plus interest. If any inspection or audit discloses an understatement of Gross Sales for the period of the audit greater than 5%, Franchisee also shall reimburse Franchisor for the reasonable cost of the audit or inspection.

#### **5 ADVERTISING AND PROMOTION**

**A. Brand Building Fund.** Franchisor has established and will administer the Brand Building Fund for the enhancement, promotion and protection of the System and the Proprietary Marks, and for the development of advertising, marketing, and public relations programs and materials as Franchisor deems appropriate. Franchisor have the sole right to direct all advertising, media placement, marketing and public relations programs and activities financed by the Brand Building Fund, with final discretion over the strategic direction, creative concepts, materials and endorsements used and the geographic, market and media placement and allocation. Franchisor may use monies in the Brand Building Fund to pay reasonable salaries and expenses of our and our affiliates' employees who work on advertising, marketing, public relations materials, programs, activities or promotions prepared, planned or undertaken on behalf of the Brand Building Fund and professional fees and administrative costs and overhead that Franchisor or our affiliates incur in activities reasonably related to the administration and activities of the Brand Building Fund (including accounting fees, legal fees, and interest on monies borrowed by the Brand Building Fund). Franchisee agrees to participate in all advertising, marketing, promotions, research and public relations programs instituted by the Brand Building Fund. Franchisor requires Franchisee to pay the Brand Building Fund Fee stated in Section 3.B.(3). Franchisor is not obligated, in administering the Brand Building Fund, to make expenditures for Franchisee which are equivalent or proportional to any fee, or to ensure that any particular franchisee benefits directly or pro rata from expenditures by the Brand Building Fund. Nothing in this Agreement will be construed to create a trust or fiduciary relationship of any kind or nature whatsoever among the parties as it relates to the Brand Building Fund. Franchisor will prepare an annual, unaudited statement of Brand Building Fund collections and expenses within ninety (90) days after Franchisor's fiscal year end and, upon written request, will provide a copy of the statement to any franchisee. Franchisor retains the final authority on all programs financed by the Brand Building Fund. Franchisor have the right to change or dissolve the Brand Building Fund at any time. If Franchisor disbands the Brand Building Fund, Franchisor will spend all monies in the fund for any above described activities or distribute all unspent monies to contributors in proportion to their respective Brand Building Fund Fees during the preceding twelve (12) month period.

**B. Local Advertising Requirement.** Franchisor requires Franchisee to spend two percent (2%) of Gross Sales per month to conduct local advertising and marketing in the Protected Area ("**Local Advertising Requirement**"). The Local Advertising Requirement begins upon opening of the market. For the Local Store Requirement, Franchisee must spend a minimum of \$300 per month in Year 1, \$400 per

month in Year 2, and \$500 per month in Year 3 and remainder of term.. If Franchisee does not spend that amount, Franchisor can require Franchisee to pay the amount not spent into the Brand Building Fund.

**C. Approval Requirement.** All advertising and promotion by Franchisee must be approved by Franchisor prior to use, must be conducted in a dignified manner, and must conform to our standards and requirements. Franchisee must submit written samples of all proposed advertising and promotional plans and materials to Franchisor for its approval at least fifteen (15) days before their intended use, unless the plans and materials were prepared by Franchisor or have been approved by us within the last twelve (12) months. Proposed advertising plans or materials will be deemed to have been rejected if Franchisor has not approved them within fifteen (15) days after receipt. Franchisor reserves the right to require Franchisee to discontinue the use of any advertising or marketing material that Franchisor previously approved upon notice.

**D. Electronic Marketing and Electronic Communications.** Franchisor may host and maintain an independent location webpage for the Franchised Business at an Internet address that Franchisor specifies. Franchisee may not use, register, maintain, or sponsor any URL, social networking platform, blog, messaging system, email account, user name, text address, mobile application, or other electronic, mobile or internet presence that uses or displays any of the Proprietary Marks (or any derivative thereof) or that promotes any products or services of the Franchised Business. Franchisee acknowledges that the use of any electronic medium constitutes advertising and promotion subject to Franchisor's approval. Franchisee agrees not to transmit, or cause any other party to transmit, advertisements or solicitations by broadcast media, telephone, e-mail, text message, instant message, social network, VOIP, streaming media, or other electronic media that currently exists or may exist in the future without first obtaining Franchisor's written consent as to: (1) the content of the advertisements or solicitations; and (2) the type of media intended to be used. All telephone answering messages, email auto-signatures, and other identifiers of the Franchised Business must be in the form Franchisor prescribes. Franchisee shall comply with the standards for the System, as set forth in the Manual or otherwise, with regard to the use of, blogs, common social networks (including Facebook, Instagram and Pinterest), professional networks (including LinkedIn), live blogging tools (including Twitter), virtual worlds, file, audio and sharing sites and other similar social networking media or tools that in any way reference the Proprietary Marks or involve the System. Franchisee must permit us to review and provide us with passwords and access rights to any electronic marketing Franchisee uses.

## **6 OPERATION PROCEDURES MANUAL**

Franchisor shall loan to Franchisee during the term of this Agreement one copy of, or provide Franchisee electronic access to, Franchisor's confidential and proprietary Manuals which contain information and knowledge that is distinctive, necessary and material to the System. "Manuals" includes all written correspondence from Franchisor regarding the System, other publications, materials, drawings, memoranda, videotapes, audio tapes, CDs, DVDs and electronic media that Franchisor from time to time may provide to Franchisee. Franchisor may supplement and amend the Manuals from time to time. Franchisor reserves the right to furnish all or part of the Manuals to Franchisee in electronic form or online (including by Intranet) and establish terms of use for access to any restricted portion of Franchisor's webs site. Franchisee agrees to keep its copy of the Manuals current and up-to-date at all times; operate the Franchised Business in strict conformity with the Manuals; maintain the Manuals at the Franchised Business; not reproduce the Manuals or any part of it; and treat the Manuals as confidential and proprietary and disclose the contents of the Manuals only to those employees of Franchisee who have a need to know.

## **7 MODIFICATIONS OF THE SYSTEM**

Franchisor, in its sole discretion, may change or modify any or all of the components of the System. Franchisee must accept and use or display in the Franchised Business any such changes or modifications in the System or its components as if they were a part of the System at the time this Agreement was executed, and Franchisee will make such expenditures as the changes or modifications may reasonably require. Notwithstanding the foregoing, Franchisor will not require Franchisee to adopt a change or modification to the System unless Franchisor determines, in the exercise of its reasonable business

judgment, that the required expenditure is reasonable in light of the remaining term of Franchisee's contract to operate the Franchised Business. Franchisor shall have the right, in its sole discretion, to waive, defer or permit variations from the standards of the System or any applicable agreement to any Franchisee or prospective Franchisee and the right, in its sole discretion, to deny any such requests.

## **8 PREMISES AND COMMENCING OPERATIONS**

**A. Select Site.** Franchisee shall select a site which must permit the parking and storage of commercial trucks and trailers necessary to operate the Franchised Business. In addition, Franchisee shall select an office site with an address to which deliveries can be made from which to conduct administrative operations relating to the Franchised Business. The office location can be the same as the storage site, or they may be different locations. Franchisor has the right to inspect the site(s), whether virtually or in person, prior to operations commencing. Upon notice to Franchisor of the site, that site will be recorded as the Premises in Attachment A.

**B. Acquisition of Equipment, Supplies and Signs.** Franchisee must purchase or lease approved brands, types or models of equipment (including trucks and dump trailers at initial acquisition and replacement – see Attachment A for the current requirements) supplies and signs only from suppliers designated or approved by Franchisor, which may include Franchisor or Franchisor's affiliates. If Franchisee proposes to purchase, lease or otherwise use any items which have not been approved by Franchisor, Franchisee must first notify Franchisor in writing and, at Franchisee's sole expense, submit to Franchisor upon Franchisor's request sufficient specifications, photographs, drawings and/or other information or samples for a determination as to whether those items comply with Franchisor's specifications and standards. Franchisor will, in Franchisor's sole discretion, approve or reject the items and notify Franchisee within thirty (30) days after Franchisor receive the request.

**C. Approval for Commencing Operations.** Franchisee will notify Franchisor of the anticipated date Franchisee will commence operations. Franchisor has the right to conduct an inspection of the Premises, whether virtually or in person, for compliance with the System and approve Franchisee to begin operating the Franchised Business.

## **9 TRAINING, ASSISTANCE, INSPECTIONS**

**A. Initial Training Program.** Franchisor will provide the Franchisee, the General Partner, and/or their selected employees (collectively "**Designated Principal Employees**"), an initial training program in the operation of the Franchised Business. The training will take place in Richmond, Virginia over a period of two days conducted at such times and locations determined by Franchisor. Franchisor may, in its sole discretion, modify the required training. For the first group of Designated Principal Employees who attend the initial training program, Franchisor shall not charge Franchisee the Initial Training Fee. If replacement or additional employees attend the initial training program or if the Designated Principal Employees must attend re-training, Franchisee shall pay Franchisor the then-current tuition fee as established by Franchisor. Franchisee must pay all travel, living and other expenses incurred by the Designated Principal Employees while attending the training. If the training occurs in a location other than Richmond, Virginia, the Franchisee shall pay Franchisor (in addition to the tuition fee), all travel, living and other expenses incurred by Franchisor personnel to conduct such training. Franchisor reserves the right to dismiss from the training program any attendee whom Franchisor does not believe will perform acceptably in the position for which he / she has been hired by Franchisee and Franchisee promptly shall designate a qualified replacement.

**B. Other Training.** Franchisor shall have the right (which may be exercised at any time and in Franchisor's sole discretion, including but not limited to, if Franchisee fails to remedy, or has significant violations, against any Systems or Manuals) to require those employees hired by Franchisee to fill certain designated positions to take and successfully complete training courses in addition to those identified in Section 9.A. Franchisor reserves the right to require Franchisee to pay a tuition fee for these additional training programs as established by Franchisor from time to time. Franchisee will be required to pay all travel, living and other expenses incurred by Franchisee's employees while attending the training. If

Franchisor conducts any training (including under Sections 9.A. or 9.B) at or near the Franchised Business location, Franchisee shall reimburse Franchisor for all costs and expenses incurred to conduct such training.

**C. Training by Franchisee.** Franchisee shall conduct such training programs for employees of the Franchised Business as Franchisor may require from time to time, and Franchisee shall ensure that all of its employees have been trained in the proper operation of the Franchised Business.

**D. Post-Opening Assistance.** Franchisor periodically, as it deems appropriate, will consult with Franchisee in connection with the operation of the Franchised Business. Franchisor may provide these services through visits by Franchisor's representatives to the Franchised Business or Franchisee's offices, the distribution of printed or filmed material or electronic information, meetings or seminars, telephone communications, email communications or other communications.

**E. Right to Inspect.** Franchisor or its designees shall have the right at any reasonable time and without prior notice to inspect and examine the operations, facilities and equipment including, but not limited to, all vehicles and dumpsters used in connection with Franchised Business, the right to observe, photograph and videotape the operations of the Franchised Business, interview personnel and customers of the Franchised Business and inspect and copy any documents relating to the operation of the Franchised Business. Franchisee agrees to cooperate with Franchisor in connection with any such inspections, observations, videotaping, and interviews. Franchisee shall take all necessary steps to immediately correct any deficiencies detected during these inspections. Franchisee must undertake all reasonable efforts to facilitate Franchisor's ability to conduct inspections at the Franchised Business.

Franchisee shall participate in programs initiated to verify customer satisfaction and/or Franchisee's compliance with all operational and other aspects of the System, including (but not limited to) an 800 number, secret shoppers or other programs as Franchisor may require. Franchisor will share the results of these programs, as they pertain to the Franchised Business, with Franchisee. Franchisee will reimburse Franchisor for all costs related to the Franchised Business associated with any and all of these programs.

**F. Delegation.** Franchisor has the right to delegate the performance of any portion or all of its obligations and duties under this Agreement to designees with which Franchisor has contracted to perform Franchisor's obligations or duties.

## 10 PERFORMANCE STANDARDS AND UNIFORMITY OF OPERATION

**A. Standards, Specifications and Procedure.** Franchisee agrees to comply with all System specifications, standards and operating procedures (whether contained in the Manuals or any other written communication to Franchisee) relating to the appearance, function, and operation of the Franchised Business. Mandatory specifications, standards and operating procedures, including upgraded or additional equipment, point of sale upgrades, or required products or services that Franchisor prescribes from time to time in the Manuals or otherwise communicates to Franchisee in writing, shall constitute provisions of this Agreement as if fully set forth in this Agreement.

**B. Approved Products, Distributors and Suppliers.** Franchisor has the right to require that all supplies, equipment (including trailers and trucks per Attachment A), information technology services, credit card processing services, and other products and services that Franchisee purchases for operation of or sale in the Franchised Business: (1) meet specifications that Franchisor establishes; and/or (2) be purchased only from suppliers that Franchisor has expressly approved; and/or (3) be purchased only from a manufacturer, wholesaler, distributor, dealer, retailer, or other vendor or source that Franchisor designates as the source for particular products or services (a "**Designated Supplier**") (which may be Franchisor or an affiliate or a buying cooperative that Franchisor organizes); and/or (4) establish distribution facilities (directly, through Franchisor's affiliates, and/or its designees), and designate these as Designated Suppliers or approved suppliers. To the extent that Franchisor establishes specifications, requires approval



of suppliers, or names Designated Suppliers for particular items, Franchisor will provide the requirements to Franchisee in writing.

**C. Alternative Supplier Approval Process.** If Franchisee proposes to purchase any goods or materials (that Franchisee is not required to purchase from Franchisor, an affiliate of Franchisor or a designated supplier) from a supplier that Franchisor has not previously approved, Franchisee shall notify Franchisor and submit to Franchisor a written request for such approval, or shall request the supplier to do so itself. Franchisor has the right to require, as a condition of its approval, that its representatives be permitted to inspect the supplier's facilities, and that such information, specifications and samples as Franchisor reasonably designates be delivered to Franchisor and/or to an independent, certified laboratory designated by Franchisor for testing prior to granting approval. A charge not to exceed the actual cost of the test may be made by Franchisor or by an independent testing laboratory designated by Franchisor and shall be paid for by Franchisee. Franchisor shall notify Franchisee within 60 days after receipt of a request from Franchisee as to whether Franchisee is authorized to purchase items from the proposed supplier. Franchisor may periodically require that the testing be performed again at Franchisee's expense to ensure that the supplier continues to meet Franchisor's specifications.

**D. Hardware and Software.** Franchisee agrees to procure, install and periodically update or replace, at its sole expense, such data processing equipment, computer hardware and software, required dedicated telephone and power lines, high speed Internet connections, modems, printers and other computer-related accessory or peripheral equipment as necessary to permit Franchisor to receive from Franchisee, within the time periods required by this Agreement or as otherwise required by Franchisor, that information and in that format/media as reasonably specified by Franchisor. Franchisee shall, at its expense, ensure that its computer-related systems comply with all applicable data security standards and laws.

**E. Upkeep of the Franchised Business.** Franchisee shall constantly maintain and continuously operate the Franchised Business including the trucks and trailers, signage, and supplies, in first-class condition and repair in accordance with the requirements of the System. Franchisee shall promptly and diligently perform all necessary maintenance, repairs and replacements as Franchisor may prescribe from time to time. Franchisee shall not make any material alterations to the Franchised Business that affect operations or the image of the System without Franchisor's prior written approval.

**F. Service Availability.** Franchisee must provide weekday and weekend availability of service to customers.

**G. Franchised Business Management.** The Franchised Business shall at all times be under the on-site supervision of a General Manager who shall: **(1)** be a full-time employee of Franchisee, or the Franchisee if the Franchisee is a sole proprietor; **(2)** successfully complete the initial and ongoing training required by Franchisor; and **(3)** be approved by Franchisor, which approval shall have not been withdrawn. Franchisee must select the General Manager no later than 6 weeks before the targeted commencement date for operations and the General Manager must successfully complete the initial training program by no later than 2 weeks before the targeted commencement date for operations.

**H. Franchised Business Personnel.** Franchisee agrees to maintain a competent, conscientious, trained staff in numbers sufficient to promptly service customers. Franchisee has sole responsibility for all employment decisions and functions of the Franchised Business, including those related to hiring, firing, training, wage and hour requirements, recordkeeping, supervision, and discipline of employees, despite any information or advice Franchisor may provide. Franchisee must maintain a competent, conscientious, trained staff with enough workers to operate the Franchised Business in conformance with Franchisor's standards. Franchisee must take such steps as are necessary to ensure that Franchisee's employees preserve good customer relations; render competent, prompt, courteous, and knowledgeable service; and meet such minimum standards as Franchisor may establish in the Manuals.

**I. Signs and Logos.** As required by Franchisor, Franchisee shall prominently display on any equipment (including trucks and trailers) any required signs and logos using the name "Mobiledumps"

and those other names, marks, advertising signs and logos, of such nature, form, color, number, location and size, and containing that information, required by Franchisor. Franchisee shall not display on any equipment any sign, logo or advertising media of any kind to which Franchisor objects. Franchisee shall, where appropriate, in communications with customers and documentation for work performed, indicate that the Franchised Business is operated by Franchisee as an independent contractor.

**J. Compliance with Laws and Good Business Practices.** Franchisee shall secure and maintain in force in its name all required licenses, permits and certificates relating to the operation of the Franchised Business. Franchisee shall operate the Franchised Business in full compliance with all applicable laws, ordinances and regulations including, without limitation, the withholding and payment of federal and state income taxes, social security taxes, sales, use and excise taxes, personal property taxes and the maintenance of all workers' compensation, unemployment and similar insurance. Franchisee shall timely pay all obligations relating to the Franchised Business. Franchisee shall, in all dealings with Franchisee's customers, suppliers and the public, adhere to the highest standards of honesty, integrity, fair dealing and ethical conduct. Franchisee shall refrain from any business or advertising practice that may be injurious to the goodwill associated with the Proprietary Marks or the business of Franchisor or its affiliates, the System or businesses operated or franchised by Franchisor or its affiliates.

## **11 PROPRIETARY MARKS**

Proprietary Marks refers to all words, symbols, insignia, devices, designs, trade names, service marks or combinations thereof designated by Franchisor as identifying the System and the products sold and services provided in connection with the System. Franchisor shall, from time to time, advise Franchisee as to any additions or deletions to the Proprietary Marks and Franchisee's right to use the Proprietary Marks shall be deemed modified by those additions or deletions. Franchisor may select another name to identify the System and notify Franchisee to change all or some items bearing the Proprietary Marks to the new name within a reasonable period of time as determined by Franchisor without any liability to Franchisee, and the System and this Agreement shall be deemed amended to substitute that name.

Franchisee's right to use the Proprietary Marks is limited to its use of the Proprietary Marks in the operation of the Franchised Business in the Protected Area and as expressly provided in this Agreement and the Manuals. Franchisee shall not use the Proprietary Marks or any variations of the Proprietary Marks or marks or names confusingly similar to any of the Proprietary Marks in any manner not authorized by Franchisor or in any corporate, limited liability company, partnership or other business entity name and shall not use any other trade names, service marks or trademarks in conjunction with the Franchised Business. Franchisee shall use the symbol ® with all registered trademarks and the symbol ™ with all pending registrations or other trademarks or service marks.

Franchisee agrees that the Proprietary Marks are the sole property of Franchisor and its affiliates, that Franchisee shall not directly or indirectly contest the validity or ownership of the Proprietary Marks or Franchisor's right to license the Proprietary Marks, and that any and all uses by Franchisee of the Proprietary Marks and the goodwill arising therefrom shall inure exclusively to the benefit of Franchisor and its affiliates. Franchisee promptly shall inform Franchisor in writing as to any infringement of the Proprietary Marks of which Franchisee is aware or any litigation (including administrative or arbitration proceedings) instituted against Franchisee relating to the Proprietary Marks.

## **12 INSURANCE**

Franchisee shall, at its cost and expense, maintain that insurance as Franchisee deems necessary or desirable with respect to the Franchised Business. Franchisee will procure, prior to the opening of the Franchised Business, and maintain in full force and effect at all times during the operation of the Franchised Business, at Franchisee's expense, an insurance policy or policies protecting Franchisee, Franchisor, their respective parents, affiliates and subsidiaries, and the partners, shareholders, members, owners, directors, and employees of each such entity, against any demand or claim with respect to personal and bodily injury, death, or property damage, or any loss, liability, or expense whatsoever arising out of Franchisee's acts or omissions in the operation of the Franchised Business. Franchisor may designate the required coverages

and required policy amounts in the Manuals or otherwise. Such policy or policies will: (a) be written by insurer(s) licensed and admitted to write coverage in the states in which the Franchised Business is located and reasonably acceptable to Franchisor; and (b) include Franchisor (including any parent, affiliate, or subsidiary) and its partners, shareholders, members, owners, directors, and employees as additional insureds on a primary non-contributory basis for losses arising out of Franchisee's acts or omissions. Franchisee will provide Franchisor certificates of insurance annually or as otherwise requested by Franchisor from time to time.

### **13 TRANSFERS BY FRANCHISOR**

Franchisor shall have the absolute, unrestricted right, exercisable at any time, to transfer and assign all or any part of its rights and obligations under this Agreement to any person or legal entity without the consent of Franchisee.

### **14 TRANSFERS BY FRANCHISEE**

**A. Franchisor Consent Required.** Neither Franchisee nor any immediate or remote successor to any part of Franchisee's interest in this Agreement, nor any individual, partnership, corporation or other legal entity which directly or indirectly controls Franchisee shall undertake any of the following without Franchisor's prior written consent: **(1)** the sale, assignment or other transfer of this Agreement or the Franchised Business or any interest in this Agreement or the Franchised Business to any person or entity; **(2)** the sale or transfer of all or substantially all of the assets of or ownership interests in Franchisee; **(3)** the consolidation or merger of Franchisee's direct or indirect parent into any other person or entity or the consolidation or merger of Franchisee into any other person or entity other than Franchisee's direct or indirect parent or a wholly-owned subsidiary of Franchisee's direct or indirect parent; and **(4)** unless Franchisee is a publicly-held entity or a wholly-owned subsidiary or division of a publicly-held entity, the sale, assignment or other transfer of 51% or more of the ownership interests in Franchisee to a person or entity that did not have an ownership interest in Franchisee as of the date of this Agreement (as disclosed in Attachment B).

**B. Standards For Evaluating A Transfer.** Franchisee shall advise Franchisor in writing of any proposed transfer that requires Franchisor's consent, submit (or cause the proposed transferee to submit) a Franchise application for the proposed transferee and all other information requested by Franchisor relating to the proposed transfer. The decision as to whether or not to consent to a proposed transfer shall be made by Franchisor and shall include, but will not be limited to, the following factors:

**(1)** The proposed transferee and its owners must meet Franchisor's managerial, operational, experience, quality, character and business standards for a Franchisee; possess a good character, business reputation and credit rating; have an organization whose management culture is compatible with Franchisor's management culture; and have adequate financial resources and working capital, as determined by Franchisor in its sole discretion, to operate the Franchised Business.

**(2)** All of Franchisee's accrued monetary obligations to Franchisor and its affiliates (whether arising under this Agreement or otherwise) and all other outstanding obligations have been satisfied.

**(3)** Franchisee is not then in material default of any provision of this Agreement or any other agreement between Franchisee and Franchisor or its affiliates.

**(4)** Franchisee must execute a general release and covenant not to sue, in a form satisfactory to Franchisor, of any and all claims against Franchisor and its affiliates and their past and present officers, directors, managers, shareholders, members, agents and employees, in their corporate and individual capacities.

**(5)** Unless waived by Franchisor in its sole discretion, the transferee or employees hired by the transferee to fill certain designated positions shall complete the training provided in Sections 9.A.-9.B.

If Franchisor consents to a proposed transfer, prior to the transfer becoming effective: the transferor shall pay Franchisor a nonrefundable transfer fee in an amount not to exceed Ten Thousand Dollars (\$10,000) in connection with Franchisor's review of the transfer application; and Franchisee and the proposed transferee shall execute, at Franchisor's election, either an assignment agreement and any amendments to this Agreement deemed necessary or desirable by Franchisor to reflect the transfer or Franchisor's then-current standard form Franchise agreement for an initial term ending on the expiration date of the term of this Agreement.

**C. Franchisor's Right of First Refusal.** Franchisor has the right, exercisable within thirty (30) days after receipt of a written request for its approval of a proposed transfer pursuant to Section 14.A, to purchase the interest proposed to be transferred. The request for approval of transfer must include a true and complete copy of the term sheet, letter of intent, proposed purchase agreement, assignment document, or any other document necessary to implement the transfer. Franchisor may assign this right of first refusal to a third party. If Franchisor exercises the right of first refusal, Franchisor will provide written notice (the "Purchase Notice") to the transferor. Franchisor may purchase the interest proposed to be transferred on the same financial terms and conditions offered by the third party. Closing on Franchisor's purchase will occur within sixty (60) days after the date of the transferor's receipt of the Purchase Notice. If Franchisor decides not to exercise the right of first refusal, that shall not constitute approval of the proposed transfer nor a waiver of any other provision of Section 14 with respect to a proposed transfer. If the sale to the offeror is not completed within sixty (60) days after receipt of Franchisor's notice not to exercise the right of first refusal, or if there is a material change in the terms of the offer, Franchisee must promptly notify Franchisor, and Franchisor will have an additional right of first refusal (on the terms of the revised offer, if any, and otherwise as set forth herein) during the thirty (30) day period following such notification of the expiration of the sixty (60) day period or the material change to the terms of the offer.

## **15 FRANCHISEE'S ORGANIZATION AND MANAGEMENT**

**A. Guarantee of Performance.** If Franchisee is an entity, then each owner with at least a 10% interest in Franchisee, shall jointly and severally personally guarantee Franchisee's payment and performance under this Agreement and personally bind themselves to the terms of this Agreement pursuant to the Guarantee And Assumption of Franchisee's Obligations ("Guarantee") attached as Attachment C. All of Franchisee's officers, directors, and limited liability company managers, if applicable, also shall jointly and severally guarantee Franchisee's payment and performance under this Agreement and bind themselves to the terms of this Agreement pursuant to the attached Guarantee. Franchisor reserves the right to require any guarantor to provide personal financial statements to Franchisor from time to time.

**B. Operating Principal.** Franchisee must designate one of Franchisee's 10% Owners as Franchisee's Operating Principal who will be the person with whom Franchisor communicate and whom will have the authority to bind Franchisee with respect to all financial, operational and legal matters related to the Franchised Business and this Agreement. Franchisee must designate a replacement approved by Franchisor within thirty (30) days after Franchisee's Operating Principal ceases to qualify as the Operating Principal.

## **16 COVENANTS**

### **A. Confidentiality.**

**(1)** Franchisee acknowledges and agrees that: (1) Franchisor owns all right, title and interest in and to the System; (2) the System includes trade secrets and confidential and proprietary information and know-how that gives Franchisor a competitive advantage; (3) Franchisor has taken all measures appropriate to protect the trade secrets and the confidentiality of the proprietary information and know-how of the System; (4) all material or other information now or hereafter provided or disclosed to

Franchisee regarding the System is disclosed in confidence; (5) Franchisee has no right to disclose any part of the System to anyone who is not Franchisee's employee; (6) Franchisee will disclose to Franchisee's employees only those parts of the System that an employee needs to know; (7) Franchisee will have a system in place to ensure that Franchisee's employees keep confidential Franchisor's trade secrets and confidential and proprietary information, and, if requested by Franchisor, Franchisee shall obtain from those of Franchisee's employees designated by Franchisor an executed confidentiality and non-disclosure agreement in the form prescribed by Franchisor; (8) by entering into this Agreement, Franchisee does not acquire any ownership interest in the System; and (9) Franchisee's use or duplication of the System or any part of the System in any other business, or disclosure of any part of the System to others for use or duplication in any other business, would constitute an unfair method of competition, for which Franchisor would be entitled to all legal and equitable remedies, including injunctive relief, without posting a bond.

(2) Franchisee shall not, during the term of this Agreement or at any time thereafter, communicate or disclose any trade secrets or confidential or proprietary information or know-how of the System to any unauthorized person, or do or perform, directly or indirectly, any other acts injurious or prejudicial to any of the Proprietary Marks or the System. Any and all information, knowledge, know-how and techniques, including all drawings, materials, equipment, specifications, techniques and other data that Franchisor or Franchisor's affiliates designate as confidential shall be deemed confidential for purposes of this Agreement.

## **B. Restrictions On Competition.**

(1) Franchisee acknowledges and agrees that: (1) pursuant to this Agreement, Franchisee will have access to valuable trade secrets, specialized training and other confidential information from Franchisor and/or Franchisor's affiliates regarding the development, operation, product sale, market and operations research, advertising and marketing plans and strategies, purchasing, sales and marketing methods and techniques owned by Franchisor and Franchisor's affiliates; (2) the know-how regarding the System and the opportunities, associations and experience acquired by Franchisee pursuant to this Agreement are of substantial value; (3) in developing the System, Franchisor and its affiliates have made substantial investments of time, effort, and money; (4) Franchisor would be unable adequately to protect the System and its trade secrets and confidential and proprietary information against unauthorized use or disclosure and would be unable adequately to encourage a free exchange of ideas and information among franchisees if they were permitted to engage in the activities described in this Section 16.B. or to hold interests in the businesses described in this Section 16.B.; and (5) the restrictions on Franchisee's right to hold interests in, or perform services for, the businesses described in this Section 16.B. will not unduly limit Franchisee's activities.

(2) Franchisee covenants and agrees that, except as Franchisor otherwise approves in writing, during the term of this Agreement, and for a continuous period of two (2) years following the expiration, transfer or termination of this Agreement, Franchisee will not, either directly or indirectly, for itself or through, on behalf of, or in conjunction with any person or legal entity:

(a) Own, maintain, operate, engage in, grant a license to, advise, help, make loans to, lease property to, or have any interest in, either directly or indirectly, any "**Competing Business**", which is defined as any business: (1) that offers or provides trash removal services, or any other product or service that is similar to the services and products authorized to be offered or sold under the Proprietary Marks and the System; or (2) whose method of operation or trade dress is similar to that employed in the System. During the term of this Agreement, there is no geographical limitation on this restriction. Following the expiration, transfer or termination of this Agreement, this restriction shall apply to any Competing Business located at or within a thirty (30) mile radius of the Protected Area or of any other then-existing Mobicdumps Business; or

(b) Divert or attempt to divert any present or prospective business or customer to any Competing Business by direct or indirect inducement or otherwise, or do or perform, directly or

indirectly, any other act injurious or prejudicial to the goodwill associated with the Proprietary Marks and the System.

**(3) Owners and Employees.** Franchisee's owner(s) identified in Attachment B that sign the Guarantee attached to this Agreement as Attachment C will agree to be bound personally by the provisions of Section 16, provided that, as to them, the time period in Section 16.B.(2) will run from the expiration, termination, or transfer of this Agreement or from the termination of the individual's relationship with Franchisee, whichever occurs first. At Franchisor's request, Franchisee must obtain signed agreements similar in substance to this Section 16 (including agreements applicable upon termination of a person's relationship with Franchisee) from any: (1) manager as Franchisor requires; and (2) Franchisee's officers, directors, and owners. Each agreement required by this Section 16.B.(3) must be in a form Franchisor approves and specifically identify Franchisor as a third party beneficiary with the independent right to enforce the agreement.

**C. Enforcement.** Franchisor has the right, in Franchisor's sole discretion, to reduce the scope of any restriction in Section 16.B. by giving Franchisee written notice and Franchisee agrees to comply with any covenant so modified, which shall be fully enforceable notwithstanding the provisions of Section 23. Franchisee agrees that the existence of any claims Franchisee may have against Franchisor, whether or not arising from this Agreement, will not constitute a defense to Franchisor's enforcement of this Section 16. Franchisee acknowledges that Franchisee's violation of the terms of this Section 16 would result in irreparable injury to Franchisor for which no adequate remedy at law may be available, and Franchisee accordingly consents to the issuance of an injunction prohibiting any conduct by Franchisee in violation of the terms of this Section 16. Injunctive relief will be in addition to any other remedies Franchisor may have. If Franchisee or any other person bound by this Section 16 fails or refuses to abide by any of the foregoing restrictions on competition in Section 16.B., and Franchisor obtains enforcement in a judicial proceeding, the obligations under the breached restriction will continue in effect for a period ending two (2) years after the date the person begins to comply with the order enforcing the restriction.

## 17 TERMINATION

**A. Monetary Defaults.** If Franchisee defaults in the payment of any monies owed to Franchisor or its affiliates when such monies become due and payable and Franchisee fails to pay such monies within ten (10) days after receiving written notice of default, this Agreement shall terminate effective immediately upon expiration of the cure period, unless Franchisor notifies Franchisee otherwise in writing.

**B. Non-Monetary Defaults.** Except as otherwise provided in this Agreement, including Section 17.A., if Franchisee fails to perform any non-monetary obligation under this Agreement or fails to comply with any material restriction or prohibition in this Agreement, and this circumstance continues for thirty (30) days after receiving written notice from Franchisor identifying the nature of the breach; provided, however, that Franchisee may be granted a time extension of up to ten (10) additional days to cure the breach if Franchisee delivers written notice to the Franchisor within the initial cure period confirming (with supporting evidence) that the breach cannot reasonably be cured within the initial cure period and stating that the Franchisee intends to cure the breach as expeditiously as possible. If any such default is not cured within the cure period, this Agreement shall terminate without further notice to Franchisee effective immediately upon expiration of the cure period.

**C. Multiple Defaults.** If Franchisee has received two (2) or more notices of default within the previous twelve (12) months, Franchisor may send Franchisee a notice of termination upon Franchisee's next default within that 12-month period without providing Franchisee an opportunity to remedy the default.

## 18 OBLIGATIONS ON TERMINATION OR EXPIRATION

Upon termination or expiration of this Agreement: **(A)** Franchisee immediately shall cease operating the Franchised Business; **(B)** Franchisee immediately shall pay Franchisor and its affiliates all sums due and owing Franchisor or its affiliates related to the Franchised Business; **(C)** Franchisee promptly shall return to Franchisor the Manuals, any copies of the Manuals and all other materials and information

furnished by Franchisor and delete all electronic copies of the Manuals and all other materials and information furnished by Franchisor that are in Franchisee's possession; **(D)** Franchisee shall continue to abide by the applicable provisions of Section 16 (confidentiality and non-competition restrictions); **(E)** Franchisee immediately shall discontinue all use of the Proprietary Marks and of any and all items bearing the Proprietary Marks; remove the Proprietary Marks from clothing, signs, materials, motor vehicles and other items owned or used by Franchisee in the operation of the Franchised Business; cancel all advertising for the Franchised Business that contains the Proprietary Marks; and take such action as may be necessary to cancel any filings or registrations for the Franchised Business that contain any Proprietary Marks; and **(F)** Franchisee promptly shall make such alterations and modifications to the equipment used as required by Franchisor.

Franchisee shall furnish Franchisor, within 30 days after the effective date of termination or expiration, evidence reasonably satisfactory to Franchisor of Franchisee's compliance with this Section 18. Franchisee shall not, except with respect to another business operation licensed by Franchisor or its affiliates: **(1)** operate or do business under any name or in any manner that might tend to give the public the impression that Franchisee is connected in any way with Franchisor or its affiliates or has any right to use the System or the Proprietary Marks; or **(2)** make use or avail itself of any of the materials or information furnished or disclosed by Franchisor or its affiliates under this Agreement or disclose or reveal any such materials or information or any portion thereof to anyone else; or **(3)** assist anyone not licensed by Franchisor or its affiliates to construct or equip a business substantially similar to a Mobiledumps business.

If Franchisee defaults on its obligations and Franchisor terminates this Agreement prior to the expiration of the Initial Term, it is hereby agreed that the amount of damages which Franchisor would incur for any such termination of this Agreement would be difficult, if not impossible, to accurately ascertain. Accordingly, within thirty (30) days following such termination, Franchisee shall pay to Franchisor an amount equal to the average Royalty Fees, IT Services Fees and Brand Building Fund Fees that Franchisee owed for the one year period prior to termination (or, if the Franchised Business was open for less than one year, the average fees owed for the number of weeks that the Franchised Business was in operation) multiplied by the lesser of twenty-four (24) months or the remaining Initial Term. These early termination damages shall constitute liquidated damages and are not to be construed as a penalty.

## **19 RELATIONSHIP OF THE PARTIES**

This Agreement does not create a fiduciary or other special relationship between the parties. No agency, employment, or partnership is created or implied by the terms of this Agreement, and Franchisee is not and shall not hold itself out as agent, legal representative, partner, subsidiary, joint venturer or employee of Franchisor or its affiliates or a joint employer with Franchisor or its affiliates. The sole relationship between Franchisee and Franchisor is a commercial, arms' length business relationship and, except as provided in Section 20, there are no third party beneficiaries to this Agreement.

Franchisee is an independent contractor and is solely responsible for all aspects of the development and operation of the Franchised Business, subject only to the conditions and covenants established by this Agreement. Without limiting the generality of the foregoing, Franchisee acknowledges that Franchisor has no responsibility to ensure that the Franchised Business is developed and operated in compliance with all applicable laws, ordinances and regulations and that Franchisor shall have no liability in the event the development or operation of the Franchised Business violates any law, ordinance or regulation.

## **20 INDEMNIFICATION**

Franchisee shall, at all times, indemnify, defend and hold harmless (to the fullest extent permitted by law) Franchisor and its parents and affiliates, and their respective predecessors, successors, assigns, past and present directors, stockholders, managers, officers, employees, members, agents and representatives (collectively "Indemnitees") from and against all liability, damages, costs and expenses (including reasonable attorney's fees) incurred in connection with any action, suit, proceeding, claim, demand, investigation, inquiry (formal or informal), judgment or appeal thereof by or against Indemnitees

or any settlement thereof (whether or not a formal proceeding or action had been instituted) arising out of or resulting from or connected with Franchisee's activities under this Agreement, excluding the gross negligence or willful misconduct of Franchisor. Franchisee promptly shall give Franchisor written notice of any such action, suit, proceeding, claim, demand, inquiry or investigation filed or instituted against Franchisee and, upon request, shall furnish Franchisor with copies of any documents from such matters as Franchisor may request.

## **21 CONSENTS, APPROVALS AND WAIVERS**

Whenever this Agreement requires the prior approval or consent of either party, the other party shall make a timely written request therefor; and any approval or consent received, in order to be effective and binding, must be obtained in writing. No failure of either party to exercise any power reserved to it by this Agreement or to insist upon strict compliance by the other party with any obligation or condition hereunder, and no custom or practice of the parties at variance with the terms of this Agreement, shall constitute a waiver of a party's right to demand exact compliance with any of the terms of this Agreement. Subsequent acceptance by either party of any payments due to it hereunder shall not be deemed to be a waiver by either party of any preceding breach by the other party.

## **22 NOTICES**

Any and all notices that are required or permitted under this Agreement shall be in writing and shall be personally delivered, or mailed in the United States mail, postage prepaid, certified mail, return receipt requested, or mailed via overnight courier, or by other means that affords the sender evidence of delivery, of rejected delivery, or attempted delivery to the respective parties at the addresses shown on the signature page of this Agreement (unless and until a different address has been designated by written notice to the other party). Any notices sent by personal delivery, next day delivery service or by electronic means shall be deemed given on the next business day after transmittal. Any notices sent by certified mail shall be deemed given on the third business day after the date of mailing. Franchisor may provide Franchisee with routine information, invoices, updates to the Manual, System standards and other System requirements and programs, including any modifications thereto, by regular mail or by e-mail, or by making such information available to Franchisee on the Internet, an extranet, or other electronic means.

## **23 ENTIRE AGREEMENT**

This Agreement and the Operations Manual constitute the entire, full and complete agreement between the parties concerning Franchisee's rights, and supersedes any and all prior or contemporaneous negotiations, discussions, understandings or agreements. There are no other representations, inducements, promises, agreements, arrangements, or undertakings, oral or written, between the parties relating to the matters covered by this Agreement other than those set forth in this Agreement. Nothing in this Agreement or in any related agreement, however, is intended to disclaim the representations we made in the franchise disclosure document that we furnished to you. No obligations or duties that contradict or are inconsistent with the express terms of this Agreement may be implied into this Agreement. Except as expressly set forth herein, no amendment, change or variance from this Agreement shall be binding on either party unless mutually agreed to by the parties and executed in writing. If any portion of this Agreement is determined to be invalid or unenforceable, that determination will not impair the operation of, or have any other effect upon, any other portions of this Agreement, all of which will remain binding on the parties and continue to be given full force and effect.

## **24 GOVERNING LAW, FORUM AND LIMITATIONS**

**A.** This Agreement and any claim or controversy arising out of, or relating to, the rights and obligations of the parties under this Agreement and any other claim or controversy between the parties shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia without regard to conflicts of laws principles. Nothing in this Section is intended, or shall be deemed, to make any law regulating the offer or sale of franchises or the franchise relationship applicable to this Agreement if such law would not otherwise be applicable.



**B.** The parties agree that, to the extent any disputes cannot be resolved directly between them, Franchisee shall file any suit against Franchisor only in the federal or state court having jurisdiction where Franchisor's principal offices are located at the time suit is filed. Franchisor shall file suit in the federal or state court located in the jurisdiction where its principal offices are located at the time suit is filed or in the jurisdiction where Franchisee resides or does business or where the Franchised Business is or was located or where the claim arose. Franchisee consents to the personal jurisdiction of those courts over Franchisee and consents to venue in those courts.

**C.** Except for payments owed by one party to the other, and unless prohibited by applicable law, any legal action or proceeding (including the offer and sale of a franchise to Franchisee) brought or instituted with respect to any dispute arising from or related to this Agreement or with respect to any breach of the terms of this Agreement must be brought or instituted within a period of 3 years after the initial occurrence of any act or omission that is the basis of the legal action or proceeding, whenever discovered.

**D.** Franchisee and Franchisor waive, to the fullest extent permitted by law, any right or claim of any consequential, punitive or exemplary damages against each other and agree that, in the event of a dispute between them, each shall be limited to the recovery of actual damages sustained by it. Franchisee and Franchisor waive, to the fullest extent permitted by law, the right to bring, or be a class member in, any class action suits and the right to trial by jury.

**E.** If either party brings an action to enforce this Agreement in a judicial proceeding, the party prevailing in that proceeding shall be entitled to reimbursement of its costs and expenses, whether incurred prior to, in preparation for, in contemplation of the filing of or subsequent to the filing of, any proceeding. In any judicial proceeding, the amount of these costs and expenses will be determined by the court and not by a jury. No right or remedy conferred upon or reserved to either party by this Agreement is intended to be, nor shall be deemed, exclusive of any other right or remedy herein or by law or equity provided or permitted, but each shall be cumulative of every other right or remedy. The provisions of this Section 24 shall survive the expiration or earlier termination of this Agreement.

[Signatures on following page]

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the Effective Date.

**MOBILEDUMPS FRANCHISING, LLC,  
A Virginia limited liability company**

**FRANCHISEE: If a corporation, partnership, or  
limited liability company, print name of  
business entity on the line below:**

By: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

\_\_\_\_\_

Notice Address: 3425-B W Leigh Street  
Richmond, VA 23230

Notice Address:

**EFFECTIVE DATE:** \_\_\_\_\_

**If Franchisee is one or more individuals:**

\_\_\_\_\_

(Print Name) \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_

(Print Name) \_\_\_\_\_

Date: \_\_\_\_\_

Notice Address: \_\_\_\_\_

\_\_\_\_\_

**ATTACHMENT A  
DATA SHEET**

1. Franchisee:

2. Premises: \_\_\_\_\_

3. Protected Area shall be the following zip codes:


4. Equipment – Trucks and Trailers – Current Specifications (including display of marks):

Trucks – Current Specifications	Trailers – Current Specifications

5. **Initial Franchise Fee:** \$30,000 for a protected area with a population of up to a 350,000 and \$10,000 per each additional 500,000 people in the protected area. (Unless modified)

**ATTACHMENT B  
OWNERSHIP INTERESTS**

**CORPORATE FRANCHISEE**

If Franchisee is a corporation, the number of authorized shares of Franchisee that have been issued is \_\_\_\_\_ and the name, address, number of shares owned (legally or beneficially) and office held by each shareholder is as follows:

Name	Address	No. of Shares	Office Held

**LIMITED LIABILITY COMPANY FRANCHISEE**

If Franchisee is a limited liability company, the name, address and percentage interest of each member is as follows:

Name	Address	Percentage Interest

**OTHER BUSINESS ENTITY FRANCHISEE**

If Franchisee is some other business entity, the type of business entity and the name, address and ownership interest (including for a limited partnership, whether a general or limited partner) of each owner is as follows:

Type of Business Entity: \_\_\_\_\_

Name	Address	Ownership Interest

**Operating Principal:**

**General Manager:**

**ATTACHMENT C**  
**GUARANTEE AND ASSUMPTION OF FRANCHISEE'S OBLIGATIONS**

In consideration of, and as an inducement to, the execution of the MOBILEDUMPS Franchise Agreement dated as of \_\_\_\_\_, 20\_\_ (“**Agreement**”) by MOBILEDUMPS (“**Franchisor**”), entered into with \_\_\_\_\_ (“**Franchisee**”), the undersigned (“**Guarantors**”), each of whom is an officer, director, or a 10% Owner, hereby personally and unconditionally agree as follows:

**1. Guarantee To Be Bound By Certain Obligations.** Guarantors hereby personally and unconditionally guarantee to Franchisor and its successors and assigns, for the term of the Agreement and thereafter as provided in the Agreement or at law or in equity, that each will be personally bound by the covenants and restrictions contained in Section 16 (Covenants) of the Agreement.

**2. Guarantee and Assumption of Franchisee's Obligations.** Guarantors hereby: (1) guarantee to Franchisor and its successors and assigns, for the term of the Agreement and thereafter as provided in the Agreement or at law or in equity, that Franchisee and any assignee of Franchisee's interest under the Agreement shall: (a) punctually pay and perform each and every undertaking, agreement and covenant set forth in the Agreement, and (b) punctually pay all other monies owed to Franchisor and/or its affiliates; (2) agree to be personally bound by each and every provision in the Agreement, including, without limitation, the provisions of Sections 16 (Covenants) and 20 (Indemnification); and (3) agree to be personally liable for the breach of each and every provision in the Agreement.

**3. General Terms and Conditions.** The following general terms and conditions shall apply to this Guarantee:

Each of the undersigned waives: (1) acceptance and notice of acceptance by Franchisor of the foregoing undertakings; (2) notice of demand for payment of any indebtedness or nonperformance of any obligations hereby guaranteed; (3) protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed; (4) any right s/he may have to require that an action be brought against Franchisee or any other person as a condition of liability; (5) all rights to payments and claims for reimbursement or subrogation which any of the undersigned may have against Franchisee arising as a result of the execution of and performance under this Guarantee by the undersigned; (6) any law or statute which requires that Franchisor make demand upon, assert claims against or collect from Franchisee or any others, foreclose any security interest, sell collateral, exhaust any remedies or take any other action against Franchisee or any others prior to making any demand upon, collecting from or taking any action against the undersigned with respect to this Guarantee; (7) any and all other notices and legal or equitable defenses to which he may be entitled; and (8) any and all right to have any legal action under this Guarantee decided by a jury.

Each of the undersigned consents and agrees that: (1) her/his direct and immediate liability under this Guarantee shall be joint and several; (2) s/he shall render any payment or performance required under the Agreement upon demand if Franchisee fails or refuses punctually to do so; (3) such liability shall not be contingent or conditioned upon pursuit by Franchisor of any remedies against Franchisee or any other person; (4) such liability shall not be diminished, relieved or otherwise affected by any amendment of the Agreement, any extension of time, credit or other indulgence which Franchisor may from time to time grant to Franchisee or to any other person including, without limitation, 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 shall be continuing and irrevocable during the term of the Agreement and for so long thereafter as there are monies or obligations owing from Franchisee to Franchisor or its affiliates under the Agreement; and (5) monies received from any source by Franchisor for application toward payment of the obligations under the Agreement and under this Guarantee may be applied in any manner or order deemed appropriate by Franchisor. In addition, if any of the undersigned ceases to be a 10% Owner, an officer or director of Franchisee or own any interest in Franchisee or the Franchised Business, that person agrees that the obligations under this Guarantee shall continue to remain in force and effect unless Franchisor in its sole discretion, in writing, releases those person(s) from this Guarantee. Notwithstanding the provisions of the previous sentence, unless prohibited by applicable law, the obligations contained in Section 16.B. (Restrictions on Competition) of the Agreement shall remain in force and effect for a period of two (2) years after any such release by Franchisor. A release by Franchisor of any of the undersigned shall not affect the obligations of any other Guarantor.

If Franchisor brings an action to enforce this Guarantee in a judicial proceeding, the prevailing party in such proceeding shall be entitled to reimbursement of its costs and expenses, including, but not limited to, reasonable accountants', attorneys', attorneys' assistants' and expert witness fees, cost of investigation and proof of facts, court costs, other litigation expenses and travel and living expenses, whether incurred prior to, in preparation for or in contemplation of the filing of any such proceeding. In any judicial proceeding, these costs and expenses shall be determined by the court and not by a jury.

If Franchisor utilizes legal counsel (including in-house counsel employed by Franchisor or its affiliates) in connection with any failure by the undersigned to comply with this Guarantee, the undersigned shall reimburse Franchisor for any of the above-listed costs and expenses incurred by it.

If any of the following events occur, a default ("**Default**") under this Guarantee shall exist: (1) failure of timely payment or performance of the obligations under this Guarantee; (2) breach of any agreement or representation contained or referred to in this Guarantee; (3) the dissolution of, termination of existence of, loss of good standing status by, appointment of a receiver for, assignment for the benefit of creditors of, or the commencement of any insolvency or bankruptcy proceeding by or against, any of the undersigned; and/or (4) the entry of any monetary judgment or the assessment against, the filing of any tax lien against, or the issuance of any writ of garnishment or attachment against any property of or debts due any of the undersigned. If a Default occurs, the obligations of the undersigned shall be due immediately and payable without notice. Upon the death of one of the undersigned, the estate shall be bound by this Guarantee for all obligations existing at the time of death. The obligations of the surviving Guarantors shall continue in full force and effect.

This Guarantee shall inure to the benefit of and be binding upon the parties and their respective heirs, legal representatives, successors and assigns. Franchisor's interests in and rights under this Guarantee are freely assignable, in whole or in part, by Franchisor. Any assignment shall not release the undersigned from this Guarantee.

Section 24 (Governing Law, Forum and Limitations) of the Agreement is incorporated by reference into this Guarantee and all capitalized terms that are not defined in this Guarantee shall have the meaning given them in the Agreement.

**IN WITNESS WHEREOF**, each of the undersigned has hereunto affixed his or her signature.

**GUARANTORS:**

Date: \_\_\_\_\_

Print Name:

Home Address:

Date: \_\_\_\_\_

Print Name:

Home Address:

**ATTACHMENT D**  
**ACH AUTHORIZATION FORM**

**MOBILEDUMPS BUSINESS NUMBER:** \_\_\_\_\_  
**DEPOSITOR (NAME OR LEGAL ENTITY):** \_\_\_\_\_

The undersigned depositor ("Depositor") hereby authorizes **Mobiledumps Franchising, LLC** ("Franchisor") to initiate debit entries and credit correction entries to Depositor's checking or savings account indicated below and Depositor hereby authorizes the depository designated below ("Bank") to debit or credit such account pursuant to Franchisor's instructions. This authorization is to remain in full force and effect until 60 days after Franchisor has received written notification from Depositor of its termination.

**DEPOSITOR INFORMATION**

<b>Depositor Name:</b>
<b>Mailing Address:</b>
<b>City/ State/ Zip Code:</b>
<b>Telephone:</b>
<b>Email:</b>

**DEBITING BANK ACCOUNT INFORMATION**

<b>Bank Name:</b>
<b>City / State / Zip Code:</b>
<b>Branch:</b>
<b>Account Number to Debit:</b>
<b>Routing Number (9 digit #):</b>
<b>Account Name:</b>

The undersigned representative of Depositor represents and warrants to Franchisor and the Bank that the person executing this ACH Authorization Form is an authorized signatory on the account referenced above and all information regarding the account is true and accurate.

Depositor By:  
Signature: \_\_\_\_\_  
Print Name:  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

# **EXHIBIT B**

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# **EXHIBIT C**

## **FINANCIAL STATEMENTS**

Mobiledumps Franchising, LLC  
Financial Statements  
December 31, 2023 and 2022



WELLS COLEMAN

5004 Monument Avenue • Richmond, VA 23230

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## INDEPENDENT AUDITOR'S REPORT

To the Members  
Mobiledumps Franchising, LLC  
Richmond, Virginia

### Opinion

We have audited the accompanying financial statements of Mobiledumps Franchising, LLC, which comprise the balance sheets as of December 31, 2023 and 2022, and the related statements of operations and changes in members' equity (deficit) and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Mobiledumps Franchising, LLC as of December 31, 2023 and 2022, and the results of their operations and their 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audits of the Financial Statements section of our report. We are required to be independent of Mobiledumps Franchising, LLC and to meet our other 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 Financial Statements

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

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

- Continued -

## **Auditor's Responsibilities for the Audits 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 generally accepted auditing standards 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 generally accepted auditing standards, 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 Mobiledumps Franchising, LLC'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 Mobiledumps Franchising, LLC'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.



March 7, 2024

**MOBILEDUMPS FRANCHISING, LLC**

**BALANCE SHEETS**

**December 31, 2023 and 2022**

**ASSETS**

	<u>2023</u>	<u>2022</u>
<b>Current Assets</b>		
Cash and cash equivalents	\$ 266,098	\$ 18,638
Accounts receivable from franchisees	9,486	4,904
Inventory	-	4,233
Prepaid expenses	<u>5,900</u>	<u>23,421</u>
<b>Total current assets</b>	<u>281,484</u>	<u>51,196</u>
<b>Property and Equipment</b>		
Furniture and equipment	2,182	1,609
Less: accumulated depreciation	<u>(393)</u>	<u>(43)</u>
<b>Net property and equipment</b>	<u>1,789</u>	<u>1,566</u>
<b>Other Assets</b>		
Financed franchise sales	5,561	-
Operating lease right of use asset	147,928	198,630
Software system development, net of accumulated amortization of \$77,298 and \$33,128, respectively	<u>143,554</u>	<u>187,725</u>
<b>Net other assets</b>	<u>297,043</u>	<u>386,355</u>
<b>Total Assets</b>	<u>\$ 580,316</u>	<u>\$ 439,117</u>
<b>LIABILITIES AND MEMBERS' EQUITY (DEFICIT)</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 123,428	\$ 93,411
Deferred revenue	-	2,059
Current portion of operating lease liability	<u>53,309</u>	<u>50,702</u>
<b>Total current liabilities</b>	<u>176,737</u>	<u>146,172</u>
<b>Long-term Liabilities</b>		
Member loans	92,063	92,063
Due to related party	167,341	164,901
Operating lease liability	<u>94,619</u>	<u>147,928</u>
<b>Total liabilities</b>	<u>530,760</u>	<u>551,064</u>
<b>Members' Equity (Deficit)</b>	<u>49,556</u>	<u>(111,947)</u>
<b>Total Liabilities and Members' Equity (Deficit)</b>	<u>\$ 580,316</u>	<u>\$ 439,117</u>

See accompanying notes to financial statements.



**MOBILEDUMPS FRANCHISING, LLC**

**STATEMENTS OF OPERATIONS AND CHANGES IN MEMBERS' EQUITY (DEFICIT)**

For the years ended December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
<b>Revenue</b>		
Royalty fees	\$ 63,089	\$ 30,995
Franchise fees	443,332	242,500
Other	<u>14,736</u>	<u>83</u>
<b>Total revenue</b>	<u>521,157</u>	<u>273,578</u>
<b>Cost of Sales</b>	<u>51,710</u>	<u>-</u>
<b>General and Administrative Expenses</b>		
Advertising and marketing	149,719	54,737
Amortization	44,171	33,128
Depreciation	350	43
Franchise sales	75,815	24,991
Franchise support	6,593	7,148
Insurance	17,085	4,778
Management fees	68,804	35,599
Office expenses	5,871	4,933
Other expense	13,043	3,400
Professional fees	63,458	36,470
Rent	63,835	51,323
Software development costs	21,145	168,442
Software subscriptions	92,888	50,591
Wages, taxes, and benefits	<u>273,599</u>	<u>156,485</u>
<b>Total general and administrative expenses</b>	<u>896,376</u>	<u>632,068</u>
<b>Loss from operations</b>	<u>(426,929)</u>	<u>(358,490)</u>
<b>Other Income (Expense)</b>		
Interest income	418	-
Interest expense	<u>(11,986)</u>	<u>(19,628)</u>
<b>Total other income (expense)</b>	<u>(11,568)</u>	<u>(19,628)</u>
<b>Net Loss</b>	<u>(438,497)</u>	<u>(378,118)</u>
<b>Members' Deficit, beginning of year</b>	<u>(111,947)</u>	<u>(46,587)</u>
Member contributions	<u>600,000</u>	<u>312,758</u>
<b>Members' Equity (Deficit), end of year</b>	<u>\$ 49,556</u>	<u>\$ (111,947)</u>

See accompanying notes to financial statements.

**MOBILEDUMPS FRANCHISING, LLC**

**STATEMENTS OF CASH FLOWS**

**For the years ended December 31, 2023 and 2022**

	<u>2023</u>	<u>2022</u>
<b>Cash Flows from Operating Activities</b>		
Net loss	\$ (438,497)	\$ (378,118)
Adjustments to reconcile net loss to net cash and cash equivalents used by operating activities		
Amortization	44,171	33,128
Depreciation	350	43
 (Increase) decrease in operating assets		
Accounts receivable	(1,080)	(4,904)
Inventories	4,233	(4,233)
Prepaid expenses	17,521	(23,421)
Operating lease right of use asset	50,702	48,568
 Increase (decrease) in operating liabilities		
Accounts payable	30,017	39,632
Accrued expenses	-	2,059
Operating lease liability	<u>(50,702)</u>	<u>(48,568)</u>
 <b>Net cash and cash equivalents used by operating activities</b>	 <u>(343,285)</u>	 <u>(335,814)</u>
<b>Cash Flows from Investing Activities</b>		
Purchase of property and equipment	(573)	(1,609)
Purchase and development of software	-	(44,655)
Financing of franchise sales	<u>(11,122)</u>	<u>-</u>
 <b>Net cash and cash equivalents used by investing activities</b>	 <u>(11,695)</u>	 <u>(46,264)</u>
<b>Cash Flows from Financing Activities</b>		
Net advances from related parties	2,440	(99,937)
Net repayments from related parties	-	162,424
Member contributions	<u>600,000</u>	<u>312,758</u>
 <b>Net cash and cash equivalents provided by financing activities</b>	 <u>602,440</u>	 <u>375,245</u>
 <b>Increase (decrease) in cash and cash equivalents</b>	 <b>247,460</b>	 <b>(6,833)</b>
 <b>Cash and Cash Equivalents, beginning of year</b>	 <u>18,638</u>	 <u>25,471</u>
 <b>Cash and Cash Equivalents, end of year</b>	 <u>\$ 266,098</u>	 <u>\$ 18,638</u>
<b>Supplemental Disclosures of Cash Flow Information</b>		
Cash paid during the year for interest	\$ 11,986	\$ 21,008

See accompanying notes to financial statements.

**MOBILEDUMPS FRANCHISING, LLC**  
**NOTES TO FINANCIAL STATEMENTS**

**December 31, 2023 and 2022**

**1. Nature of Activities**

Mobiledumps Franchising, LLC (the Company) was formed under the laws of the Commonwealth of Virginia on September 14, 2021. The Company consists of eight members, one of whom is the managing member. The members have adopted an operating agreement, which describes the rules and conditions for operations, pursuant to Virginia's Limited Liability Act. Headquartered in Richmond, Virginia, the Company is registered as a franchisor. As a franchisor, the Company will sell franchises and support franchise owners.

**2. Summary of Significant Accounting Policies**

*Basis of Accounting:* The Company prepares its financial statements in accordance with generally accepted accounting principles, which involves the application of accrual accounting.

*Cash and Cash Equivalents:* The Company considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

*Accounts Receivable:* The Company's accounts receivable are recorded at net realizable value with an allowance recorded for the current expected credit loss based on history of collections in aging categories for short-term receivables and net present value of \$1 for longer-term receivables. The Company had no current expected credit loss as of December 31, 2023 or 2022.

*Inventory:* Inventories are stated at cost on a first-in, first-out basis and consist of shirts, hats, marketing materials, supplies, and other Company marketing items.

*Prepaid Expenses:* Prepaid expenses are comprised of rent paid in advance and amortized monthly over the year.

*Property and Equipment:* Property and equipment are stated at historical cost. Depreciation is provided over the estimated economic lives of depreciable assets from five to ten years, using the straight-line method.

*Intangible Assets:* The Company's intangible assets include software development costs. Software development costs were placed into service during the year ending December 31, 2022. The software development costs are amortized on a straight-line basis over 5 years.

*Deferred Revenue:* Represents payments received in advance on which revenue has not been recognized.

*Revenue Recognition:* Revenue is earned primarily through franchise fees and royalty fees.

*Nature of Goods and Services:* The following is a description of the principal activities, separated by reportable segments, from which the Company generates its revenue. Reportable segments are shown separately on the statements of operations and changes in members' equity (deficit).

- Franchise fees - The Company recognizes franchise fee revenue after substantially all of the initial setup performance obligations have been met.
- Royalty fees - The Company recognizes royalty fees weekly after the franchisee has earned and received payment of revenues.

**MOBILEDUMPS FRANCHISING, LLC**

**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

**December 31, 2023 and 2022**

**2. Summary of Significant Account Policies - Continued**

*Franchise and Royalty Agreements:* The franchise agreement describes the duties of the franchisor (the Company) and the franchisee, as well as the designated exclusive territory that the franchisee will conduct operations. The initial term of a franchise agreement is five years with a renewable option at the end of that term. Franchisees are required to pay a specified fee upon initiation of an agreement, and the revenues from said agreements are recognized at the time the Company has performed or satisfied substantially all of the initial services required by the franchisee agreement.

Initial services required to be performed by the franchisor include: initial training program, pre-opening and opening supervision and assistance, inspection of vehicle(s) and other physical elements of the franchisee's business, access to manual, provide a written list of approved supplies, and agreement on a territory for the franchisee's business. The franchisor is also required to provide continuing services which are covered under royalties and advertising. Those obligations are as follows: periodic inspection of vehicle(s) and other physical elements of the franchisee's business, provide periodic advisory assistance, review and approve or disapprove all advertising and promotional materials, provide sales support center services, host periodic conventions, and provide assistance in regards to pricing policies.

Franchise fees are \$25,000 minimum for the first franchise. Franchise fees are nonrefundable.

Revenue on royalties is recognized weekly based on 7% of franchisee sales from the previous week.

As of December 31, 2023, the Company has twenty-five (25) non-company owned franchises in operation and three (3) non-company owned franchises not in operation. The franchises operate in the states of Arizona, California, Florida, Georgia, Illinois, Massachusetts, Maryland, North Carolina, Nevada, New York, Ohio, Pennsylvania, Texas, Virginia, and Washington.

Many factors have the potential to change during the life of the franchise which can result in changes to overall profitability for the Company from one financial reporting period to another. Some of the factors that can change estimates of revenue include ability of suppliers to deliver inventory on time; and availability of labor for franchisees.

*Income Tax Status:* The Company and its members have elected for the Company to be treated under Subchapter K of the Internal Revenue Code for federal and state income tax purposes. This election allows the income of the Company to be taxed at the members' level. Accordingly, no provision has been made in the accompanying financial statements for any income tax.

*Advertising:* The Company expended \$149,719 and \$54,737, respectively, during 2023 and 2022, for advertising, operating, and related marketing materials.

*Use of Estimates:* Management uses estimates and assumptions in preparing the financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. On an ongoing basis, management evaluates the estimates and assumptions based on new information. Management believes that the estimates and assumptions are reasonable in the circumstances; however, actual results could differ from those estimates.

**MOBILEDUMPS FRANCHISING, LLC**

**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

**December 31, 2023 and 2022**

**2. Summary of Significant Account Policies - Continued**

*Adoption of New Accounting Standard:* Effective January 1, 2022, the Company adopted Financial Accounting Standards Board (FASB) Accounting Standards Codification 842, "Leases". The new standard establishes a right of use (ROU) model that requires a lessee to record an ROU asset and a lease liability on the balance sheet for all leases with terms longer than 12 months. Leases are classified as either finance or operating, with classification affecting the pattern of expense recognition in the statements of operations and changes in members' equity (deficit). Leases with a term of less than 12 months will not record a right of use asset and lease liability and the payments will be recognized into profit or loss on a straight-line basis over the lease term.

The Company elected to adopt FASB ASC 842, "Leases", using the optional transition method that allows the Company to initially apply the new leases standard at the adoption date and recognize a cumulative effect adjustment to the opening balance of retained earnings in the period of adoption.

The Company elected to adopt the package of practical expedients available under the transition guidance with the new standard. This package includes the following: relief from determination of lease contracts included in existing or expiring leases at the point of adoption, relief from having to reevaluate the classification of leases in effect at the point of adoption, and relief from reevaluation of existing leases that have initial direct costs associated with the execution of the lease contract. The Company also elected to adopt the practical expedient to use hindsight to determine the lease term and assess the impairment of the right of use assets.

The adoption of FASB ASC 842, "Leases", resulted in the recognition of ROU assets and operating lease liabilities of \$247,198 as of January 1, 2022. The adoption of FASB ASC 842 did not have a material impact on the Company's results of operations or cash flows.

*Adoption of New Accounting Standard:* On January 1, 2023, the Company adopted Accounting Standards Update 2016-13 "Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments" (Accounting Standards Codification 326). This standard replaced the incurred loss methodology with an expected loss methodology that is referred to as the current expected credit loss ("CECL") methodology. CECL requires an estimate of credit losses for the remaining estimated life of the financial asset using historical experience, current conditions, and reasonable and supportable forecasts and generally applies to financial assets measured at amortized cost, including loan receivables and held-to-maturity debt securities, and some off-balance sheet credit exposures such as unfunded commitments to extend credit. Financial assets measured at amortized cost will be presented at the net amount expected to be collected by using an allowance for credit losses.

*Reclassification:* Certain accounts relating to prior year have been reclassified to conform to the current-year presentation with no effect on previously reported net income.

*Evaluation of Subsequent Events:* The Company has evaluated subsequent events through March 7, 2024, which is the date the financial statements were available to be issued.

**MOBILEDUMPS FRANCHISING, LLC**

**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

**December 31, 2023 and 2022**

**3. Related Parties**

Members of the Company have ownership interests in Mobiledumps, LLC and Mobiledumps Leasing, LLC. Mobiledumps, LLC and Mobiledumps Leasing, LLC have paid certain expenses on behalf of the Company. The Company owes \$164,256 and \$164,901, respectively, to Mobiledumps, LLC as of December 31, 2023 and 2022, and \$3,085 and \$0, respectively, to Mobiledumps Leasing, LLC as of December 31, 2023 and 2022. Mobiledumps, LLC charges a 4.0% interest rate on expenses paid by Mobiledumps, LLC until they are reimbursed by the Company. Interest expense paid to Mobiledumps, LLC for the years ended December 31, 2023 and 2022 was \$938 and \$2,270, respectively.

Certain members have advanced funds to the Company. These advances accrue interest at a rate of 12%. During 2023 and 2022, interest expense paid related to these advances was \$11,048 and \$17,044, respectively. The balance of member loans as of December 31, 2023 and 2022 was \$92,063.

The Company subleases its office space from Mobiledumps, LLC. See Note 5 for more details on leases.

The Company pays an hourly rate to a related party for outsourced accounting. These fees totaled \$3,963 for the year ended December 31, 2023.

During 2022, the Company paid \$4,000 a month from January to April to a related party for management fees. Management fees for the year ended December 31, 2022 was \$16,000.

During 2022, the Company paid \$1,000 to \$2,500 a month to a related party for outsourced accounting. These fees totaled \$15,500 for the year ended December 31, 2022.

**4. Intangible Assets**

Intangible assets consist of the following as of December 31, 2023 and 2022:

	<u>Gross</u>	<u>Accumulated Amortization</u>	<u>Net</u>
<b><u>December 31, 2023</u></b>			
<b>Software development costs</b>	<b>\$ 220,853</b>	<b>\$ (77,299)</b>	<b>\$ 143,554</b>
<b><u>December 31, 2022</u></b>			
Software development costs	\$ 220,853	\$ (33,128)	\$ 187,725

**MOBILEDUMPS FRANCHISING, LLC**

**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

**December 31, 2023 and 2022**

**5. Operating Lease**

The Company leases its office under a noncancelable operating lease through August 2026. The lease calls for monthly rental payments with a 3% annual increase. The monthly rent expense as of December 31, 2023 and 2022 was \$4,581, and \$4,448, respectively.

The components of operating lease expenses that were included in “rent” on the statements of operations and changes in members’ equity (deficit) for the years ended December 31, 2023 and 2022 were as follows:

	<u>2023</u>	<u>2022</u>
Operating lease expense	\$ 54,039	\$ 52,465
Variable lease expense (discounts)	9,796	(1,142)
<b>Total lease expense</b>	<b><u>\$ 63,835</u></b>	<b><u>\$ 51,323</u></b>

The following summarizes the cash flow information related to operating leases for the years ended December 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flow for operating leases	\$ 63,835	\$ 51,323

	<u>2023</u>	<u>2022</u>
Right of use lease assets obtained in exchange for lease liabilities:		
Operating leases	\$ -	\$ 247,198

The weighted-average lease term and discount rates as of December 31, 2023 and 2022 for operating leases were as follows:

	<u>2023</u>	<u>2022</u>
Weighted-average remaining lease term	2.67 years	3.67 years
Weighted-average discount rate	1.90%	1.90%

The future minimum lease payments under non-cancelable operating leases as of December 31, 2023 were as follows:

2024	\$ 55,660
2025	57,330
2026	38,881
<b>Total future minimum operating lease payments</b>	<b><u>151,871</u></b>
Less: imputed interest	(3,943)
<b>Total operating lease liabilities</b>	<b><u>\$ 147,928</u></b>

Mobiledumps Franchising, LLC

Financial Statements

December 31, 2021



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## INDEPENDENT AUDITOR'S REPORT

To the Members  
Mobiledumps Franchising, LLC  
Richmond, Virginia

### Opinion

We have audited the accompanying financial statements of Mobiledumps Franchising, LLC, which comprises the balance sheet as of December 31, 2021, and the related statements of operations and changes in members' equity (deficit) and cash flows for the period then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above presents fairly, in all material respects, the financial position of Mobiledumps Franchising, LLC as of December 31, 2021, and the results of their operations and their cash flows for the period 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Mobiledumps Franchising, LLC and to meet our other 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 Financial Statements

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

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

- Continued -

## 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 generally accepted auditing standards 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 generally accepted auditing standards, 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 Mobicdumps Franchising, LLC'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 Mobicdumps Franchising, LLC'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.

*Wells Coleman*

April 29, 2022

**MOBILEDUMPS FRANCHISING, LLC**

**BALANCE SHEET**

**December 31, 2021**

**ASSETS**

**Current Assets**

Cash and cash equivalents \$ 25,471

**Total current assets** 25,471

**Other Assets**

Software system development 176,198

**Total Assets** \$ 201,669

**LIABILITIES AND MEMBERS' DEFICIT**

**Current Liabilities**

Accounts payable \$ 53,779

**Total current liabilities** 53,779

**Long-term Liabilities**

Due to related party 194,477

**Total liabilities** 248,256

**Members' Deficit** (46,587)

**Total Liabilities and Members' Deficit** \$ 201,669

See accompanying notes to financial statement.

MOBILEDUMPS FRANCHISING, LLC

STATEMENT OF OPERATIONS AND CHANGES IN MEMBERS' EQUITY (DEFICIT)

For the period from inception (September 14, 2021) to December 31, 2021

<b>Revenues Earned</b>	<b>\$ <u>          -</u></b>
<b>General and Administrative Expenses</b>	
Management fees	12,000
Professional fees	40,820
Rent	8,250
Software subscriptions	<u>29,137</u>
<b>Total general and administrative expenses</b>	<b><u>90,207</u></b>
<b>Loss from operations</b>	<b><u>(90,207)</u></b>
<b>Other Income (Expense)</b>	
Interest expense	<u>(1,380)</u>
<b>Total other income (expense)</b>	<b><u>(1,380)</u></b>
<b>Net Loss</b>	<b>(91,587)</b>
<b>Members' Equity, beginning of year</b>	<b>-</b>
Member contributions	<u>45,000</u>
<b>Members' Deficit, end of year</b>	<b><u>\$ (46,587)</u></b>

See accompanying notes to financial statement.

MOBILEDUMPS FRANCHISING, LLC

STATEMENT OF CASH FLOWS

For the period from inception (September 14, 2021) to December 31, 2021

<b>Cash Flows from Operating Activities</b>	
Net loss	\$ (91,587)
Adjustments to reconcile net loss to net cash and cash equivalents used by operating activities	
Increase (decrease) in operating liabilities	
Accounts payable	<u>53,779</u>
<b>Net cash and cash equivalents used by operating activities</b>	<u><b>(37,808)</b></u>
<b>Cash Flows from Investing Activities</b>	
Purchase of intangible assets	<u>(176,198)</u>
<b>Net cash and cash equivalents used by investing activities</b>	<u><b>(176,198)</b></u>
<b>Cash Flows from Financing Activities</b>	
Advances from related parties	194,477
Member contributions	<u>45,000</u>
<b>Net cash and cash equivalents provided by financing activities</b>	<u><b>239,477</b></u>
<b>Increase in cash and cash equivalents</b>	<b>25,471</b>
<b>Cash and Cash Equivalents, beginning of year</b>	<u>-</u>
<b>Cash and Cash Equivalents, end of year</b>	<u><b>\$ 25,471</b></u>

See accompanying notes to financial statement.

**MOBILEDUMPS FRANCHISING, LLC**  
**NOTES TO FINANCIAL STATEMENT**

**December 31, 2021**

**1. Nature of Activities**

Mobiledumps Franchising, LLC (the Company) was formed under the laws of the Commonwealth of Virginia on September 14, 2021. The Company consists of five members, one of whom is the managing member. The members have adopted an operating agreement, which describes the rules and conditions for operations, pursuant to Virginia's Limited Liability Act. Headquartered in Richmond, Virginia, the Company is registered as a franchisor. As a franchisor, the Company will sell franchises and support franchise owners.

**2. Summary of Significant Accounting Policies**

*Basis of Accounting:* The Company prepares its financial statements in accordance with generally accepted accounting principles, which involves the application of accrual accounting.

*Cash and Cash Equivalents:* The Company considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

*Intangible Assets:* The Company's intangible assets include software development costs. Software development costs are not placed in service as of December 31, 2021. The software development costs will be amortized on a straight-line basis over 5 years after being placed into service.

*Income Tax Status:* The Company and its members have elected for the Company to be treated under Subchapter K of the Internal Revenue Code for federal and state income tax purposes. This election allows the income of the Company to be taxed at the members' level. Accordingly, no provision has been made in the accompanying financial statement for any income tax.

*Use of Estimates:* Management uses estimates and assumptions in preparing the financial statement. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. On an ongoing basis, management evaluates the estimates and assumptions based on new information. Management believes that the estimates and assumptions are reasonable in the circumstances; however, actual results could differ from those estimates.

*Evaluation of Subsequent Events:* The Company has evaluated subsequent events through April 29, 2022, which is the date the financial statement was available to be issued.

**3. Related Parties**

Members of the Company also have ownership interests in Mobiledumps, LLC and Mobiledumps Leasing, LLC. Mobiledumps, LLC operates the underlying business concept that the Company intends to franchise and Mobiledumps Leasing, LLC leases vehicles and equipment to Mobiledumps, LLC. As of December 31, 2021, Mobiledumps Franchising, LLC owes \$194,477 to Mobiledumps, LLC for Mobiledumps Franchising, LLC's expenses paid by Mobiledumps, LLC. Mobiledumps, LLC charges a 4.0% interest rate on expenses paid by Mobiledumps, LLC until they are reimbursed by Mobiledumps Franchising, LLC. Interest expense accrued to Mobiledumps, LLC for the year ended December 31, 2021 was \$1,380.

**MOBILEDUMPS FRANCHISING, LLC**

**NOTES TO FINANCIAL STATEMENT**

**December 31, 2021**

**3. Related Parties - Continued**

Mobiledumps Franchising, LLC also utilizes office space that is leased by Mobiledumps, LLC. Mobiledumps Franchising, LLC has a month-to-month lease agreement with Mobiledumps, LLC whereby Mobiledumps Franchising, LLC pays \$2,750 sub-lease per month to Mobiledumps, LLC. Rent expense for the period ended December 31, 2021 was \$8,250.

Mobiledumps Franchising, LLC also pays \$4,000 a month to a related party of Mobiledumps, LLC for management fees. Management fees paid for the period ended December 31, 2021 were \$12,000.

**4. Intangible Assets**

Intangible assets consist of the following as of December 31:

	<u>Gross</u>	<u>Accumulated Amortization</u>	<u>Net</u>
<b><u>December 31, 2021</u></b>			
Software development costs	\$ 176,198	\$ -	\$ 176,198



## **EXHIBIT D**

### **LIST OF STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS**

## LIST OF STATE ADMINISTRATORS

We intend to register this disclosure document as a “franchise” in some or all of the following states, if required by the applicable state laws. If and when we pursue franchise registration (or otherwise comply with the franchise investment laws) in these states, the following are the state administrators responsible for the review, registration, and oversight of franchises in these states:

<p><b>CALIFORNIA</b>          Commissioner of Financial Protection and Innovation          Department of Financial Protection and Innovation          320 West Fourth Street, Suite 750          Los Angeles, California 90013-2344          (213) 576-7500 / Toll Free: (866) 275-2677          Email: ASK.DFPI@dfpi.ca.gov          Website: <a href="http://www.dfpi.ca.gov">http://www.dfpi.ca.gov</a></p>	<p><b>NEW YORK</b>          NYS Department of Law          Investor Protection Bureau          28 Liberty St. 21st Fl          New York, NY 10005          (212) 416-8222</p>
<p><b>HAWAII</b>          Commissioner of Securities          Department of Commerce &amp; Consumer Affairs          Business Registration Division          Securities Compliance Branch          335 Merchant Street, Room 203          Honolulu, Hawaii 96813          (808) 586-2722</p>	<p><b>NORTH DAKOTA</b>          North Dakota Securities Department          State Capitol          Department 414          600 East Boulevard Avenue, Fourteenth Floor          Bismarck, North Dakota 58505-0510          (701) 328-4712</p>
<p><b>ILLINOIS</b>          Illinois Office of the Attorney General          Franchise Bureau          500 South Second Street          Springfield, Illinois 62706          (217) 782-4465</p>	<p><b>RHODE ISLAND</b>          Department of Business Regulation          Securities Division, Building 69, First Floor          John O. Pastore Center          1511 Pontiac Avenue          Cranston, Rhode Island 02920          (401) 462-9527</p>
<p><b>INDIANA</b>          Secretary of State          Franchise Section          302 West Washington, Room E-111          Indianapolis, Indiana 46204          (317) 232-6681</p>	<p><b>SOUTH DAKOTA</b>          Division of Insurance          Securities Regulation          124 South Euclid Avenue, 2<sup>nd</sup> Floor          Pierre, South Dakota 57501          (605) 773-3563</p>
<p><b>MARYLAND</b>          Office of the Attorney General          Securities Division          200 St. Paul Place          Baltimore, Maryland 21202-2020          (410) 576-6360</p>	<p><b>VIRGINIA</b>          State Corporation Commission          Division of Securities and Retail Franchising          1300 East Main Street, 9th Floor          Richmond, Virginia 23219          (804) 371-9051</p>
<p><b>MICHIGAN</b>          Michigan Attorney General’s Office          Corporate Oversight Division, Franchise Section          525 West Ottawa Street          G. Mennen Williams Building, 1<sup>st</sup> Floor          Lansing, Michigan 48913          (517) 335-7567</p>	<p><b>WASHINGTON</b>          Department of Financial Institutions          Securities Division          P.O. Box 41200          Olympia, Washington 98504-1200          (360) 902-8760</p>
<p><b>MINNESOTA</b>          Minnesota Department of Commerce          85 7<sup>th</sup> Place East, Suite 280          St. Paul, Minnesota 55101          (651) 539-1600</p>	<p><b>WISCONSIN</b>          Division of Securities          4822 Madison Yards Way, North Tower          Madison, Wisconsin 53705          (608) 266-2139</p>

**AGENTS FOR SERVICE OF PROCESS**

We intend to register this disclosure document as a “franchise” in some or all of the following states, if required by the applicable state law. If and when we pursue franchise registration (or otherwise comply with the franchise investment laws) in these states, we will designate the following state offices or officials as our agents for service of process in these states. There may be states in addition to those listed below in which we have appointed an agent for service of process. There may also be additional agents in some of the states listed.

<p><b>CALIFORNIA</b>          Commissioner of Financial Protection and Innovation          Department of Financial Protection and Innovation          320 West Fourth Street, Suite 750          Los Angeles, California 90013-2344          (213) 576-7500 / Toll Free: (866) 275-2677          Email: ASK.DFPI@dfpi.ca.gov          Website: <a href="http://www.dfpi.ca.gov">http://www.dfpi.ca.gov</a></p>	<p><b>NEW YORK</b>          New York Secretary of State          One Commerce Plaza          99 Washington Avenue          Albany, NY 12231          (518) 473-2492</p>
<p><b>HAWAII</b>          Commissioner of Securities          Department of Commerce &amp; Consumer Affairs          Business Registration Division          Securities Compliance Branch          335 Merchant Street, Room 203          Honolulu, Hawaii 96813          (808) 586-2722</p>	<p><b>NORTH DAKOTA</b>          North Dakota Securities Commissioner          State Capitol          Department 414          600 East Boulevard Avenue, Fourteenth Floor          Bismarck, North Dakota 58505-0510          (701) 328-4712</p>
<p><b>ILLINOIS</b>          Illinois Attorney General          500 South Second Street          Springfield, Illinois 62706          (217) 782-4465</p>	<p><b>RHODE ISLAND</b>          Director of Department of Business Regulation          Department of Business Regulation          Securities Division, Building 69, First Floor          John O. Pastore Center          1511 Pontiac Avenue          Cranston, Rhode Island 02920          (401) 462-9527</p>
<p><b>INDIANA</b>          Secretary of State          Franchise Section          302 West Washington, Room E-111          Indianapolis, Indiana 46204          (317) 232-6681</p>	<p><b>SOUTH DAKOTA</b>          Division of Insurance          Director of the Securities Regulation          124 South Euclid Avenue, 2<sup>nd</sup> Floor          Pierre, South Dakota 57501          (605) 773-3563</p>
<p><b>MARYLAND</b>          Maryland Securities Commissioner          200 St. Paul Place          Baltimore, Maryland 21202-2020          (410) 576-6360</p>	<p><b>VIRGINIA</b>          Clerk of the State Corporation Commission          1300 East Main Street, 1<sup>st</sup> Floor          Richmond, Virginia 23219          (804) 371-9733</p>
<p><b>MICHIGAN</b>          Michigan Attorney General’s Office          Corporate Oversight Division, Franchise Section          525 West Ottawa Street          G. Mennen Williams Building, 1<sup>st</sup> Floor          Lansing, Michigan 48913          (517) 335-7567</p>	<p><b>WASHINGTON</b>          Director of Department of Financial Institutions          Securities Division – 3<sup>rd</sup> Floor          150 Israel Road, Southwest          Tumwater, Washington 98501          (360) 902-8760</p>
<p><b>MINNESOTA</b>          Commissioner of Commerce          Minnesota Department of Commerce          85 7<sup>th</sup> Place East, Suite 280          St. Paul, Minnesota 55101          (651) 539-1600</p>	<p><b>WISCONSIN</b>          Division of Securities          4822 Madison Yards Way, North Tower          Madison, Wisconsin 53705          (608) 266-2139</p>

# **EXHIBIT E**

## **STATE ADDENDA**

## CALIFORNIA

### ADDENDUM TO DISCLOSURE DOCUMENT

In recognition of the requirements of the California Franchise Investment Law, Cal. Corp. Code §§ 31000-31516, and the California Franchise Relations Act, Cal. Bus. & Prof. Code §§ 20000-20043, the Franchise Disclosure Document for Mobiledumps Franchising, LLC. in connection with the offer and sale of Mobiledumps Businesses for use in the State of California shall be amended to include the following:

1. Our website, <http://www.mobiledumps.com>, has not been reviewed or approved by the California Department of Financial Protection and Innovation. Any complaints concerning the content of the website may be directed to the California Department of Financial Protection and Innovation at [www.dfpi.ca.gov](http://www.dfpi.ca.gov).

2. THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT.

3. 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.

4. YOU MUST SIGN A GENERAL RELEASE WHEN YOU EXECUTE OR TRANSFER YOUR FRANCHISE AGREEMENT AND IF YOU RENEW YOUR FRANCHISE AGREEMENT. CALIFORNIA CORPORATIONS CODE § 31512 VOIDS A WAIVER OF YOUR RIGHTS UNDER THE FRANCHISE INVESTMENT LAW (CALIFORNIA CORPORATIONS CODE §§ 31000 THROUGH 31516). BUSINESS AND PROFESSIONS CODE § 20010 VOIDS A WAIVER OF YOUR RIGHTS UNDER THE FRANCHISE RELATIONS ACT (BUSINESS AND PROFESSIONS CODE §§ 20000 THROUGH 20043).

5. In Item 3, "Litigation," shall be amended by the addition of the following paragraphs:

Pursuant to California law, this Item does not include any information regarding the arrest of any person(s) that did not result in a conviction or plea of nolo contendere.

Neither we, nor any person identified in Item 2 above, 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, 15 U.S.C. § 78a, et seq.) suspending or expelling such person from membership in such association or exchange.

6. Item 5, "Initial Fees", shall be amended by the additional of the following paragraphs:

The Department of Financial Protection and Innovation requires that we defer the collection of all initial fees from California franchisees until we have completed all of our pre-opening obligations and you are open for business.

7. Item 17, "Renewal, Termination, Transfer and Dispute Resolution," shall be amended by the addition of the following paragraph(s) at the conclusion of the Item:

The following notice is required to be inserted in this Disclosure Document by the state of California whenever an applicable provision is included in a Franchise Agreement. We reserve the right to attempt to enforce all of the provisions listed below in which we indicate that this provision may not be enforceable under California law.

California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination, non-renewal or transfer of a Franchise Agreement. If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control.

The Franchise Agreement contains a covenant not to compete which extends beyond the termination of the Franchise Agreement. These provisions may not be enforceable under California law.

The Franchise Agreement requires application of the laws of the commonwealth of Virginia). This provision may not be enforceable under California law.

8. No disclaimer, questionnaire, clause, or statement signed by a franchisee in connection with the commencement of the franchise relationship shall be construed or interpreted as waiving any statutory claim under the California Franchise Investment Law, or as disclaiming reliance on or the right to rely upon any statement made or information provided by any franchisor, broker or other person acting on behalf of the franchisor that was a material inducement to a franchisee's investment. Any statements or representations signed by a franchisee purporting to understand any fact or its legal effect shall be deemed made only based upon the franchisee's understanding of the law and facts as of the time of the franchisee's investment decision. This provision supersedes any other or inconsistent term of any document executed in connection with the franchise.

9. Each provision of this Addendum to the Disclosure Document shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the California Franchise Investment Law, Cal. Corp. Code §§ 31000 - 31516, and the California Franchise Relations Act, Cal Bus. & Prof. Code §§ 2000 - 20043, are met independently without reference to this Addendum to the Disclosure Document.

**California Franchise Agreement Amendment**

In recognition of the requirements of California Franchise Investment Law, Cal. Corp. Code §§ 31000 31516, and the California Franchise Relations Act, Cal. Bus. & Prof. Code §§ 20000-20043, the parties to the attached MOBILEDUMPS FRANCHISE AGREEMENT (the "Agreement") agree as follows:

1. The provisions of this Addendum form an integral part of, and are incorporated into, the Franchise Agreement. This Addendum is being executed because: **(A)** the offer or sale of a franchise to Franchisee was made in the State of California; **(B)** Franchisee is a resident of the State of California; and/or **(C)** the Franchised Business will be located and/or operated in the State of California.
  
2. The following language is added to the end of Section 3.A of the Franchise Agreement:  
  
Notwithstanding the foregoing, in the State of California, all initial fees and payments you owe to us under this Agreement shall be deferred until we complete our pre-opening obligations under this Agreement and you open the Franchised Business.
  
3. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect. This Addendum may be executed in multiple counterparts, each of which when executed and delivered shall be deemed an original and all of which together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page of this Addendum by facsimile and any other electronic transmission (including PDF) shall be as effective as delivery of a manually executed counterpart of this Addendum.

**IN WITNESS WHEREOF**, each of the undersigned hereby acknowledges having read this Addendum, and understands and consents to be bound by all of its terms.

**FRANCHISOR:**  
MOBILEDUMPS FRANCHISING, LLC,  
A Virginia limited liability company

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**FRANCHISEE:**

\_\_\_\_\_

a(n), \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

## ILLINOIS

### ADDENDUM TO DISCLOSURE DOCUMENT

In recognition of the requirements of the Illinois Franchise Disclosure Act of 1987, Illinois Complied Statutes sections 705/4 and 705/41 ("the Act"), the Disclosure Document for use in the State of Illinois is amended to include the following:

1. If there is any conflict between any part of the Act and any part of the Franchise Agreement, the provisions of Illinois law will control.
2. Item 5 of the Disclosure Document is amended by adding the following language:

Payment of all Initial Fees will be deferred until Franchisor has met all initial obligations to franchisee, and franchisee has commenced doing business. This financial assurance requirement was imposed by the Office of the Illinois Attorney General due to Franchisor's financial condition.
3. Item 17 of the Disclosure Document is amended by adding the following language to the beginning of the Item:

The terms and conditions under which your franchise can be terminated and your rights upon non-renewal of a franchise are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.
4. The "Summary" section of Item 17 (v) ("Choice of forum") for the Franchise Agreement is amended by adding the following language:

However, any provision in the Franchise Agreement that designates jurisdiction or venue in a forum outside of the State of Illinois is void under Section 4 of the current Illinois Franchise Disclosure Act, although the Franchise Agreement may provide for arbitration in a forum outside of the State of Illinois.
5. 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, or (ii) disclaiming reliance on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.
6. To the extent this Addendum is deemed to be inconsistent with the Disclosure Document, the terms of this Addendum shall govern.



## **Illinois Franchise Agreement Amendment**

To comply with the requirements of the Illinois Franchise Disclosure Act (Ill. Comp. Stat. §§ 705/1 to 705/44, (the “Act”), the parties to the attached MOBILEDUMPS FRANCHISE AGREEMENT (the “Agreement”) agree as follows:

1. The following is added to the end of Section 3.A of the Franchise Agreement:

Payment of all Initial Fees will be deferred until Franchisor has met all initial obligations to franchisee, and franchisee has commenced doing business. This financial assurance requirement was imposed by the Office of the Illinois Attorney General due to Franchisor's financial condition.

2. The following new Section 17.D is added, under the heading “Termination”:

D. If any of the provisions of this Section 17 concerning termination are inconsistent with Section 19 of the Illinois Franchise Disclosure Act, then Illinois law will apply.

3. The following new Section 24.G is added, under the heading “Governing Law, Jurisdiction and Venue”:

Illinois law governs the Franchise Agreement.

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

4. The following is added to the Agreement:

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

5. The following is added to Section 23:

Notwithstanding the forgoing, nothing in this or any related agreement is intended to disclaim the express representations made in the Franchise Disclosure Document, its exhibits and amendments.

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, or (ii) disclaiming reliance on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

6. To the extent this Amendment is deemed to be inconsistent with any terms or conditions of the Agreement, the terms of this Amendment shall govern.

***[Signatures on following page]***

**IN WITNESS WHEREOF**, each of the undersigned hereby acknowledges having read this Addendum, and understands and consents to be bound by all of its terms.

**FRANCHISOR:**

MOBILEDUMPS FRANCHISING, LLC,  
A Virginia limited liability company

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**FRANCHISEE:**

\_\_\_\_\_

a(n), \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**MARYLAND**

**ADDENDUM TO DISCLOSURE DOCUMENT**

The Disclosure Document is amended as follows:

1. The following language is added to Item 5:

“Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement.”

2. The Summary section of Item 17(c) entitled “**Requirements for you to Renew or Extend**” and the Summary section of Item 17(l) entitled “**Our Approval of Transfer**” are amended by adding the following:

“Any general release you sign as a condition of renewal, sale and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.”

3. The Summary section of Item 17(v) entitled “**Choice of Forum**” are amended by adding the following:

“You may sue us in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

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

4. No 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.

**MARYLAND**

**ADDENDUM TO FRANCHISE AGREEMENT**

**THIS ADDENDUM TO FRANCHISE AGREEMENT** (this “**Addendum**”) dated \_\_\_\_\_, is intended to be a part of, and by this reference is incorporated into that certain Franchise Agreement (the “**Franchise Agreement**”) dated \_\_\_\_\_, by and between Mobiledumps Franchising, LLC, as franchisor (“**Franchisor**”) and \_\_\_\_\_, as franchisee (“**Franchisee**”). Where and to the extent that any of the provisions of this Addendum are contrary to, in conflict with or inconsistent with any provision contained in the Franchise Agreement, the provisions contained in this Addendum shall control. Defined terms contained in the Franchise Agreement shall have the identical meanings in this Addendum.

1. Notwithstanding any provision of the Franchise Agreement to the contrary, any general release required as a condition of renewal, sale and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law (the “**Maryland Franchise Law**”).
2. Any provision requiring Franchisee to bring an action against Franchisor in any state other than Maryland shall not apply to claims arising under the Maryland Franchise Law. Franchisee may bring an action in Maryland for claims arising under the Maryland Franchise Law. All claims arising under the Maryland Franchise Law must be brought within 3 years after the grant of a franchise.
3. All representations requiring prospective franchisees to assent to a release, estoppel, or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Law.
4. Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement.
5. 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.
6. Each provision of this Addendum shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Maryland Franchise Law are met independently without reference to this Addendum.
7. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.
8. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

***[Signatures on following page]***

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Addendum, and understands and consents to be bound by all of its terms.

**FRANCHISOR:**

MOBILEDUMPS FRANCHISING, LLC,  
A Virginia limited liability company

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**FRANCHISEE:**

\_\_\_\_\_

a(n), \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

## MICHIGAN

### **ADDENDUM TO DISCLOSURE DOCUMENT**

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:

(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 PROVISIONS 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 FRANCHISED 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 FRANCHISEE 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.

\* \* \* \*

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.

\* \* \* \*

IF THE FRANCHISOR'S MOST RECENT FINANCIAL STATEMENTS ARE UNAUDITED AND SHOW A NET WORTH OF LESS THAN \$100,000.00, THE FRANCHISOR MUST, AT THE REQUEST OF THE FRANCHISEE, ARRANGE FOR THE ESCROW OF INITIAL INVESTMENT AND OTHER FUNDS PAID BY THE FRANCHISEE UNTIL THE OBLIGATIONS 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 NAME AND ADDRESS OF THE FRANCHISOR'S AGENT IN THIS STATE AUTHORIZED TO RECEIVE SERVICE OF PROCESS IS: MICHIGAN DEPARTMENT OF COMMERCE, CORPORATION AND SECURITIES BUREAU, 6546 MERCANTILE WAY, P.O. BOX 30222, LANSING, MICHIGAN 48910.

ANY QUESTIONS REGARDING THIS NOTICE SHOULD BE DIRECTED TO:

**DEPARTMENT OF THE ATTORNEY GENERAL'S OFFICE  
CONSUMER PROTECTION DIVISION  
ATTN: FRANCHISE  
670 G. MENNEN WILLIAMS BUILDING  
LANSING, MICHIGAN 48913**

## MINNESOTA

### ADDENDUM TO DISCLOSURE DOCUMENT

1. **Initial Fees.** The following statement is added to Items 5 and 7:

Based upon our financial condition, the Minnesota Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments shall be deferred until the Franchised Business is open.

2. **Trademarks.** The following statement is added to Item 13:

Notwithstanding the foregoing, Mobiledumps Franchising, LLC will indemnify you against liability to a third party resulting from claims that your use of a Proprietary Mark infringes trademark rights of a third party; provided, that we will not indemnify against the consequences of your use of the Proprietary Marks unless the use is in accordance with the requirements of the Franchise Agreement and the System.

3. **Notice of Termination.** The following statement is added to Item 17:

With respect to franchises governed by Minnesota law, Mobiledumps Franchising, LLC will comply with Minnesota Statute § 80C.14, subdivisions 3, 4, and 5 which requires, except in certain specified cases, 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.

4. **Choice of Forum and Law.** The following statement is added to the State Cover Page and Item 17:

Minnesota Statute § 80C.21 and Minnesota Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in the disclosure document or agreements can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

5. **General Release.** The following statement is added to Item 17:

Minnesota Rule 2860.4400D prohibits us from requiring you to assent to a release, assignment, novation, or waiver that would relieve any person from liability imposed by Minnesota Statute §§ 80C.01 - 80C.22.

6. **Waiver of Right to Jury Trial or Termination Penalties.** The following statement is added to Item 17:

Minnesota Rule 2860.4400J, among other things, prohibits us from requiring you to waive your rights to a jury trial or to consent to liquidated damages, termination penalties, or judgment notes; provided, that this part will not bar an exclusive arbitration clause.

7. No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, or (ii) disclaiming reliance on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise. This provision supersedes any other term of any document executed with the franchise, including but not limited to the General Release.



**MINNESOTA**

**ADDENDUM TO FRANCHISE AGREEMENT**

**THIS ADDENDUM TO FRANCHISE AGREEMENT** (this “**Addendum**”) dated \_\_\_\_\_, is intended to be a part of, and by this reference is incorporated into that certain Franchise Agreement (the “**Franchise Agreement**”) dated \_\_\_\_\_, by and between MobileDumps Franchising, LLC, as franchisor (“**Franchisor**”) and \_\_\_\_\_, as franchisee (“**Franchisee**”). Where and to the extent that any of the provisions of this Addendum are contrary to, in conflict with or inconsistent with any provision contained in the Franchise Agreement, the provisions contained in this Addendum shall control. Defined terms contained in the Franchise Agreement shall have the identical meanings in this Addendum.

1. Initial Franchise Fee. The following sentences are added to the end of Section 3.A:

Notwithstanding the foregoing, in the State of Minnesota, Franchisor will defer payment of the Initial Franchise Fee until the Franchised Business opens for business. Upon the opening of the Franchised Business, Franchisee shall pay the Initial Franchise Fee to Franchisor.

2. Releases. The following sentence is added to the end of 2.D and 14.B(4):

Notwithstanding the foregoing, Franchisee will not be required to assent to a release, assignment, novation, or waiver that would relieve any person from liability imposed by Minnesota Statute §§ 80C.01 - 80C.22.

3. Indemnification. The following sentence is added at the end of Section 20:

Notwithstanding the foregoing, Franchisor will indemnify Franchisee against liability to a third party resulting from claims that Franchisee’s use of a Proprietary Mark infringes trademark rights of a third party; provided, that Franchisor will not indemnify against the consequences of Franchisee’s use of the Proprietary Marks unless the use is in accordance with the requirements of this Agreement and the System.

4. Non-Renewal. The following sentence is added to the end of Section 2.B – D:

With respect to franchises governed by Minnesota law, Franchisor will comply with Minnesota Statute § 80C.14, Subdivision 3, 4, and 5 which requires, except in certain cases, that a franchisee be given 90 days’ notice of termination (with 60 days to cure) and 180 days’ notice for non-renewal of franchise agreements.

5. Termination. The following sentence is added to the end of Section 17:

With respect to franchises governed by Minnesota law, Franchisor will comply with Minnesota Statute § 80C.14, Subdivision 3, 4, and 5 which requires, except in certain cases, that a franchisee be given 90 days’ notice of termination (with 60 days to cure) and 180 days’ notice for non-renewal of franchise agreements.

6. Forum. The following sentences are added to the end of Section 24.B:

Minnesota Statute § 80C.21 and Minnesota Rule 2860.4400J prohibit Franchisor from requiring litigation to be conducted outside Minnesota. In addition, nothing in the disclosure document or agreements can abrogate or reduce any of Franchisee’s rights as provided for in Minnesota Statutes, Chapter 80C, or Franchisee’s rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

7. Waiver of Jury Trial and Damages. Section 24.D is deleted.

8. Injunctive Relief. The following sentence is added to the end of Section 16:

Notwithstanding the foregoing, Franchisee may not consent to Franchisor obtaining injunctive relief. Franchisor may seek injunctive relief. See Minn. Rule 2860.4400J. A court will determine if a bond is required.

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

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

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Addendum, and understands and consents to be bound by all of its terms.

**FRANCHISOR:**  
MOBILEDUMPS FRANCHISING, LLC,  
A Virginia limited liability company

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**FRANCHISEE:**

\_\_\_\_\_

a(n), \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

## NEW YORK

### ADDENDUM TO DISCLOSURE DOCUMENT

1. **State Cover Page.** The following information is added to the cover page of the Franchise Disclosure Document:

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SOURCES OF 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 THAT ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, BUREAU OF INVESTOR PROTECTION AND SECURITIES, 120 BROADWAY, 23RD FLOOR, NEW YORK, NEW YORK 10271. 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 WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

2. **Item 3, Additional Disclosure.** The following is added to the end of Item 3:

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, which are 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 10 year period 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. **Item 4, Additional Disclosure.** The following is added to the end of Item 4:

Neither the franchisor, its affiliate, its predecessor, officers, or general partner during the 10-year period immediately before the date of the offering circular: (a) filed as debtor (or had filed against

it) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its debts under the bankruptcy code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the U.S. Bankruptcy Code during or within 1 year after that officer or general partner of the franchisor held this position in the company or partnership.

**4. Item 17: Renewal, Termination, Transfer and Dispute Resolution**

A. The following is added to the end of the “Summary” sections of Item 17(c), titled “Requirements for 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; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687.4 and 687.5 be satisfied.

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

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

C. The following is added to the end of the “Summary” section of Item 17(j), titled “Assignment of contract by franchisor”:

However, no assignment will be made except to an assignee who in good faith and judgment of the franchisor, is willing and financially able to assume the franchisor’s obligations under the Franchise Agreement.

D. 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 upon the franchisee by Article 33 of the General Business Law of the State of New York.

Each provision of these Additional Disclosures shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of New York General Business Law, Article 33, Section 680 through 695, and of the Codes, Rules, and Regulations of the State of New York, Title 13, Chapter VII, Section 200.1 through 201.16, are met independently without reference to these Additional Disclosures.

**NEW YORK**

**ADDENDUM TO FRANCHISE AGREEMENT**

**THIS ADDENDUM TO FRANCHISE AGREEMENT** (this “**Addendum**”) dated \_\_\_\_\_, is intended to be a part of, and by this reference is incorporated into that certain Franchise Agreement (the “**Franchise Agreement**”) dated \_\_\_\_\_, by and between Mobiledumps Franchising, LLC, as franchisor (“**Franchisor**”) and \_\_\_\_\_, as franchisee (“**Franchisee**”). Where and to the extent that any of the provisions of this Addendum are contrary to, in conflict with or inconsistent with any provision contained in the Franchise Agreement, the provisions contained in this Addendum shall control. Defined terms contained in the Franchise Agreement shall have the identical meanings in this Addendum.

1. The provisions of this Addendum form an integral part of, and are incorporated into, the Franchise Agreement. This Addendum is being executed because: **(A)** the offer or sale of a franchise to Franchisee was made in the State of New York; **(B)** Franchisee is a resident of the State of New York; and/or **(C)** the Franchised Business will be located and/or operated in the State of New York.
2. Any provision in the Franchise Agreement that is inconsistent with the New York General Business Law, Article 33, Sections 680 – 695, may not be enforceable.
3. The following sentence is added to the end of Sections 2.D and 14.B(4):  
  
Any provision in this Agreement requiring Franchisee to sign a general release of claims against Franchisor does not release any claim Franchisee may have under New York General Business Law, Article 33, Sections 680-695.
4. The following sentence is added to Section 13:  
  
Franchisor will not assign its rights under this Agreement, except to an assignee who in its good faith and judgment is willing and able to assume Franchisor’s obligations under this Agreement.
5. The following sentence is added to the end of Section 16:  
  
Franchisor’s right to obtain injunctive relief exists only after proper proofs are made and the appropriate authority has granted such relief.
6. The following sentence is added to the end of Section 24.A  
  
Notwithstanding the foregoing, the New York Franchises Law shall govern any claim arising under that law.
7. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.
8. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

***[Signatures on following page]***

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Addendum, and understands and consents to be bound by all of its terms.

**FRANCHISOR:**

MOBILEDUMPS FRANCHISING, LLC,  
A Virginia limited liability company

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**FRANCHISEE:**

\_\_\_\_\_

a(n), \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**RHODE ISLAND**

**ADDENDUM TO DISCLOSURE DOCUMENT**

The Disclosure Document is amended as follows:

1. The following statement is added to Item 17:

Section 19-28.1-14 of the Rhode Island Franchise Investment Act 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."

The provision of this Additional Disclosure shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Rhode Island Franchise Investment Law are met independently without reference to this Additional Disclosure.

**RHODE ISLAND**

**ADDENDUM TO FRANCHISE AGREEMENT**

**THIS ADDENDUM TO FRANCHISE AGREEMENT** (this “**Addendum**”) dated \_\_\_\_\_, is intended to be a part of, and by this reference is incorporated into that certain Franchise Agreement (the “**Franchise Agreement**”) dated \_\_\_\_\_, by and between Mobiledumps Franchising, LLC, as franchisor (“**Franchisor**”) and \_\_\_\_\_, as franchisee (“**Franchisee**”). Where and to the extent that any of the provisions of this Addendum are contrary to, in conflict with or inconsistent with any provision contained in the Franchise Agreement, the provisions contained in this Addendum shall control. Defined terms contained in the Franchise Agreement shall have the identical meanings in this Addendum.

In recognition of the requirements of the Rhode Island Franchise Investment Act (Section 19-28.1-14), the parties to the Franchise Agreement agree as follows:

1. Any provision of the Franchise Agreement restricting jurisdiction or venue to a forum outside Rhode Island or requiring the application of the laws of any state other than Rhode Island is void with respect to a claim otherwise enforceable under the Rhode Island Franchise Investment Act.
2. In the event of any conflict between the terms of this Addendum and the terms of the Franchise Agreement, the terms of this Addendum shall prevail.
3. Each provision of this Addendum shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Rhode Island Franchise Investment Act are met independently without reference to this Addendum.

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Addendum, and understands and consents to be bound by all of its terms.

**FRANCHISOR:**  
MOBILEDUMPS FRANCHISING, LLC,  
A Virginia limited liability company

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**FRANCHISEE:**  
\_\_\_\_\_  
a(n), \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_



## VIRGINIA

### **ADDENDUM TO DISCLOSURE DOCUMENT**

The Disclosure Document is amended as follows:

2. The following statement is added to Item 5:

“The Virginia State Corporation Commission’s Division of Securities and Retail Franchising requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement”.

2. Any references in Items 5 and 17 of the Disclosure Document which provide that the Franchise Agreement may be terminated for any reason are in violation of Section 13.1-564 of the Virginia Retail Franchising Act and are unenforceable.
3. 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 other agreements 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.
4. 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, or (ii) disclaiming reliance on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

**VIRGINIA**

**ADDENDUM TO FRANCHISE AGREEMENT**

**THIS ADDENDUM TO FRANCHISE AGREEMENT** (this “**Addendum**”) dated \_\_\_\_\_, is intended to be a part of, and by this reference is incorporated into that certain Franchise Agreement (the “**Franchise Agreement**”) dated \_\_\_\_\_, by and between Mobiledumps Franchising, LLC, as franchisor (“**Franchisor**”) and \_\_\_\_\_, as franchisee (“**Franchisee**”). Where and to the extent that any of the provisions of this Addendum are contrary to, in conflict with or inconsistent with any provision contained in the Franchise Agreement, the provisions contained in this Addendum shall control. Defined terms contained in the Franchise Agreement shall have the identical meanings in this Addendum.

1. The following is added to the end of Section 3.A. of the Franchise Agreement:

Notwithstanding the foregoing, Franchisor will defer payment of the Initial Franchise Fee until the Franchised Business opens for business. Upon the opening of the Franchised Business, Franchisee shall pay the Initial Franchise Fee to Franchisor.

2. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.
3. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Addendum, and understands and consents to be bound by all of its terms.

**FRANCHISOR:**  
MOBILEDUMPS FRANCHISING, LLC,  
A Virginia limited liability company

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**FRANCHISEE:**

\_\_\_\_\_

a(n), \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

## WASHINGTON

### ADDENDUM TO DISCLOSURE DOCUMENT

The Disclosure Document is amended by the additional of the following:

1. In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.
2. RCW 19.100.180 may supersede the Franchise Agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the Franchise Agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.
3. 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. A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.
5. Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.
6. 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 provisions contained in the Franchise Agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.
7. 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.
8. The following paragraphs are added to Item 5 of the FDD:
  - a. The State of Washington has imposed a financial condition under which the initial franchise fees due will be deferred until we have fulfilled our initial pre-opening obligations under the Franchise Agreement and your Mobiledumps Business is open for business. Upon the opening of the Business, you will pay the Franchise Fee and Graphics and Signage fee to us.
  - b. Franchisees who receive financial incentives to refer franchise prospects to the Franchisor may be required to register as franchise brokers under the laws of Washington State.

9. Note 2 of Item 6 of the FDD, the definition of “Gross Sales,” is deleted and replaced with the following:

**“Gross Sales”** means the aggregate amount of all revenues generated from the sale of all products and services sold and all other income of every kind related to the Business, whether for cash or credit (and regardless of collection in the case of credit), whether from sales in the Protected Area or elsewhere (whether the sales method is permitted or not). You may not reduce Gross Sales by the amount of any discounts provided to employees, family members and other businesses that you control. Gross Sales does not include sales taxes or other taxes collected from customers for transmittal to the appropriate taxing authority, proceeds from the sale of gift cards or stored value cards, and customer refunds made in good faith. We reserve the right to modify our policies consistent with industry practices regarding revenue recognition and revenue reporting as circumstances, business practices, and technology change.

10. The “Summary” column in Section “r. Non-competition covenants after the franchise is terminated or expires” of Item 17 of the FDD is deleted and replaced with the following:

No involvement with any Competing Business for two years at or within a fifteen (15) mile radius of the Protected Area or within a fifteen (15) mile radius of the Protected Area or of any other then-existing Mobicdumps Business

The provisions of this Additional Disclosure shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Washington Franchise Investment Protection Act are met independently without reference to this Additional Disclosure.

## WASHINGTON

### ADDENDUM TO FRANCHISE AGREEMENT

This Addendum to the Mobiledumps Franchise Agreement dated \_\_\_\_\_ (“Franchise Agreement”) is entered into by and between Mobiledumps Franchising, LLC, a Virginia limited liability company (“Franchisor”) and \_\_\_\_\_, a \_\_\_\_\_ [insert type of organization and delete these brackets] formed in \_\_\_\_\_ [insert state and delete these brackets] (“Franchisee”) as of the Effective Date (which is the date indicated on the signature page of this Addendum).

1. The provisions of this Addendum form an integral part of, and are incorporated into, the Franchise Agreement. This Addendum is being executed because: **(A)** the offer or sale of a franchise to Franchisee was made in the State of Washington; **(B)** Franchisee is a resident of the State of Washington; and/or **(C)** the Franchised Business will be located and/or operated in the State of Washington.
2. In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.
3. The state of Washington has a statute, the Washington Franchise Investment Protection Act, RCW 19.100.180 (“Act”), which may supersede this Agreement in your relationship with Franchisor, including in the areas of termination and renewal of your franchise. There also may be court decisions that may supersede this Agreement in your relationship with the Franchisor, including in the areas of termination and renewal of your franchise.
4. 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.
5. A release or waiver of rights executed by Franchisee shall not include rights under the Act except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, rights or remedies under the Act such as a right to a jury trial may not be enforceable.
6. Transfer fees are collectable to the extent that they reflect Franchisor’s reasonable estimated or actual costs in effecting a transfer.
7. 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 provisions contained in the Franchise Agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.
8. 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.

9. The following is added to the end of Section 3.A of the Franchise Agreement:

Notwithstanding the foregoing, we will defer the payment of all initial fees until the Franchisor has provided all pre-opening obligations and the Franchised Business opens for business. Upon the opening of the Franchised Business, you shall pay all initial fees to us.

10. Section 3.C of the Franchise Agreement is deleted and replaced with the following:

**Gross Sales Definition.** As used in this Agreement, “**Gross Sales**” means the aggregate amount of all revenues generated from the sale of all products and services sold and all other income of every kind related to the Franchised Business, whether for cash or credit (and regardless of collection in the case of credit), whether from sales in the Protected Area or elsewhere (whether the sales method is permitted or not). Franchisee may not reduce Gross Sales by the amount of any discounts provided to employees, family members and other businesses that Franchisee controls. Gross Sales does not include sales taxes or other taxes collected from customers for transmittal to the appropriate taxing authority, proceeds from the sale of gift cards or stored value cards, and customer refunds made in good faith. Franchisor reserves the right to modify its policies consistent with industry practices regarding revenue recognition and revenue reporting as circumstances, business practices, and technology change.

11. Section 16.B.(2)(a) of the Franchise Agreement is revised to state that the non-competition restriction applies to any Competing Business located at or within a fifteen (15) mile radius of the Protected Area or of any other then-existing MobileDumps Business.

12. Section 17 of the Franchise Agreement is revised to state that the franchisee may terminate the Franchise Agreement under any grounds permitted by state law.

13. The third and final paragraph of Section 18 of the Franchise Agreement is deleted and replaced with the following:

If Franchisee defaults on its obligations and Franchisor terminates this Agreement prior to the expiration of the Initial Term, it is hereby agreed that the amount of damages which Franchisor would incur for any such termination of this Agreement would be difficult, if not impossible, to accurately ascertain. Accordingly, within thirty (30) days following such termination, Franchisee shall pay to Franchisor an amount equal to the average Royalty Fees that Franchisee owed for the one year period prior to termination (or, if the Franchised Business was open for less than one year, the average Royalty Fees owed for the number of weeks that the Franchised Business was in operation) multiplied by the lesser of thirty-six (36) months or the remaining Initial Term. These early termination damages shall constitute liquidated damages and are not to be construed as a penalty.

14. Section 20 of the Franchise Agreement is revised to clarify that the franchisee’s indemnification obligation does not extend to liabilities caused by Franchisor’s acts or omissions amounting to strict liability or fraud.

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

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

**IN WITNESS WHEREOF**, the parties have duly executed, sealed and delivered this Addendum as of the Effective Date identified below.

**FRANCHISOR:**

MOBILEDUMPS FRANCHISING, LLC,  
a Virginia limited liability company

**FRANCHISEE:**

\_\_\_\_\_,  
a \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

**EFFECTIVE DATE:** \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

## **EXHIBIT F**

### **LISTS OF FRANCHISED LOCATIONS, FRANCHISE AGREEMENTS SIGNED BUT OUTLET NOT OPEN, AND FORMER FRANCHISEES**



**List of Franchised Locations as of 12/31/23**

<b>Franchisee Name</b>	<b>City</b>	<b>State</b>	<b>Phone Number</b>	<b>Opening Date or Projected Opening Date</b>
C&R AZ Holdings, LLC	Phoenix	AZ	602-740-7584	12/1/2023
CF Dumps. LLC	Bakersfield	CA	562-249-0400	12/1/2023
Bay Dumps, LLC	Bay Area	CA	952-323-7013	8/1/2023
Heverly & Sons, LLC	San Diego	CA	619-629-4751	10/1/2023
Maverick Rebel Holdings LLC	Tampa	FL	908-783-9509	10/1/22
Roving Dumps, LLC	Ocala-Gainesville	FL	787-602-0400	12/1/2023
Five Talent Services, LLC	Jacksonville	FL	806-584-1957	7/1/2023
Mobiledumps of Atlanta, LLC*	Atlanta	GA	770-331-8083	8/1/2023
JSL Dumping LLC	Brunswick	GA	912-230-9002	8/15/22
DULIN, LLC	Chicago	IL	513-377-3020	3/1/2023
RDM Enterprise	Boston West	MA	401-862-1894	6/10/22
Viking Sanitation and Carting, LLC	Baltimore	MD	410-982-8180	8/1/2023
G3 Dumps LLC	Charlotte	NC	704-929-6290	6/1/22
Take a Dump LLC*	Raleigh	NC	919-271-6848	8/15/22
Luuver, LLC	Wilmington	NC	984-205-5858	11/1/2023
Kramer Hauling, LLC	Cincinnati	OH	859-512-6792	10/1/2023
Nott's Holdings, LLC	Pittsburgh	PA	412-398-5807	12/1/2023
DSW Equity, LLC	Austin	TX	757-525-6432	9/1/2023
TOSS IT DFW, LLC	Dallas	TX	972-955-1525	7/1/2023
TEKS Equity LLC	Houston	TX	757-525-6432	8/15/22
DSW Equity, LLC	San Antonio	TX	281-871-1063	2/1/2023

Franchisee Name	City	State	Phone Number	Opening Date or Projected Opening Date
SCT Holdings LLC	Fredericksburg	VA	607-339-6505	11/1/2023
Centre Carriers Corp.	Norfolk / Virginia Beach,	VA	804-389-1339	4/1/22
Centre Carriers Corp.	Richmond	VA	804-389-1339	4/1/22
WASATCH FIELD SERVICES, LLC	Spokane	WA	509-413-3865	3/1/23

\*Franchisee requested permission to close after fiscal year end 12/31/23; mutual termination agreement will be signed in first quarter of 2024 and franchise will cease operations.

**List of Franchise Agreements Signed but Units Not Open as of 12/31/23**

Franchisee Name	Contact	City	State	Phone Number	Date Signed	Opening Date or Projected Opening Date	Territory
Double H Equipment LLC	Wes Hart	Fayetteville	AR	479-544-0464	12/21/23	2/1/24	Northwest Arkansas
Satriano Environmental LLC	Vincent Satriano	Brooklyn	NY	917-957-3815	10/23/23	3/1/24	Brooklyn NY
JPC Development LLC	Paulo Rascon	Las Vegas	NV	619-203-2225	12/29/23	2/1/24	North Las Vegas

**List of Former Franchisees as of 12/31/23**

None

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

# **EXHIBIT G**

## **GENERAL RELEASE**

## GENERAL RELEASE

**THIS GENERAL RELEASE** ("Release") is executed on \_\_\_\_\_ by \_\_\_\_\_ ("Franchisee") and/or \_\_\_\_\_ ("Guarantors") as a condition of (1) the transfer of the Franchise Agreement dated \_\_\_\_\_ between Franchisor and Franchisee ("Franchise Agreement"); or (2) the execution of a renewal Franchise Agreement by Franchisee and Franchisor.

- 1. Release by Franchisee and Guarantors.** If Franchisee is an entity, Franchisee (on behalf of itself and its parents, subsidiaries and affiliates and their respective past and present officers, directors, shareholders, agents and employees, in their corporate and individual capacities) and Guarantors (on behalf of themselves and their respective heirs, representatives, successors and assigns) or, if Franchisee is an individual, Franchisee (on behalf of himself/herself and his/her heirs, representatives, successors and assigns) (collectively, "Releasors") freely and without any influence forever release Franchisor, its parent, subsidiaries and affiliates and their respective past and present officers, directors, shareholders, agents and employees, in their corporate and individual capacities (collectively, "Releasees"), with respect to any and all claims, demands, liabilities and causes of action of whatever kind or nature, whether known or unknown, vested or contingent, suspected or unsuspected (collectively, "Claims"), which any Releasor ever owned or held, now owns or holds or may in the future own or hold, including, without limitation, claims arising under federal, state and local laws, rules and ordinances and claims arising out of, or relating to, the Franchise Agreement and all other agreements between any Releasor and any Release arising out of, or relating to any act, omission or event occurring on or before the date of this Release, unless prohibited by applicable law. This general release shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law or to claims arising under the Washington Franchise Investment Protection Act, RCW 19.100, and the rules adopted thereunder.
- 2. Risk of Changed Facts.** Franchisee and Guarantors understand that the facts in respect of which the release in Section 1 is given may turn out to be different from the facts now known or believed by them to be true. Franchisee and Guarantors hereby accept and assume the risk of the facts turning out to be different and agree that the release in Section 1 shall nevertheless be effective in all respects and not subject to termination or rescission by virtue of any such difference in facts.
- 3. Waiver of Section 1542.** Further, Releasors expressly waive all right, protection, privilege and benefit under Section 1542 of the Civil Code of the State of California, which provides: **1542A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.** *By signing this Release of All Claims, Releasors are giving up all rights under Section 1542 and any similar provision of any state.*
- 4. No Prior Assignment.** Franchisee and Guarantors represent and warrant that the Releasors are the sole owners of all Claims and rights released in Section 1 and that the Releasors have not assigned or transferred, or purported to assign or transfer, to any person or entity, any Claim released under Section 1.
- 5. Covenant Not to Sue.** Franchisee and Guarantors (on behalf of Releasors) covenant not to initiate, prosecute, encourage, assist, or (except as required by law) participate in any civil, criminal, or administrative proceeding or investigation in any court, agency, or other forum, either affirmatively or by way of cross-claim, defense, or counterclaim, against any person or entity released under Section 1 with respect to any Claim released under Section 1.
- 6. Complete Defense.** Franchisee and Guarantors: **(a)** acknowledge that the release in Section 1 shall be a complete defense to any Claim released under Section 1; and **(b)** consent to the entry of a temporary or permanent injunction to prevent or end the assertion of any such Claim.

7. **Successors and Assigns.** This Release will inure to the benefit of and bind the successors, assigns, heirs and personal representatives of Franchisor and each Releasor.
8. **Third Party Beneficiary.** Franchisor and its parent, affiliates and subsidiaries shall be third party beneficiaries under this Release.
9. **Representation by Counsel.** Franchisee and Guarantors acknowledge and agree that they have been represented by independent counsel of their own choice throughout all negotiations which preceded the execution of this Release, and that they have executed this Release with the consent and upon the advice of said independent counsel.
10. **Enforcement.** This Release and all claims relating to this Release shall be governed by and construed under the law of state noted in the Franchise Agreement. Franchisee and Guarantors shall file any controversy or claim whatsoever arising out of or relating to this Release or the enforcement of the promises in this Release or with regard to the interpretation, formation, or breach of this Release in the court where Franchisor's principal offices are located. Franchisor will file any controversy or claim whatsoever arising out of or relating to this Release or the enforcement of the promises in this Release or with regard to the interpretation, formation, or breach of this Release in the court where its principal offices are located, where Franchisee resides or does business, or where the claim arose.
11. **Confidentiality.** The terms of this Release shall remain confidential and may not be disclosed except when and to the extent necessary to comply with applicable federal, state, or local laws, court orders or regulations. This provision does not prevent a franchisee from sharing documents or information with government authorities.
12. **Construction.** Any capitalized terms that are not defined in this Release shall have the meaning given them in the Franchise Agreement. The masculine gender shall be deemed to refer to and include the feminine and neuter, and the singular to refer to and include the plural, and vice versa.

**IN WITNESS WHEREOF**, Franchisee and Guarantors have executed this Release as of the date shown above.

**FOR INDIVIDUAL:  
FRANCHISEE:**

\_\_\_\_\_  
 Print Name: \_\_\_\_\_  
 Date: \_\_\_\_\_

**FOR ENTITY:  
FRANCHISEE:**

By: \_\_\_\_\_  
 Print Name: \_\_\_\_\_  
 Title \_\_\_\_\_  
 Date: \_\_\_\_\_

**GUARANTOR:**

\_\_\_\_\_  
 Print Name: \_\_\_\_\_  
 Date: \_\_\_\_\_

# **EXHIBIT H**

## **PROMISSORY NOTE**

## PROMISSORY NOTE

Principal Amount: \$ \_\_\_\_\_

[DATE]

**1. Principal Amount.** For value received, the undersigned ("Maker") hereby unconditionally promises to pay to the order of Mobiledumps Franchising, LLC, a Virginia limited liability company with its principal offices located at 3425-B W. Leigh St., Richmond, Virginia 23230 ("Holder"), in lawful money of the United States of America, the Principal Amount of \_\_\_\_\_ and \_\_\_/100 Dollars (\$ \_\_\_), together with interest as set forth in Section 2.B. The Principal Amount represents the **balance of the Initial Franchise Fee / additional Initial Fee** owed by Maker to Holder pursuant to the terms of a Mobiledumps Franchising, LLC Franchise Agreement dated as of \_\_\_\_\_ between Holder and Maker ("Franchise Agreement").

### **2. Payment Related Terms.**

**A. Payment Address.** Unless otherwise designated in writing by Holder, all payments under this Note shall be made to Holder at the address in Section 1. Payments shall be made by the method required by Holder which may be check, wire transfer, or other method. Maker shall be responsible for all costs and expenses incurred by Maker and Holder in connection with the wire transfer or other payment method.

#### **B. Interest.**

(1) Interest at a rate of the Secured Overnight Financing Rate (SOFR) plus three percent (3%) shall begin to accrue on the outstanding Principal Amount as of the date of the Note. At month 12, if the SOFR has moved by more than 50 BP, Holder can adjust the interest rate. Interest shall be calculated on the basis of a year of three hundred and sixty-five (365) days and charged for the actual number of days elapsed.

(2) Interest on the indebtedness evidenced by this Note shall in no event exceed the maximum amount permissible under applicable law ("Maximum Rate"). If, at any time, the interest to be paid by Maker would exceed the Maximum Rate, the interest to be paid shall be reduced to the Maximum Rate, and Holder shall credit any payment in excess of the Maximum Rate to the Principal Amount or refund the excess to Maker.

**C. Payment Schedule.** Principal and interest hereunder shall be due and payable in monthly installments commencing three (3) months after the date of this Note and continuing thereafter on the same day of each successive month until the entire amount of principal and accrued interest due hereunder have been paid in full but in any event no later than twenty-seven (27) months from the date of this Note. The payment is due on the 15th of each month unless Holder advising Maker of a different due date in writing. During the three (3) month deferral period, interest will accrue and be capitalized into the principal balance of the Note. Principal and Interest shall be payable in immediately available funds.

**D. Prepayment.** This Note may be prepaid at the option of Maker, in whole or in part, without penalty. Any such prepayment shall be applied first to interest and then to principal in the inverse order of maturity.

**3. Transfer.** This Note is personal to Maker and is not assignable by Maker. This Note is assignable by Holder.

**4. Default.** Any of the following events shall constitute an event of default ("Default"): (A) Maker fails to pay any principal or interest on this Note when the same shall become due, either by the terms hereof or by acceleration or otherwise; or (B) Maker defaults on any agreement with Holder, or its affiliates or subsidiaries, including, but not limited to the Franchise

Agreement. Upon the occurrence of any Default, Holder may, at its option and in addition to any right, power or remedy permitted by law or equity, by written notice to Maker, declare the unpaid Principal Amount of this Note to be and the same shall thereupon be due and payable in its entirety together with accrued interest on that amount. No waiver by Holder of any Default shall operate as a waiver of any other default or the same default on a future occasion.

**5. Waivers.** Maker hereby waives presentment and demand for payment, notice of non-payment, notice of dishonor, protest of dishonor, and notice of protest. All sums due under this Note shall be without relief from valuation and appraisal laws.

**6. Notices.** All notices, requests and approvals under this Note shall be in writing and shall be deemed to have been properly given if and when personally delivered, or five (5) days after being sent by certified mail, postage prepaid, return receipt requested, or thirty-six (36) hours after being sent by Federal Express or other overnight courier service providing delivery confirmation, to the address of the party set forth below or at such other address as any of the parties hereto from time to time may have designated by written notice to the other party.

**IF TO HOLDER:** Mobicdumps Franchising, LLC  
3425-B W. Leigh St.  
Richmond, Virginia 23230  
Attn: Wesley Mullins

**IF TO MAKER:**  
Attn:  
[address]

**7. Enforcement.**

**A. Choice of Law.** This Note is subject to and shall be construed in accordance with the laws of the Commonwealth of Virginia.

**B. Choice of Forum.** Maker hereby submits to the personal jurisdiction of the state and federal courts located in Virginia, consents to venue in those courts, and agrees that Holder may, at Holder's option, enforce its rights under this Note in those courts.

**C. Jury Trial Waiver.** **Maker waives, to the fullest extent permitted by applicable law, the right to a trial by jury in any action arising out of or relating to this Note or any Default of this Note.**

**D. Reimbursement of Costs.** If Holder brings an action to enforce this Note, the prevailing party shall be entitled to an award of attorneys' fees and costs incurred in such action.

**8. Joint and Several Liability.** If signed by more than one person or entity, the obligations under this Note shall be joint and several as to each signatory.

**9. Miscellaneous.**

**A.** Maker acknowledges that its obligations under this Note are unconditional and, except as expressly provided in the last paragraph of this Note, are separate from and independent of any other representations, warranties, commitments, agreements or understandings, whether oral or written, express or implied, between Maker and Holder, and that this Note contains the entire agreement of Maker and Holder with respect to the subject matter of this Note.



**B.** Maker acknowledges that a Default under the terms of this Note shall constitute a default under any other agreements with Holder or its affiliates.

**C.** Any term that is not defined in this Note shall have the meaning given to it in the Franchise Agreement, as the context requires.

**IN WITNESS WHEREOF**, Maker has executed this Note as of the date below.

**MAKER:**

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

## GUARANTEE

**1. Guarantee.** In consideration of Holder's willingness to permit Maker to repay indebtedness owed to Holder pursuant to the foregoing Promissory Note ("Note"), the undersigned ("Guarantor"), whom is a direct or indirect holder of a legal or beneficial interest in Maker ("Owner"), hereby personally and unconditionally: **(1)** guarantees to Holder and its successors and assigns that Maker shall punctually pay and perform each and every undertaking set forth in the Note; and **(2)** agrees personally to be liable for any Default under the Note.

**2. Waivers.** Guarantor waives: **(a)** acceptance and notice of acceptance by Holder of the foregoing undertakings; **(b)** notice of demand for payment of any indebtedness or nonperformance of any obligations hereby guaranteed; **(c)** protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed; **(d)** any right he may have to require that an action be brought against Maker or any other person as a condition of liability; **(e)** any law or statute which requires that Holder make demand upon, assert claims against or collect from Maker or any others, foreclose any security interest, sell collateral, exhaust any remedies or take any other action against Maker or any others prior to making any demand upon, collecting from or taking any action against Guarantor with respect to this Guarantee; **(f)** any and all other notices and legal or equitable defenses to which he may be entitled; and **(g)** any and all right to have any legal action under this Guarantee decided by a jury.

**3. Consent and Agreement.** Guarantor consents and agrees that: **(a)** he shall render any payment or performance required under the Note upon demand if Maker fails or refuses punctually to do so; **(b)** such liability shall not be contingent or conditioned upon pursuit by Holder of any remedies against Maker or any other person; **(c)** such liability shall not be diminished, relieved or otherwise affected by any amendment of the Note, any extension of time, credit or other indulgence which Holder may from time to time grant to Maker or to any other person, including, without limitation, 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 shall be continuing and irrevocable during the term of the Note and for so long thereafter as there are monies or obligations owing from Maker to Holder under the Note; and **(d)** monies received from any source by Holder for application toward payment of the obligations under the Note and under this Guarantee may be applied in any manner or order deemed appropriate by Holder. In addition, if Guarantor ceases to be an Owner prior to full payment under the Note, Guarantor agrees that his obligations under this Guarantee shall continue to remain in force and effect unless Holder in its sole discretion, in writing, releases Guarantor from this Guarantee.

**4. Assignment.** This Guarantee is personal to the undersigned and is not assignable by Guarantor. This Guarantee is assignable by Holder.

**5. Default.** If any of the following events occur, a default ("Default") under this Guarantee shall exist: **(a)** failure of timely payment or performance of the obligations under this Guarantee; **(b)** breach of any agreement or representation contained or referred to in this Guarantee; **(c)** the death of, appointment of a guardian for, dissolution of, termination of existence of, loss of good standing status by, appointment of a receiver for, assignment for the benefit of creditors of, or the commencement of any insolvency or bankruptcy proceeding by or against, Guarantor; and/or **(d)** the entry of any monetary judgment or the assessment against, the filing of any tax lien against, or the issuance of any writ of garnishment or attachment against any property of or debts due Guarantor. If a Default occurs, the obligations of Guarantor shall be due immediately and payable without notice.

**6. Notices.** All notices, requests and approvals under this Guarantee shall be in writing and shall be deemed to have been properly given if and when personally delivered, or five (5) days after being sent by certified mail, postage prepaid, return receipt requested, or thirty-six (36) hours after being sent by Federal Express or other overnight courier service providing delivery

confirmation, to the address of the party set forth below or at such other address as any of the parties hereto from time to time may have designated by written notice to the other party.

**IF TO GUARANTORS:** [insert]

**IF TO HOLDER:** Mobiledumps Franchising, LLC  
3425-B W. Leigh St.  
Richmond, Virginia 23230  
Attn: Wesley Mullins

**7. Enforcement.**

**A. Choice of Law.** This Guarantee shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia.

**B. Choice of Forum.** Guarantor hereby submits to the personal jurisdiction of the state and federal courts located in Virginia, consents to venue in those courts, and agrees that Holder may, at Holder’s option, enforce its rights under this Guarantee in those courts.

**C. Jury Trial Waiver.** Guarantor waives, to the fullest extent permitted by applicable law, the right to a trial by jury.

**D. Reimbursement of Costs.** If Holder brings an action to enforce this Guarantee, the prevailing party shall be entitled to an award of attorneys’ fees and costs incurred in such action.

**8. Joint and Several Liability.** The obligations hereunder shall be joint and several as to each signatory.

**9. Miscellaneous.** Guarantor acknowledges that his obligations under this Guarantee are unconditional and are separate from and independent of any other representations, warranties, commitments, agreements or understandings, whether oral or written, express or implied, between Guarantor and Holder, and that this Guarantee contains the entire agreement of Guarantor and Holder with respect to the subject matter of this Guarantee.

**IN WITNESS WHEREOF,** the undersigned has executed this Guarantee as of the date below.

**GUARANTORS:**

\_\_\_\_\_  
Print Name:  
Date:\_\_\_\_\_

\_\_\_\_\_  
Print Name: \_\_\_\_\_  
Date:\_\_\_\_\_

# **EXHIBIT I**

## **STATE EFFECTIVE DATES PAGE**

## 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:

<b>STATES</b>	<b>EFFECTIVE DATE</b>
California	Pending
Illinois	Pending
Indiana	Pending
Maryland	Pending
Michigan	Pending
Minnesota	Pending
New York	Pending
Rhode Island	Pending
Virginia	Pending
Washington	Pending
Wisconsin	Pending

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 J**

# **RECEIPTS**

## RECEIPTS

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 Mobiledumps Franchising, LLC offers you a franchise, it must provide this disclosure document to you 14 calendar-days before you sign a binding agreement with, or make payment to, Mobiledumps Franchising, LLC or its affiliate in connection with the proposed sale or sooner if required by applicable state law. New York requires that we give you this disclosure document at the earlier of the first personal meeting or 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. Iowa requires that we give you this disclosure document at the earlier of the first personal meeting or fourteen (14) days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan requires that we give you this disclosure document at least ten (10) business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If Mobiledumps Franchising, LLC does not deliver this Disclosure Document on time, or if it contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state agencies listed in Exhibit D.

The franchisor is Mobiledumps Franchising, LLC located at 3425-B W. Leigh Street, Richmond, VA 23230 or 800-298-DUMP.

Issuance Date: March 19, 2024

The name, principal business address, and telephone number of the franchise seller offering the franchise is (PLEASE FILL IN THE FOLLOWING INFORMATION IF DIFFERENT):

<b>Name</b>	<b>Principal Business Address</b>	<b>Telephone Number</b>
Wesley Mullins	3425-B W. Leigh Street, Richmond, VA 23230	800-298-DUMP
Teresa Yaniga	3425-B W. Leigh Street, Richmond, VA 23230	800-298-DUMP

Mobiledumps Franchising, LLC authorizes the agents listed in Exhibit D to receive service of process for it.

I received a disclosure document dated March 19, 2024 that included the following Exhibits:

- |   |   |
|---|---|
| A. Franchise Agreement  | F. Lists of Franchised Locations, Franchise Agreements Signed but Outlet Not Open, and Former Franchisees |
| B. Table of Contents for Manual                                   | G. General Release  |
| C. Financial Statements   | H. Form Promissory Note   |
| D. List of State Administrators and Agents for Service of Process | I. State Effective Dates Page   |
| E. State Addenda  | J. Receipts   |

**Date Received:** \_\_\_\_\_

\_\_\_\_\_  
**Franchisee Signature**  
**Print Name:** \_\_\_\_\_  
**City / State Domicile:** \_\_\_\_\_  
**City / State for Business Requested:** \_\_\_\_\_

**[KEEP THIS COPY FOR YOUR RECORDS]**

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**Date Received:** \_\_\_\_\_

\_\_\_\_\_  
**Franchisee Signature**  
**Print Name:** \_\_\_\_\_  
**City / State Domicile:** \_\_\_\_\_  
**City / State for Business Requested:** \_\_\_\_\_

***[RETURN THIS COPY TO US FOR OUR RECORDS]***