

FRANCHISE DISCLOSURE DOCUMENT



Martinizing International, LLC
A Delaware Limited Liability Company
711 5th Avenue South
Naples, Florida 34102
Telephone: 781-829-9935
Fax: 781-829-9935
www.martinizingfranchise.com

The franchise offered is for the operation of a Martinizing retail dry cleaning and laundry store offering retail dry cleaning and laundry services, as well as dry cleaning and laundry pickup and delivery services, and dry cleaning and laundry services through both locker-based and on-demand systems.

The total investment necessary to begin operation of a Martinizing franchise depends on the type of business you choose. We offer five options: a Dry Cleaning Plant, with on-site dry cleaning and laundry (a “Plant”) either as a brand new store or one converted from an existing dry cleaner, a Satellite Store (without on-site dry cleaning and laundry) either as a brand new store or one converted from an existing drop store, or a franchise offering delivery only (“Martinizing Delivers”).

Plant – New Build: The total investment necessary to begin operation of a new Plant Store ranges between \$403,031 to \$750,622 . This includes an initial investment ranging from \$380,251 to \$419,462 that must be paid to the franchisor or affiliates.
Plant – Conversion: The total investment necessary to begin operation of a Conversion Plant Store ranges between \$119,780 to \$1,260,050 . This includes an initial investment ranging from \$82,000 to \$349,900 that must be paid to the franchisor or affiliates.
Satellite Store – New Build: The total investment necessary to begin operation of a Satellite Store ranges between \$97,502 to \$220,212 . This includes an initial investment ranging from \$86,312 to \$93,312 that must be paid to the franchisor or affiliates.
Satellite Store - Conversion: The total investment necessary to begin operation of a Satellite Store ranges between \$72,190 to \$533,900 . This includes an initial investment ranging from \$44,500 - \$92,900 that must be paid to the franchisor or affiliates.
Martinizing Delivers: The total investment necessary to begin operation of a Pick Up and Delivery Model ranges between \$44,500 - \$76,700 . This includes an initial investment ranging from \$37,900 to \$41,600 that must be paid to the franchisor or affiliates.

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

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

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

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

Issuance date of this Franchise Disclosure Document: **October 15, 2021**

How to Use This Franchise Disclosure Document

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

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

What You Need to Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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 and its affiliate by arbitration and/or litigation in the city in which franchisor's then current principal business address is located (currently Tampa, Florida). Out-of-state arbitration or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor and its affiliate in the city in which franchisor's then current principal business address is located than in your own state.

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.

NOTICE REQUIRED BY THE STATE OF MICHIGAN

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

- (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 includes the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days to cure such failure.
- (d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures and furnishings. Personalized materials, which have no value to the franchisor and inventory, supplies, equipment, fixtures and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than 5 years and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same areas 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.

THIS MICHIGAN NOTICE APPLIES ONLY TO FRANCHISEES WHO ARE RESIDENTS OF MICHIGAN OR LOCATE THEIR FRANCHISES IN MICHIGAN.

- (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 for a franchise except for a good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:
 - (i) The failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards.
 - (ii) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.
 - (iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.

(iv) The failure of the franchise 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.

ANY QUESTIONS REGARDING THIS NOTICE SHOULD BE DIRECTED TO THE MICHIGAN ATTORNEY GENERAL'S OFFICE, CONSUMER PROTECTION DIVISION, ATTENTION: FRANCHISE SECTION, 525 W. OTTAWA STREET, WILLIAMS BUILDING, FIRST FLOOR, LANSING, MICHIGAN 48933; TELEPHONE NO. (517) 373-7117.

TABLE OF CONTENTS

<u>ITEM</u>	<u>PAGE</u>
Item 1	THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES 1
Item 2	BUSINESS EXPERIENCE 4
Item 3	LITIGATION..... 7
Item 4	BANKRUPTCY 7
Item 5	INITIAL FEES 7
Item 6	OTHER FEES..... 8
Item 7	YOUR ESTIMATED INITIAL INVESTMENT 13
Item 8	RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES 32
Item 9	FRANCHISEE’S OBLIGATIONS 36
Item 10	FINANCING 38
Item 11	FRANCHISOR’S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS, AND TRAINING 38
Item 12	TERRITORY 46
Item 13	TRADEMARKS 49
Item 14	PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION 50
Item 15	OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS 51
Item 16	RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL 52
Item 17	RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION 53
Item 18	PUBLIC FIGURES..... 58
Item 19	FINANCIAL PERFORMANCE REPRESENTATIONS 59
Item 20	OUTLETS AND FRANCHISEE INFORMATION..... 59
Item 21	FINANCIAL STATEMENTS 96
Item 22	CONTRACTS..... 96
Item 23	RECEIPTS..... 96

LIST OF EXHIBITS

Exhibit A	Franchise Agreement
Exhibit B	Financial Statements
Exhibit C	List of State Agencies & Agents for Service of Process
Exhibit D	State Addenda and Riders
Exhibit E	Operations Manual Table of Contents
Exhibit F	Non-Disclosure and Non-Competition Agreement

ADDITIONAL DISCLOSURES REQUIRED BY APPLICABLE STATE LAW APPEAR IN EXHIBIT D.

Item 1

THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

The franchisor is Martinizing International, LLC (“we,” “us,” or “our”). “You” means the individual or entity that buys the franchise. If you are a corporation, partnership, limited liability company, or other entity, your owners must sign our “Guaranty and Assumption of Obligations,” which means that all of the provisions of the franchise agreement you and we sign (the “**Franchise Agreement**”) (the form of which is attached as a part of Exhibit A) also will apply to your owners.

We are a Delaware limited liability company. Our principal business address is 711 5th Avenue South, Naples, Florida 34102. We currently operate under the names “Martinizing” and “Martinizing Dry Cleaning.” Over time, we have purchased other dry cleaning businesses, some of whose outlets have converted to our system, and some whose outlets still operate under the following brands: “Dry Cleaning Station,” “Bizzie,” “1-800-Dryclean,” and “Pressed4Time.” We describe these and other Legacy Franchisees (defined below) and the conversion process in more detail later in this Item. If we have an agent in your state for service of process, we disclose that agent in Exhibit C. We describe the franchises we are offering in this franchise disclosure document (the “**Disclosure Document**”).

Parents, Predecessors & Affiliates

Our parent company and sole member is Clean Franchise Brands, LLC (“Clean Franchise Brands”), a Delaware limited liability company, with a principal place of business at 711 5th Avenue South, Naples, Florida 34102. Clean Franchise Brands is also the sole member of Next Step Franchising, LLC (“Next Step”), a Delaware limited liability company, with a principal place of business at 711 5th Avenue South, Naples, Florida 34102. Next Step is our affiliate and is the franchisor of the Lapels® Dry Cleaning franchise system, a drycleaning concept that offers or is the franchisor for franchises using the primary trademark “Lapels®”.

Our predecessors are Martinizing International LLC, a Michigan limited liability company with its principal place of business at 2060 Coolidge Highway, Berkley, Michigan 48072, and Martin Franchises Inc., a Delaware corporation with its principal place of business at 2001 Ford Circle, Suite A, Milford, Ohio 45150 (“**Martin Franchises**”). Martin Franchises had a legal affiliate, DCSA, LLC, a Delaware limited liability company with its principal place of business at 2001 Ford Circle, Suite A, Milford, Ohio 45150 (“**DCSA**”) who was the franchisor of dry cleaning and laundry and delivery businesses operating under the service mark “Dry Cleaning Station.” Martin Franchises purchased the Martinizing franchising system in May 1978. DCSA has been the franchisor of the Dry Cleaning Station system since its purchase of the Dry Cleaning Station system on April 1, 2009.

Our other predecessors are 800 DC, LLC, a Michigan limited liability company (“**800DC**”) and P4T International, LLC, a Michigan limited liability company (“**P4T**”), both with a former principal place of business at 2060 Coolidge Highway, Berkley, Michigan 48072. From July 2, 2012 to March 1, 2019, 800DC was the franchisor for the 1-800-DryClean franchise system (whose franchisees performed pickup and delivery dry cleaning services), as well as the Bizzie franchise system (whose franchisees serviced laundry, dry cleanable goods and soft contents using a locker-based system). From April 24, 2014 to March 1, 2019, P4T was the franchisor for the Pressed 4 Time franchise system (whose franchisees performed pick-up and delivery of laundry and dry cleanable goods and soft contents). On March 1, 2019, our predecessor Martinizing International LLC acquired 800DC and P4T, and assumed the franchise agreements from both franchise systems.

We refer to the franchisees from the Dry Cleaning Station system, 1-800-DryClean system, the Bizzie system, and the P4T system as “**Legacy Franchisees**.”

Legacy Franchisees may continue to operate their businesses under the terms of the franchise agreements they signed with their respective predecessor franchisors for the remainder of the term of their

franchise agreements. However, we are not offering franchises for businesses operating under the trademarks “Dry Cleaning Station,” “1-800-DryClean,” “Bizzie,” or “Pressed4Time.” Legacy Franchisees (other than Bizzie) may elect to renew their existing franchise agreements under the Marks by signing our form of Franchise Agreement (attached as Exhibit A) and an amendment thereto allowing the Legacy Franchisees to operate their Businesses under modified terms (see, respectively, the Route Conversion Amendment and DCS Conversion Amendments attached as exhibits to the Franchise Agreement). Upon such an election to renew, these Legacy Franchisees will have to rebrand their Businesses or Stores to incorporate the Marks (defined below). (See Item 7)

If you are a current Martinizing franchisee and you wish to renew your franchise when your franchise agreement expires, we may require you to sign a Legacy Amendment. The Legacy Amendment sets out the conditions for renewal. Generally, current Martinizing franchisees will retain their Store or Business and will not change either the Martinizing Channels or Defined Area they had under their previous franchise agreement.

As of December 31, 2020, there were forty-two (42) 1-800-Drycleaning franchises, three (3) Bizzie franchises, four (4) Dry Cleaning Station franchises, and thirty (30) Pressed 4 Time franchises operating in the United States.

There are no other parents, predecessors, or affiliates that need to be disclosed in this Item.

Our Prior Business Experience

We were formed in April 2021. In April 2021, we purchased the significant assets of our predecessor, Martinizing International LLC, including the Martinizing Franchise System (defined below) and all existing Martinizing Franchise Agreements. As part of the same transaction, we also purchased the significant assets of DCSA, including all existing Dry Cleaning Station franchise agreements. We therefore began offering franchises in the United States simultaneously with the issuance of this Disclosure Document. Our affiliate Next Step has offered franchises in this business (through itself and its predecessor corporation) since October 2000. The “**Franchise System**” means the network of all Martinizing franchisees and the business they operate.

We franchise directly to franchisees in the United States and Canada. As of December 31, 2020, there were 3 Martinizing [Businesses/Stores] operating in Canada. We also have master franchise and license agreements in Ecuador, China, Indonesia, Japan and Peru.

We do not own or operate any Martinizing franchises. However, we may, in the future, own or operate one or more Martinizing franchises. Except as described above, we do not engage in any other business activities and have not offered franchises in any other lines of business.

The Business We Offer

We grant franchises for retail businesses operating under the “Martinizing” name and other trademarks, trade names, service marks, and commercial symbols (collectively, the “**Marks**”). We have developed distinctive business formats, methods, procedures, signage designs, layouts, standards, and specifications which we refer to in this Disclosure Document as the “**System**.” Our “**System Standards**” are mandatory and suggested specifications, standards, operating procedures, and rules which may require you to purchase various goods, services or other supplies, by way of example only, fixtures, equipment, inventory, and computer hardware and software.

In this Disclosure Document, we collectively refer to all businesses using our Marks as “**Martinizing Businesses**,” and we call the Martinizing Business that you will operate your “**Business**.”

We anticipate that new Martinizing Businesses will have retail storefronts. We call the retail storefront you operate your “**Store.**” As described below, not all Martinizing Business have retail storefronts.

Martinizing Businesses offer all or a selection of dry cleaning and laundry services through retail storefronts (“**Martinizing Stores**”), pickup and delivery services (“**Pickup and Delivery**”), a locker based system (the “**Locker System**”), and/or an on-demand system (the “**On-Demand System**”) utilizing the System. Individually, each of the Martinizing Stores, Pickup and Delivery, the Locker System, and the On-Demand System are called a “**Martinizing Channel**” (together, the “**Martinizing Channels**”). Martinizing Channels are operated using the System and the Marks (both of which we may improve, further develop, or otherwise modify at any time and from time to time) which now comprise, or in the future may comprise, part of the System or our trade secrets which are developed by and are proprietary to us or our affiliates. If you acquire a franchise, you must operate your Business according to the System.

Martinizing Channels

We offer franchises to open Martinizing Stores that offer all or some of the other Martinizing Channels. Generally, we anticipate that new Martinizing Businesses will offer all Martinizing Channels, but there will be exceptions. The Martinizing Channels your Business offers will depend on factors including whether franchisees who came before you already operate certain Martinizing Channels and the proximity of other franchisees’ Martinizing Channels to your Store.

Your Store

If you are signing your first Franchise Agreement with us for the operation of a Martinizing Business, we will refer to your franchise for the Martinizing Business in this Disclosure Document as an “**Initial Franchise.**” Initial Franchises open a Plant Store (defined below) and purchase a set of products and services including Lockers, physical and digital marketing collateral, and software licenses. If you are signing a Franchise Agreement with us for the operation of a second or additional Martinizing Business, we will refer to your franchise for the second or additional Martinizing Business in this Disclosure Document as an “**Additional Franchise.**” Additional Franchises are typically a Satellite Store (defined below) for which you must also purchase a set of products and services including physical and digital marketing collateral. The products, equipment, supplies and services you purchase are generally referred to as the “**Start Up Supplies and Equipment Package**” (See Item 5), and a specific list will be provided corresponding to the type of Franchise that you open.

Your Store may be converted from a site that was operating as an existing dry cleaning business that you will rebrand with the Marks, or a new build-out. We must approve the site before you purchase it or rebrand it with the Marks. If the site of your Store is acceptable to us, we will list the address of your Store (the “**Premises**”) on the cover page of the Franchise Agreement or, if identified after you and we sign the Franchise Agreement, the Store location will be added by amendment.

We or our affiliates may introduce you to owners of existing dry cleaning businesses who may be interested in selling their businesses. If you elect for us to introduce you to owners of existing dry cleaning businesses who may be interested in selling their businesses you will need to enter into our then-current form of Non-Disclosure Agreement (Exhibit F). Your Store will be either a “**Plant Store,**” where dry cleaning and laundry services are performed on-site, or a “**Satellite Store,**” which has only the retail dry cleaning equipment, and sends clothes off-site for dry cleaning and laundry.

Before receiving any Confidential Information, you must sign the Confidentiality and Non-Disclosure Agreement (Exhibit F).

Territory and Market

Your Business will be located in a specific geographic territory (the “**Territory**”) and will offer dry cleaning and laundry services through all or select Martinizing Channels to the general public throughout the year and compete with other dry cleaning and laundry establishments. The market for dry cleaning and laundry generally is well-developed and competitive nationally, with seasonal and geographic variation. You will compete mainly with other locally-owned dry cleaning, laundry, and delivery businesses and local or regional chains providing dry cleaning, laundry, and related apparel care services and delivery services. Your customers may include both residential and commercial customers in suburban, urban, and commercial areas.

Industry Laws

The U.S. Environmental Protection Agency has issued air quality regulations specific to dry cleaners which may require your Store to install pollution control equipment, obtain a permit, and comply with various good housekeeping, monitoring, recordkeeping, reporting and leak detection and repair requirements. Because dry cleaners use cleaning solvents that might be considered hazardous substances, you must also comply with federal, state and local regulations. You may also have to comply with federal wastewater treatment requirements. Many states have additional environmental regulations applicable to dry cleaners which may be more stringent than the federal requirements, including laws relating to the use of commonly-used solvents. You must also comply with all laws that apply generally to all businesses. You should investigate these laws.

Item 2

BUSINESS EXPERIENCE

Kevin A. DuBois, Chief Executive Officer

Kevin DuBois is our Chief Executive Officer, a position he has held since April 2021. Mr. DuBois is Manager and CEO of our affiliate, Next Step Franchising, LLC, which shares offices with us in Naples, Florida and Hanover, Massachusetts. Mr. DuBois has held this position with Next Step and it’s predecessor corporation since in January 2012. Mr. DuBois is also the CEO of Clean Franchise Brands, a position he has held since April 2021. Mr. DuBois is also the Manager of MA Green Cleaning, LLC, a position he has held from September 2018 to present. MA Green Cleaning LLC owns five Lapels® Dry Cleaning stores in Massachusetts.

Mason Myers, Representative

Mason Myers is a Representative of Clean Franchise Brands, LLC, a position he has held since April 5th, 2021. Mr. Myers is the principal and general partner of Greybull Stewardship, L.P. (“**Greybull**”), based in Jackson, Wyoming, beginning in January 2010. Greybull is a member of our company. Greybull is a private equity investor with interests in a variety of companies in its investment portfolio. Currently, or during the last five years, Mr. Myers serves or has served in the following positions at the following Greybull portfolio companies:

Name of Company & Location	Position	Time Period
Storm Source LLC d/b/a Appointment Plus Scottsdale, Arizona	Director	January 2010 to December 2020
MS Bakery Holdings, Inc. d/b/a Main Street Gourmet Cuyahoga Falls, Ohio	Director	April 2011 to November 2019

Professional License Education Company, LLC Niles, Illinois	Director	February 2013 to Present
Summit Professional Education LLC Franklin, Tennessee	Director	August 2014 to Present
Onsource LLC Braintree, Massachusetts	Director	April 2015 to Present
National Holistic Institute, Inc. Emeryville, California	Director	April 2003 to Present
California Pool Route Sales, Inc. Dbas National Pool Route Sales Emeryville, California	Director	July 2016 to Present
D-tools Inc. Concord, California	Director	December 2016 to Present
Grand Welcome Holdings, Inc. Torrance, California	Director	June 2019 to Present
Ada Sand & Gravel, Inc. Boise, Idaho	Director	October 2019 to Present
ProHome Holdings, LLC Wichita, Kansas	Director	August 2018 to Present
MB Brokerage Group, LLC Clearwater, Florida	Director	May 2016 to Present

David Grippi, Chief Operating Officer

David Grippi is the **Vice President** of Operations for Clean Franchise Brands, Inc., a position he has held since April 2021. Prior to this, he held the same position with our affiliate Next Step Franchising, Inc., since September 2016. Mr. Grippi joined Next Step in August 2015 as its Director of Store Operations, assisting franchisees in quality, brand standards, productivity and profitability.

Michael Eisner, Vice President of Franchise Development

Michael Eisner is the Vice President of Franchise Development for Clean Franchise Brands, LLC, a position he has held since April 2021. From January 2013 to April 2021, Mr. Eisner held the same position with our affiliate Next Step Franchising, Inc., leading the strategic development of existing and new franchise owners. Initially the first franchisee of Lapels® Dry Cleaning, Mr. Eisner sold his Lapels® business and became the Director of Sales and Real Estate for Next Step Franchising, Inc., from 2005 to December 2012.

John Powers, Vice President of Franchise Development

John Powers is the Vice President of Franchise Development for Clean Franchise Brands, LLC, a position he has held since 2021. Previously, Mr. Powers was the Vice President of Operations for Martinizing International LLC, since May 2019. From June 2015 to May 2019, he served as Franchise Business Consultant with Neighborly in Ann Arbor, Michigan.

Taryn Valdez, Controller

Taryn Valdez joined Next Step Franchising, Inc. in August 2014 to assist in the ongoing support of Lapels® Stores. In July 2020, Ms. Valdez became Controller for our affiliate Next Step Franchising, Inc., and assumed the same role for Clean Franchise Brands in April 2021.

Robert Rosofsky, Head of Installation Team & Construction Oversight

Robert Rosofsky is the Head of Installation & Construction Oversight for Clean Franchise Brands, since April 2021, and has held the same position with our affiliate at Lapels® Dry Cleaning since 2007. In this role Mr. Rosofsky assists new store owners in communication with their General Contractors for preparing their location for our team, as well as acting as a liaison with their sub-contractors.

Ted Sontag, Field Operations Training and Support Manager

Ted Sontag is a third generation dry cleaner residing in Cincinnati, Ohio. After selling the family business in 2011, Mr. Sontag became a multi-unit General Manager and Franchise Trainer with Tide Dry Cleaners in Cincinnati, OH. In 2017, Mr. Sontag joined Martinizing International LLC as Field Operations Training and Support Manager, the role he assumed with Clean Franchise Brands in April 2021.

Keith Kocher, Franchise Service Manager

Keith Kocher has been in the dry cleaning business for thirty-three-years, based in Austin, TX. In November 2017 he sold his business, and he began working for Martinizing International LLC in July 2018 as Franchise Service Manager, the role he assumed for Clean Franchise Brands in April 2021. Keith supports franchisees with on-site and phone support as well as training best practices from the front of the store (CSR training, SPOT POS training) to the back of the store (how to clean difficult garments and questions with equipment).

Andrea Varga, Franchisee Liaison

Andrea Varga worked as a Program Management Administrator for Certified Restoration Drycleaning Network (CRDN) from 2013-2019. In October of 2019 she transitioned to the role of Right Start Coordinator for Martinizing International LLC. From April 2021 to present, she has assumed the role of Franchisee Liaison with Clean Franchise Brands, where she continues to help facilitate the onboarding of new franchise owners.

Alan Janosky, Director of Information Technology

Alan Janosky has been working in Information Technology for franchises for eight years. From 2013 to 2017 he was the Infotech Analyst for the La Vida Massage Franchise home office in Brighton MI. From 2017 to 2018 Mr. Janosky worked as an IT consultant, while earning a degree in software engineering, Mr. Janosky joined The Huntington Company in Berkley, MI, in 2018 as BI Developer and IT Project Manager. In April of 2021 Clean Franchise Brands brought Mr. Janosky on as its Director of Information Technology, where he heads solutions conception and execution as well as enables the core technology assets that drive company productivity.

Item 3

LITIGATION

No litigation is required to be disclosed in this Item.

Item 4

BANKRUPTCY

No bankruptcy proceedings are required to be disclosed in this Item.

Item 5

INITIAL FEES

Franchise Fee

If we grant you a franchise for a Martinizing Business, then when you sign your Franchise Agreement, you must pay us a lump sum, non-recurring initial franchise fee (the “**Franchise Fee**”) depending upon the type of business you choose to open, as follows:

<u>Business</u>	<u>Initial Franchise Fee</u>
Martinizing® Plant	\$62,500
Martinizing® Satellite Store	\$30,000
Martinizing Delivers	\$25,000

You will pay us the Franchise Fee when the franchise agreement is signed. The Franchise Fee for second and additional franchises that you might purchase, provided you’re still qualified, will be reduced to \$15,000 if, when you sign your initial Franchise Agreement, you concurrently sign a Franchise Agreement for one or more Additional Franchises. We are under no obligation to grant you additional franchises. In order to qualify to purchase additional stores, you must meet the same standards of qualification that we use for new franchisees, namely a minimum of twenty percent (20%) liquid cash injection and a minimum of fifty percent (50%) outside collateral as measured by the total project start-up costs.

The Franchise Fee is fully earned by us when paid and is not refundable under any circumstances. Except for the reduced Franchise Fee, as disclosed above, the Franchise Fee is uniform for all franchisees purchasing a franchise for a Martinizing Business.

Other Initial Fees

Other fees are due after you have a store location and have signed a lease, if applicable. This will be approximately 30 to 180 days after you pay your initial franchise fee but could be longer. These other fees include:

- **Initial training and site support fee** of \$7,000 for a Plant and \$4,000 for a Satellite Store, payable at the time the lease is signed for your store. The initial training fee is refundable on a pro rata basis for training that is not completed due to circumstances beyond your control;

- **Start Up Supplies and Equipment fee** ranging from \$293,851 to \$329,062 for a new Plant (depending upon the capacity of the Plant that is to be opened), ranging from \$38,412 to \$40,412 for a Satellite Store (New build-out only, variation is for optional counter upgrade), and ranging from \$3,800 - \$5,100 for a Martinizing Delivers model. For a Plant or Satellite converted from an existing dry cleaning store (referred to as a “Conversion”), the up-front Conversion/Re-Branding Fee ranges from \$2,500 to \$150,000. We refer to these Packages as the “Start Up Supplies and Equipment Fee” or the “Conversion/Re-Branding Fee” as appropriate, and this fee is payable at the time the lease is signed for your store or, in the case of a Martinizing Delivers model, at the time you sign your Franchise Agreement. A complete list of the appropriate Package will be attached as Appendix C to your Franchise Agreement. This fee is refundable, less a 20% administrative fee, up to the time the purchase orders are submitted for the equipment, which is approximately one (1) week after receipt of payment by Martinizing International, LLC;
- **Grand Opening Marketing Fee** of \$8,900, payable at the time the lease is signed for your store for each concept except Martinizing Delivers, for which the Grand Opening Marketing fee is \$5,000 due at the signing of your Franchise Agreement. This fee is refundable less a 20% administrative fee up to twelve (12) weeks prior to the scheduled opening of your store.
- Costs and fees for **Signage and Permits**, which are allotted for an allowance of \$5,000 for a Satellite and \$8,000 for a Plant, payable to us at the time when you sign your lease. This fee is collected as part of the Start Up Supplies and Equipment Package or Conversion/Re-branding Package which is Appendix C to the Franchise Agreement. We coordinate the ordering of signs and obtaining permits on your behalf. Actual costs for signage and permits vary by location, and if less than the allowance is spent, we will refund or credit the difference to you. If more than the allowance is required, you will be obligated to reimburse us for the difference. Signage and permit fees are not refundable once expenses are actually incurred.

Item 6

OTHER FEES

FA =Franchise Agreement

(See Note 1)

<u>Type of Fee (Note 1)</u>	<u>Amount</u>	<u>Due Date</u>	<u>Remarks</u>
Royalty	6% of Gross Sales	Paid Weekly via EFT within 7 days of end of prior week (See Note 2)	<u>Gross Sales</u> : means all incoming revenue you derive from operating the franchise, including, but not limited to, all amounts you receive at or away from the franchise location, and whether from cash, check, credit (including accounts receivable), barter, trade, or any other cash equivalent transactions, but excluding all federal, state or

<u>Type of Fee (Note 1)</u>	<u>Amount</u>	<u>Due Date</u>	<u>Remarks</u>
			municipal sales, use or service taxes collected from customers and paid to the appropriate taxing authority and excluding customer refunds, adjustments, credits, discounts and allowances actually made by the franchise in compliance with our Operations Manual. Paid to Us. (FA 3)
Annual Fixed Fee	In addition to the Royalty, \$2,500 for the Initial Franchise, \$1,000 for each Additional Franchise (See Note 3)	Due on or before January 15 of each year for the preceding calendar year of operation of your Business	This fee for your first year of operation is prorated based on how many months your Business operates. Paid to us. (FA 3.D)
Ongoing Local Marketing	A minimum of two percent 2% of Gross Sales per year, either through participation in corporate wide programs (where available) or with local marketing vendors	Expending bi-monthly each quarter	Paid to local advertisers or to us to spend on your behalf if you don't spend it. (FA 9)
Regional/National Marketing	Brand Development Fee of two percent (2%) of Gross Sales from the preceding week	Every Monday for the week ending the prior Sunday	Paid to us (FA 9)
Technology Fee	Up to \$1,000 per month	Due weekly via EFT within 7 days of week end	\$12 per month per Cloud Services Account in use. The Cloud Services Account allows you to access all Martinizing cloud-based content including email, our video library, and more. You must have at least one Cloud Services Account, but your total number of cloud services accounts will depend on your total network and number of users. This fee refers to a collective sum of fees paid for technology including point of sale fees, telephone or call center fees, payroll processing and other

<u>Type of Fee (Note 1)</u>	<u>Amount</u>	<u>Due Date</u>	<u>Remarks</u>
			<p>fees. These fees may be paid directly to third parties in part, however we may substitute one set fee for the same in the future if we are able to bundle these services for the betterment of the system and the advantage to our franchisees.</p> <p>Paid to us and to third parties (FA 2.E)</p>
Interest on Late Payments	18% per annum or the maximum rate permitted by applicable law, beginning from the due date of the overdue payment	As incurred	Paid to us (FA 3.1)
Non-reporting Fee	\$500 fee per week for non-reporting of financials or sales when due.	On the 15 th of the month if applicable.	We only charge this fee if you fail to report Gross Sales, which gives us the right to debit 100% of the previous week's Royalty and adjust that amount when you provide us the Gross Sales report. Paid to us (FA 3.J)
Audit Costs	Audit costs are not controllable by us and will vary greatly depending on the size of the franchisee's operation and the organization of their books and records.	Upon invoice	You shall reimburse us for our auditing costs if we must audit you because you fail to provide us with timely reports and to keep records required by the franchise agreement. Paid to us. (FA 11)
Additional Assistance/ Refresher Training	\$400/day plus expenses, if needed. Required refresher training would likely be for one or two days and would take place either at corporate headquarters or your store. Subject matter would vary depending on specific needs.	As incurred	<p>We may provide you with additional assistance with the operation of your Business when we deem necessary and/or upon your request.</p> <p>You will be responsible for the payment of our staff fee plus all of their expenses to provide you with the additional assistance including travel, lodging, and meals while traveling. Paid to us. (FA 4.B)</p>

<u>Type of Fee (Note 1)</u>	<u>Amount</u>	<u>Due Date</u>	<u>Remarks</u>
Martinizing Convention or Regional Meeting	\$0 to \$750 plus travel, lodging, and other expenses	Upon registration	<p>If held, you are required to attend either the Martinizing Convention or Martinizing Regional Meetings, as applicable, each year.</p> <p>You will be responsible for the travel, lodging, meals and other expenses for your attendees.</p> <p>Paid to us (FA 4.B)</p>
Termination Fee	\$35,000 plus applicable attorney fees	Upon unlawful termination by you or by us with cause	Other damages may also be due to us (FA 14A)
New Supplier Evaluation Fee	\$200 plus actual costs of evaluating a potential new supplier, including testing	As incurred	If you would like to propose a new designated supplier, we must vet them, including by testing their products or services. (FA 8.C)
Franchise Renewal Fee	25% of the then-current Initial Franchise Fee	Due upon signing renewal Franchise Agreement after the expiration of the initial term	Paid to us. (FA 13.A)
Transfer Fee (See Note 4)	\$5,000, plus any outstanding fees owed to Franchisor as of the date of the transfer	Due as a condition to our approval of the transfer	<p>Payable to us on transfers of your interest in the franchise (FA 12)</p> <p>In addition to payment of these fees, you must comply with the transfer provisions as set out in Section 12.C of the Franchise Agreement.</p>
Brand Damages	Actual Costs	Due upon termination of your Franchise Agreement	Brand Damages include all damages, costs, expenses, attorneys' and experts' fees directly or indirectly related to early termination, including lost Royalties, lost Marketing Fund fees, lost profits, loss of goodwill and damage to our Marks and reputation, lost opportunities, travel and personnel costs,

<u>Type of Fee (Note 1)</u>	<u>Amount</u>	<u>Due Date</u>	<u>Remarks</u>
			expenses that we may incur in developing or finding another franchisee to develop a new Martinizing Business in the Territory, and any other lost payments or benefits we would have received for the balance of the term of the Franchise Agreement after the effective date of termination. (FA 15.A.2)
Insurance	You must reimburse our costs	As incurred	If you fail to obtain insurance, we may obtain insurance for you and you must reimburse us. (FA 8.F)
Remodeling of Store	Varies under circumstances, but typically ranges from \$2,000 to \$12,000	As incurred	<p>Due only if we require remodeling, upgrading of your store or repairing/replacement of machinery, equipment or signage.</p> <p>Depending on the remodel/upgrade requirements, some costs may be paid directly to third party contractors and not to us.</p> <p>We can only require such changes upon the fifth anniversary of your Franchise Agreement, and no more often than every five years. Paid to us in part, and to independent contractors. (FA 8)</p>
Expenses to enforce obligations upon termination	Varies under circumstances, but could range from \$5,000 to \$50,000 or more	As incurred	<p>Due upon expiration, termination or nonrenewal of your franchise.</p> <p>You must pay all sums owing to us and all damages, costs and expenses, including as examples only, attorneys' fees, de-identification of your store, vehicles or other machinery, equipment and materials, or any fees we incur from your failure to perform your obligations upon expiration, termination or</p>

<u>Type of Fee (Note 1)</u>	<u>Amount</u>	<u>Due Date</u>	<u>Remarks</u>
			nonrenewal of the franchise. (FA 17)

Notes:

1. Except for products and service purchases described in Item 8, and except as otherwise noted in this Item 6, all fees are imposed and collected by and payable to us. All fees are nonrefundable.
2. Before your Store opens, you must sign and deliver to us the documents we require to authorize us to debit your business checking account automatically for the Royalty, Fund contributions, and other amounts due under the Franchise Agreement and for your purchases from us and/or our affiliates. We will debit your account for these amounts on their due dates. Funds must be available in the designated account for withdrawal. We may require payment other than by automatic debit, and you must comply with our payment instructions.
3. If you close the Store associated with your Initial Franchise and it is not relocated, then you will pay an Annual Fixed Fee of \$2,500 for one (1) remaining Additional Franchise (and the standard \$1,000 Annual Fixed Fee would be assessable on each other remaining Additional Franchise).
4. The transfer fee is \$5,000. You may also incur costs to advertise the Business for sale including broker fees, referral fees, and/or listing fees. It is our best estimate that broker, referral, and listing fees may be up to \$35,000 per business.

Item 7

YOUR ESTIMATED INITIAL INVESTMENT

Your estimated initial investment will vary depending on the type of franchise you choose to purchase. We have separated these figures into five tables so that you may make an accurate comparison of our five different franchise types:

- (1) Plant Store – New Build,
- (2) Plant Store - Conversion,
- (3) Satellite Store – New Build,
- (4) Satellite Store – Conversion, and
- (5) Martinizing Delivers

Unless otherwise stated, none of the expenses described in this Item 7 are refundable.

(1) PLANT STORE (NEW BUILD)				
<u>Type of Expenditure</u>	<u>Amount</u>	<u>Method of Payment</u>	<u>When Due</u>	<u>To Whom Payment is to be Made</u>
Initial Franchise Fee (Note 1)	\$62,500	Lump sum	At signing of your Franchise Agreement	Martinizing International, LLC
Initial training and site support (Note 2)	\$7,000	Lump Sum	When you sign a lease for your store	Martinizing International, LLC
Travel, Lodging, Expense, and Salary, if any, of Persons Attending Martinizing Training Program (Note 3)	\$0-\$2,000	As Incurred	Before and During Martinizing Training Program	Airlines, Hotels, Businesses, Managing Owner or other representatives of your Business
Real Estate and prepaid rent, security and utility deposits (Note 4)	\$0 to \$15,000	(Note 3)	(Note 3)	Landlord (Note 3)
Leasehold improvements (Note 5)	\$0 to \$160,000	As incurred	As agreed with contractors	Contractors
Start-Up Supplies & Equipment for Dry Cleaning and Laundry Plant, including Opening Supplies, Suggested Floorplan and Layout freight, rigging and installation of equipment (Note 6)	\$293,851 to \$329,062	Lump Sum	When you sign a lease for your store	Martinizing International, LLC
Green Earth Solvent Licensing Fee (Note 7)	\$0 - \$2,500	Lump Sum	30 Days prior to Store Opening if applicable	Green Earth if applicable
Signage and permits (Note 8)	\$8,000 to \$12,000	Lump Sum	Before opening	Martinizing International, LLC
Grand opening marketing campaign (Note 9)	\$8,900	Lump Sum	When you sign a lease for your store	Martinizing International, LLC
Insurance (Note 10)	\$480 - \$960	As incurred	Before opening	Insurance company
Professional Fees (Note 11)	\$2,000-\$8,000	As Incurred	As Agreed	Lawyers, Accountants, Financial Institutions

(1) PLANT STORE (NEW BUILD)				
<u>Type of Expenditure</u>	<u>Amount</u>	<u>Method of Payment</u>	<u>When Due</u>	<u>To Whom Payment is to be Made</u>
Miscellaneous opening costs (Note 12)	\$300 to \$2,700	As incurred	As incurred	Suppliers, vendors, professional advisors, etc.
Additional funds – 3 months (Note 13)	\$20,000 to \$140,000	As incurred	As incurred	Suppliers, vendors, employees, etc.
TOTAL (Note 14)	\$403,031 to \$750,622			

Notes:

- (1) As described in Item 5, the amount of your Initial Franchise Fee depends on whether you sign a Franchise Agreement for an Initial Franchise or an Additional Franchise. Currently, the fee for an Initial Franchise that is a Plant is \$62,500. If when you sign a Franchise Agreement for an Initial Franchise you concurrently sign a Franchise Agreement for one or more Additional Franchises, then we will reduce the amount of the Franchise Fee to \$15,000 for the Additional Franchise. If you do not sign the Franchise Agreement for the Additional Franchise concurrently with signing the Franchise Agreement for an Initial Franchise, the Franchise Fee for the Additional Franchise will be the full then-current amount. This fee is non-refundable.
- (2) If you are obtaining an Initial Franchise, we will provide the Martinizing Training Program to 2 people. The Martinizing Training Program is mandatory for the Managing Owner and the Store Manager, if you have a Store Manager. If you are obtaining an Additional Franchise, we will provide the Martinizing Training Program to the additional Store Manager if he/she has not previously completed the Martinizing Training Program.
- (3) Expenses you may incur during training include travel, lodging and living expenses for the duration of training as needed and depending upon where you are located. At this time our training facilities are located in Hanover and Waltham, Massachusetts; Fort Mill, South Carolina; Gilbert, Arizona; and Naples, Florida. These fees are paid to third parties at the time of reservations or travel. Certain travel expenditures may be refundable at the discretion of the provider.
- (4) If you do not own adequate space, you must lease space for your store. Plants are typically located in retail centers or shopping plazas but may be free standing as well. Store sizes will vary from market to market but typically Martinizing Plants are approximately 1,700 - 3,500 square feet, and rent is estimated to be \$20 - \$30 per square foot, or \$34,000 - \$105,000 per year, depending on the size, condition and location of the leased premises and the demand for the premises among prospective lessees. This range of total rent is our best estimate based on our information from the most recent Martinizing franchisees in the United States. The range listed in the chart above assumes that the security deposit, on the high end, would be the equivalent to one month's rent at \$30 per square foot (or \$105,000/12). The low investment presumes that you are opening the business in property that you already own. If you will be leasing space, the terms of the lease and your landlord will determine what deposits are required, when they are due, the method of payment that is acceptable, and the circumstances under which a deposit or lease payment is refundable. Generally, certain security and utility deposits are due at the time you sign your lease.

- (5) The low estimate assumes landlord will provide the space ready for occupancy or will provide a tenant improvement allowance to cover the cost of build-out. If you hire contractors to perform leasehold improvements, the contract between you and the contractors will determine under what circumstances such payments are refundable.
- (6) This expense includes the initial base package that you must purchase from us. The Startup Supplies and Equipment Package includes the items listed in Appendix C of the Franchise Agreement and is the standard basic package of supplies and equipment needed to start your business. Items included in the Startup Supplies and Equipment Package may be changed from time to time to reflect changes in the system, procedures and your needs. Equipment installation includes the coordination of delivery and receipt of equipment. It also includes the installation of said equipment and the steam and return lines for the equipment. Installation does not include the electrical, plumbing, HVAC or tenant improvements that may be needed in or to the space. The range is for optional pieces that would add larger capacity to the Plant for those owners opening multiple Satellite stores, further detail on these optional pieces is provided in Appendix C to the Franchise Agreement.
- (7) There is a \$2,500 license fee that you pay directly to Green Earth Cleaning for the license to utilize the world's only environmentally nonhazardous cleaning solvent. The terms of the licensing agreement with Green Earth will determine under what circumstances this is refundable, once paid.
- (8) There is an \$8,000 allowance which is listed with the Start Up Supplies and Equipment Package on Appendix C of the Franchise Agreement. We coordinate the ordering of signs and obtaining permits on your behalf. Actual costs for signage and permits vary by location, and if less than the allowance is spent, we will refund or credit the difference to you. If more than the allowance is required, you will be obligated to pay or reimburse us for the difference.
- (9) Grand Opening Marketing Package includes the initial grand opening marketing for your Martinizing Business. Such Marketing includes 15,000 Direct Mail Pieces, Banners, Micro Website, building of Social Media such as Facebook® pages, Cooperative Mail and other grassroots promotions that may apply to your market.
- (10) Before you open your Business to the public, you must obtain and maintain at least the minimum amounts and types of insurance coverage we require (see Item 8). The range provided is an estimate of your initial insurance down payment, based on our information from the most recent Martinizing franchisees in the United States. We require general liability insurance with limits of \$1M per claim or \$2M aggregate per year. Your landlord may require higher liability coverage under the terms of your lease. Your insurance company will determine under what circumstances your payments for insurance are refundable.
- (11) In addition to reviewing this Disclosure Document and your Franchise Agreement, you will need a legal advisor to review any applicable purchase documentation for the existing store you purchase to serve as your Plant Store, applicable lease documentation with respect to the Store, any and all employment related matters regarding the operation of your Business, and any other legal matters you would like reviewed and/or you have been advised to have reviewed in connection with operation of your Business. You should also have an accountant or other advisor prepare a business plan for your operations and review your working capital. The fees for your legal expenses will vary depending on the volume of work you request to be performed, the rates of your advisors and lawyers, your geographic location, your sophistication and familiarity with legal and financial documentation and terms, and other factors. This is our best estimate of a range of such fees.
- (12) This range estimates the cost for the general business supplies and materials you will need to operate your Business including general cleaning supplies, restroom supplies, maintenance supplies and equipment, basic tools, furniture, fixtures, and light equipment, office supplies and forms, sewing and textile repair supplies, packaging, and chemicals and cleaning supplies. The range provided is based on our information from the most recent Martinizing franchisees in the United States and the low end is based on an owner who has all of the general business supplies and material that we recommend.
- (13) This estimates your working capital and startup expenses, including payroll costs. These figures are estimates and we cannot guarantee that you will not have additional expenses starting the business. Your payroll costs will largely be affected by your financial position at the time you start the business. Your costs will depend on how closely you follow the Operations Manual and other operating materials provided by us, your management skill, experience and business acumen, local economic conditions, the acceptance by local consumers of your

services, prevailing wage rates, competition, and the sales levels reached during the initial period. We use our past experience in evaluating the expenses and working capital needed by an individual on a case-by-case basis.

- (13) Unless otherwise stated, the total figures do not include sales taxes. The table above lists estimated expenditures we believe you should anticipate as the total initial investment required to open and operate your Business during the initial phase of the business, spanning the first three months of operation, depending upon the exact location and physical characteristics of your Business. We've made no estimate regarding real estate acquisition costs, since these vary widely market to market. Of course, there also may be unique local circumstances involving higher costs than those estimated. You should review these figures carefully with a business advisor before making any decision to purchase the franchise. The range provided is based partially on our information from the most recent Martinizing franchisees in the United States and our experience through affiliate franchise systems regarding additional expenses needed for your initial investment during the first three months of operation.

*(The space below is blank by intention.
Item 7 continues on the next page)*

(2) PLANT STORE (Conversion)				
<u>Type of Expenditure</u>	<u>Amount</u>	<u>Method of Payment</u>	<u>When Due</u>	<u>To Whom Payment is to be Made</u>
Initial Franchise Fee (Note 1)	\$62,500	Lump Sum	Upon execution of the Franchise Agreement	Martinizing International, LLC
Initial Training & Site Support (Note 2)	\$7,000	Lump Sum	Upon execution of Lease	Martinizing International, LLC
Travel, Lodging, Expense, and Salary, if any, of Persons Attending Martinizing Training Program (Note 3)	\$0-\$2,000	As Incurred	Before and During Martinizing Training Program	Airlines, Hotels, Businesses, Managing Owner or other representatives of your Business
Plant Business Purchase (Note 4)	\$20,000-\$800,000	Lump Sum	Upon purchase of Plant	Third-party
First Three Months' Rent (Note 5)	\$10,000-\$15,000	Lump Sum	As specified in Lease	Lessor
Leasehold Improvements (Note 6)	\$0 - \$59,500	As Incurred	Before Opening	Tradesmen, Contractors and Martinizing International LLC
Security and Utility Deposits and Business Licenses (Note 7)	\$0 - \$8,750	Lump Sum	Upon signing Lease or as agreed	Lessor, Utilities, Government Agencies
Start-Up Supplies, Signage and Equipment, including Conversion/Re-Branding Fee (Note 8)	\$2,500 -\$200,000	Lump Sum	Immediately upon your receipt from any third-party of an invoice for machinery or equipment	Martinizing International, LLC and third Party
Dry Cleaning Solvent License Fee (Note 9)	\$0 - \$2,500	Lump Sum	Before Opening	Green Earth
Signage & Permits (Note 10)	\$8,000 - \$12,000	Lump Sum	Before opening	Martinizing International LLC
Grand (Re-)Opening Marketing Campaign (Note 11)	\$2,000 - \$8,900	Lump Sum	Lease Execution	Martinizing International, LLC.

(2) PLANT STORE (Conversion)				
<u>Type of Expenditure</u>	<u>Amount</u>	<u>Method of Payment</u>	<u>When Due</u>	<u>To Whom Payment is to be Made</u>
Insurance (Note 12)	\$480-\$1,200	Depends on Insurance Agency	Depends on Insurance Agency	Third Parties
Professional Fees (Note 13)	\$2,000-\$8,000	As Incurred	As Agreed	Lawyers, Accountants, Financial Institutions
Miscellaneous Opening Costs (Note 14)	\$300-\$2,700	As Incurred	Before Opening	Third-party Vendors and Suppliers
Additional Funds - 3 months (Note 15)	\$5,000-\$70,000	Lump Sum	As Incurred	Vendors, Suppliers, Employees, Utilities
TOTAL (Note 16)	\$119,780 to \$1,260,050			

Notes:

- (1) As described in Item 5, the amount of your Initial Franchise Fee depends on whether you sign a Franchise Agreement for an Initial Franchise or an Additional Franchise. Currently, the fee for an Initial Franchise that is a Plant is \$62,500. If when you sign a Franchise Agreement for an Initial Franchise you concurrently sign a Franchise Agreement for one or more Additional Franchises, then we will reduce the amount of the Franchise Fee to \$15,000 for the Additional Franchise. If you do not sign the Franchise Agreement for the Additional Franchise concurrently with signing the Franchise Agreement for an Initial Franchise, the Franchise Fee for the Additional Franchise will be the full then-current amount. This fee is non-refundable.
- (2) If you are obtaining an Initial Franchise, we will provide the Martinizing Training Program to 2 people. The Martinizing Training Program is mandatory for the Managing Owner and the Store Manager, if you have a Store Manager. If you are obtaining an Additional Franchise, we will provide the Martinizing Training Program to the additional Store Manager if he/she has not previously completed the Martinizing Training Program.
- (3) Expenses you may incur during training include travel, lodging and living expenses for the duration of training as needed and depending upon where you are located. At this time our training facilities are located in Hanover and Waltham, Massachusetts; Fort Mill, South Carolina; Gilbert, Arizona; and Naples, Florida. These fees are paid to third parties at the time of reservations or travel. Certain travel expenditures may be refundable at the discretion of the provider.
- (4) If you are opening a Plant Store, you may purchase an existing dry cleaning and laundry plant which will be converted into your Store. The average provided in the chart above is based upon historical data collected from and reported by Martinizing franchisees regarding purchases of dry cleaning and laundry plants. The cost of a dry cleaning and laundry plant can vary significantly based on geographic location, the equipment, machinery, and any other assets included with the plant, the condition of the assets, and other factors. Typically, the dry cleaning and laundry plant you purchase will include the machinery and equipment necessary to operate your Business, including: a dry cleaning machine, a boiler for steam production, an air compressor, various types of presses and garment finishing equipment, irons, a commercial washer, a commercial water heater, pressing equipment, a

garment assembly conveyor, a storage conveyor, a mark-in-bin, assembly and storage racks, an on-line back-up system, and sales-counters (collectively, including any functional equivalent of the above listed items. However, if the particular dry cleaning and laundry plant you purchased does not include some or all of the required machinery and equipment, or if any machinery or equipment purchased needs to be replaced, you may incur equipment installation and equipment training fees. Additionally, if you purchase existing equipment meeting our specifications, but which is not familiar to us, you or we may need to retain the services of third parties to assist with an equipment layout or training in the operation of that equipment. You must pay for that additional assistance and any travel and related expenses we or you incur.

- (5) If the purchase of your dry cleaning and laundry plant for your Plant Store did not include retail store space, you will need to lease enough space for a Martinizing Store that is able to adequately offer and support the Martinizing Channels for your Business, including providing ample storage space. You will also need to secure all necessary utilities, permits, and licenses to operate the Store. The typical Martinizing Store with on-site dry cleaning and laundry is approximately 1,700 - 3,500 square feet, and rent is estimated to be \$20 - \$30 per square foot, or \$34,000 - \$105,000 per year, depending on the size, condition and location of the leased premises and the demand for the premises among prospective lessees. This range of total rent is our best estimate based on our information from the most recent Martinizing franchisees in the United States. The range listed in the chart above assumes that the security deposit, on the high end, would be the equivalent to one month's rent at \$30 per square foot (or \$105,000/12). The low end assumes your purchase of the dry cleaning and laundry plant included the lease or ownership of a store location to serve as the Store and/or that these fees are part of your purchase, through your negotiations or otherwise. Most Martinizing Businesses are located in leased space in retail shopping centers. If you desire to purchase real property for the Store the amount of land required will vary with the size of the facility, the availability of adjacent parking and the like. An estimate of the size of the parcel needed for a Plant Store would be anywhere from one-third acre to one full acre with a building, and the cost would vary tremendously and cannot be estimated accurately.
- (6) This estimate of leasehold improvements relates to improvements to the Premises for a Plant Store in an existing retail shopping plaza or center containing adequate utility capacities. The range provided is based on our information from the most recent Martinizing franchisees in the United States, noting that the low end assumes that the dry cleaning and laundry plant you purchase will be mainly ready for operation, that you are not otherwise incurring additional fees to prepare your Store for operation of your Business and/or that these fees are part of your lease, through your negotiations or otherwise. Costs and charges for site development, leasehold improvements/construction costs, required permits, drawings, plans, studies, and the like for establishing a Martinizing Store according to our specifications vary significantly depending on location, physical characteristics of the Store, variations from standards and modifications to meet local codes, labor costs, and the like. Construction costs to establish or convert a free-standing store (not part of a plaza or center) are significantly greater, vary tremendously, and cannot be estimated accurately.
- (7) See Note 5 above regarding the range of rent for a typical Martinizing Store serving as a Plant Store. Based on that range, we have provided the rent range listed in the chart in Item 7 above. In addition to rent, you may be charged a share of taxes, insurance and common area maintenance expenses, in addition to security deposits and business licenses, all as set forth in your lease.
- (8) As mentioned in Note 2, the dry cleaning and laundry plant you purchase should include certain machinery and equipment, but if it does not, you will need to purchase such machinery and equipment as may be necessary to operate your Business. We must approve any machinery or equipment purchased. Additionally, certain machinery and/or equipment included in your dry cleaning and laundry plant purchase may need to be repaired and/or replaced at your expense. The amount, if any, you will need to spend on machinery and equipment will vary based upon the dry cleaning and laundry plant you purchase and what your purchase includes. The low end of the range assumes you will not need to purchase any additional machinery or equipment and the high end of the range is our best estimate based upon the most recent Martinizing franchisees who purchased Plant Stores and their required purchases and repair costs. This range does not include the cost to purchase a dry cleaning machine itself, which can range between \$20,000 and \$65,000. These machines are vital for a dry cleaning and laundry plant operation. Your plant purchase price (see Note 2) would reflect the need to buy such a machine if it was

not included in your purchase. Additionally, your Start-Up Supplies and Equipment Package for a Conversion store will include the supplies needed to re-brand and operate a Plant Store, such as hangers, collar supports, and drop-off/pick-up bags (sometimes referred to separately as a “Conversion/Re-Branding Fee”). The specific, appropriate list of Start-Up Supplies and Equipment or Conversion/Re-Branding Fee will be attached as Appendix C to your Franchise Agreement.

The Conversion/Re-Branding Fee relates to the purchases you will need to make to properly identify the Store as a Martinizing Store. Such purchases may include: interior signage; interior and exterior paint; counters; and floors, all to our specifications and in conformance with the requirements and guidelines set forth in the Operations Manual. The costs to rebrand will vary based upon the specific details of your Store including, for example, the size and condition of the plant. The range provided is based on information from the most recent Martinizing franchisees in the United States. The low end assumes that the dry cleaning and laundry plant you purchase will be mainly ready for operation and in good condition so that the floors and counters do not need to be significantly altered. The high end assumes that essential equipment needs to be replaced.

- (9) There is a \$2,500 license fee that you pay directly to Green Earth Cleaning for the license to utilize the world’s only environmentally nonhazardous cleaning solvent. The terms of the licensing agreement with Green Earth will determine under what circumstances this is refundable, once paid.
- (10) There is an \$8,000 allowance which is listed with the Start Up Supplies and Equipment Package on Appendix C of the Franchise Agreement. We coordinate the ordering of signs and obtaining permits on your behalf. Actual costs for signage and permits vary by location, and if less than the allowance is spent, we will refund or credit the difference to you. If more than the allowance is required, you will be obligated to pay or reimburse us for the difference.
- (11) Grand Opening Marketing Package includes the initial grand opening marketing for your Martinizing Business. Such Marketing includes 15,000 Direct Mail Pieces, Banners, Micro Website, building of Social Media such as Facebook® pages, Cooperative Mail and other grassroots promotions that may apply to your market.
- (12) Before you open your Business to the public, you must obtain and maintain at least the minimum amounts and types of insurance coverage we require (see Item 8). The range provided is an estimate of your initial insurance down payment, based on our information from the most recent Martinizing franchisees in the United States. We require general liability insurance with limits of \$1M per claim or \$2M aggregate per year. Your landlord may require higher liability coverage under the terms of your lease. Your insurance company will determine under what circumstances your payments for insurance are refundable.
- (13) In addition to reviewing this Disclosure Document and your Franchise Agreement, you will need a legal advisor to review any applicable purchase documentation for the existing store you purchase to serve as your Plant Store, applicable lease documentation with respect to the Store, any and all employment related matters regarding the operation of your Business, and any other legal matters you would like reviewed and/or you have been advised to have reviewed in connection with operation of your Business. You should also have an accountant or other advisor prepare a business plan for your operations and review your working capital. The fees for your legal expenses will vary depending on the volume of work you request to be performed, the rates of your advisors and lawyers, your geographic location, your sophistication and familiarity with legal and financial documentation and terms, and other factors. This is our best estimate of a range of such fees.
- (14) This range estimates the cost for the general business supplies and materials you will need to operate your Business including general cleaning supplies, restroom supplies, maintenance supplies and equipment, basic tools, furniture, fixtures, and light equipment, office supplies and forms, sewing and textile repair supplies, packaging, and chemicals and cleaning supplies. The range provided is based on our information from the most recent Martinizing franchisees in the United States and the low end is based on an owner who has all of the general business supplies and material that we recommend.

- (15) This item estimates your additional initial start-up expenses for a 3-month period. These expenses include payroll costs, but do not include any draw or salary for you or a manager if you elect to operate as an absentee owner. These expenses also include an estimate of any Royalty and the Fund Fee payable to us for the 3-month period. These figures are estimates, and we cannot guarantee that you will not have additional expenses starting the business. Your costs will depend on factors such as how well you follow our methods and procedures; your management skills, experience and business judgment; local economic conditions; the local market for dry cleaning and laundry services; your labor costs; competition; and the sales level reached during the initial period. Problems with construction of your Store and installation of machinery and equipment due to inclement weather, strikes, unavailability of materials or financing or other conditions or events beyond our or your control may delay opening of your Business beyond the initial projected date. You should consider the effect of these types of events on pre-opening working capital reserves and should carefully plan what cash reserves you will need to assure that there will be sufficient pre-opening working capital reserves and/or income from other sources to cover your expenses before opening your Business. You should carefully plan for ongoing working capital to assure that there will be sufficient working capital reserves or income from other sources to cover expenses for operation of your Business after opening. With the assistance of an accountant, investment counselor, business advisor or other qualified person, we recommend that you prepare a business plan for the first 2 - 3 years of operation of the store with due consideration given to ongoing working capital requirements and reserves.
- (16) Unless otherwise stated, the total figures do not include sales taxes. The table above lists estimated expenditures we believe you should anticipate as the total initial investment required to open and operate your Business during the initial phase of the business, spanning the first three months of operation, depending upon the exact location and physical characteristics of your Business. Of course, there also may be unique local circumstances involving higher costs than those estimated. You should review these figures carefully with a business advisor before making any decision to purchase the franchise. The range provided is based partially on our information from the most recent Martinizing franchisees in the United States and our experience through affiliate franchise systems regarding additional expenses needed for your initial investment during the first three months of operation.

*(The space below is blank by intention.
Item 7 continues on the next page)*

(3) SATELLITE STORE (NEW BUILD)				
<u>Type of Expenditure</u>	<u>Amount</u>	<u>Method of Payment</u>	<u>When Due</u>	<u>To Whom Payment is to be Made</u>
Initial Franchise Fee (Note 1)	\$30,000	Lump sum	At signing of Franchise Agreement	Martinizing International, LLC
Initial training and site support (Note 2)	\$4,000	Lump sum	When you sign a lease for your store	Martinizing International, LLC
Travel, Lodging, Expense, and Salary, if any, of Persons Attending Martinizing Training Program (Note 3)	\$0-\$2,000	As Incurred	Before and During Martinizing Training Program	Airlines, Hotels, Businesses, Managing Owner or other representatives of your Business
Real Estate and prepaid rent, security and utility deposits (Note 4)	\$0 to \$8,000	(Note 3)	(Note 3)	(Landlord Note 3)
Leasehold improvements / build out / Architect (Note 5)	\$0 to \$50,000	As incurred	As agreed with contractors	Contractors/Architect
Start Up Supplies & Equipment Fee (Note 6)	\$38,412 to \$40,412	Lump sum	When you sign a lease for your store	Martinizing International, LLC
Signage and permits (Note 7)	\$5,000 to \$10,000	As incurred	Before opening	Martinizing International, LLC
Grand opening marketing campaign (Note 8)	\$8,900	Lump sum	When you sign a lease for your store	Martinizing International, LLC
Insurance (Note 9)	\$140 - \$200	As incurred	Before opening	Insurance company
Professional Fees (Note 10)	\$1,000-\$4,000	As Incurred	As Agreed	Lawyers, Accountants, Financial Institutions
Miscellaneous opening costs (Note 11)	\$50 to \$2,700	As incurred	As incurred	Suppliers, vendors, professional advisors, etc.
Additional funds – 3 months (Note 12)	\$10,000 to \$60,000	As incurred	As incurred	Suppliers, vendors, employees, etc.

(3) SATELLITE STORE (NEW BUILD)				
<u>Type of Expenditure</u>	<u>Amount</u>	<u>Method of Payment</u>	<u>When Due</u>	<u>To Whom Payment is to be Made</u>
TOTAL (Note 13)	\$97,502 to \$220,212			

Notes:

- (1) As described in Item 5, the amount of your Initial Franchise Fee depends on whether you sign a Franchise Agreement for an Initial Franchise or an Additional Franchise. Currently, the fee for an Initial Franchise that is a Satellite is \$30,000. If when you sign a Franchise Agreement for an Initial Franchise you concurrently sign a Franchise Agreement for one or more Additional Franchises, then we will reduce the amount of the Franchise Fee to \$15,000 for the Additional Franchise. If you do not sign the Franchise Agreement for the Additional Franchise concurrently with signing the Franchise Agreement for an Initial Franchise, the Franchise Fee for the Additional Franchise will be the full then-current amount. This fee is non-refundable.
- (2) If you are obtaining an Initial Franchise, we will provide the Martinizing Training Program to 2 people. The Martinizing Training Program is mandatory for the Managing Owner and the Store Manager, if you have a Store Manager. If you are obtaining an Additional Franchise, we will provide the Martinizing Training Program to the additional Store Manager if he/she has not previously completed the Martinizing Training Program.
- (3) Expenses you may incur during training include travel, lodging and living expenses for the duration of training as needed and depending upon where you are located. At this time our training facilities are located in Hanover and Waltham, Massachusetts; Fort Mill, South Carolina; Gilbert, Arizona; and Naples, Florida. These fees are paid to third parties at the time of reservations or travel. Certain travel expenditures may be refundable at the discretion of the provider. Typically, a Satellite Store is an Additional Franchise and, therefore, the range listed above includes the travel, living expenses and salary of only the Managing Owner.
- (4) If you do not own adequate space, you must lease space for your store. Satellite locations are typically in retail centers or shopping plazas but may be free standing as well. Store sizes will vary from market to market but typically Martinizing Satellite Stores will range from 800 to 1,400 square feet, and rent is estimated to be between \$20 and \$30 per square foot, or \$24,000 and \$36,000 per year, depending on the size, condition and location of the leased premises and the demand for the premises among prospective lessees. This range of total rent is our best estimate based on information from the most recent Martinizing franchisees in the United States. The low investment presumes that you are opening the business in property that you already own. If you will be leasing space, the terms of the lease and your landlord will determine what deposits are required, when they are due, the method of payment that is acceptable, and the circumstances under which a deposit or lease payment is refundable. Generally, certain security and utility deposits are due at the time you sign your lease.
- (5) The low estimate assumes landlord will provide the space ready for occupancy or will provide a tenant improvement allowance to cover the cost of build-out. If you hire contractors to perform leasehold improvements, the contract between you and the contractors will determine under what circumstances such payments are refundable. Costs and charges for site development, leasehold improvements/construction costs, required permits, drawings, plans, studies, and the like for establishing a Satellite Store according to our specifications vary significantly depending on location, physical characteristics of the Martinizing Store, variations from standards and modifications to meet local codes, labor costs, and the like. Construction costs to establish or convert a free-standing store (not part of a plaza or center) are significantly greater, vary tremendously, and cannot be estimated accurately.
- (6) This expense includes the initial base package that you must purchase from us (the "Startup Supplies and Equipment Package"). The Startup Supplies and Equipment Package includes the items listed in Appendix C of

the Franchise Agreement and is the standard basic package of supplies and equipment needed to start your business. Items included in the Startup Supplies and Equipment Package may be changed from time to time to reflect changes in the system, procedures and your needs. The range accounts for boutique counter package upgrade of \$2,000.00.

- (7) There is an \$5,000 allowance which is listed with the Start Up Supplies and Equipment Package on Appendix C of the Franchise Agreement. We coordinate the ordering of signs and obtaining permits on your behalf. Actual costs for signage and permits vary by location, and if less than the allowance is spent, we will refund or credit the difference to you. If more than the allowance is required, you will be obligated to pay or reimburse us for the difference.
- (8) The Grand Opening Marketing package includes initial marketing of the business to include 15,000 Direct Mail Pieces, Banners, Micro Web Site, Social Media Pages such as Facebook® and other grassroots marketing that may be available in your market.
- (9) This estimates your initial insurance down payment. We require general liability insurance with limits of \$1M per claim or \$2M aggregate per year. Your landlord may require higher liability coverage under the terms of your lease. Your insurance company will determine under what circumstances your payments for insurance are refundable. Insurance for Satellite stores is generally less expensive than for Plant stores because there is less equipment to insure.
- (10) In addition to reviewing this Disclosure Document and your Franchise Agreement, you will need a legal advisor to review any applicable purchase documentation for the existing store you purchase to serve as your Plant Store, applicable lease documentation with respect to the Store, any and all employment related matters regarding the operation of your Business, and any other legal matters you would like reviewed and/or you have been advised to have reviewed in connection with operation of your Business. You should also have an accountant or other advisor prepare a business plan for your operations and review your working capital. The fees for your legal expenses will vary depending on the volume of work you request to be performed, the rates of your advisors and lawyers, your geographic location, your sophistication and familiarity with legal and financial documentation and terms, and other factors. This is our best estimate of a range of such fees.
- (11) This range estimates the cost for the general business supplies and materials you will need to operate your Business including general cleaning supplies, restroom supplies, maintenance supplies and equipment, basic tools, furniture, fixtures, and light equipment, office supplies and forms, sewing and textile repair supplies, packaging, and chemicals and cleaning supplies. The range provided is based on our information from the most recent Martinizing franchisees in the United States and the low end is based on an owner who has all of the general business supplies and material that we recommend.
- (12) This estimates your working capital and startup expenses, including payroll costs, for the first 3 months of operation. These figures are estimates and we cannot guarantee that you will not have additional expenses starting the business. Your payroll costs will largely be affected by your financial position at the time you start the business. Your costs will depend on how closely you follow the Operations Manual and other operating materials provided by us, your management skill, experience and business acumen, local economic conditions, the acceptance by local consumers of your services, prevailing wage rates, competition, and the sales levels reached during the initial period.
- (13) Unless otherwise stated, the total figures do not include sales taxes. The table above lists estimated expenditures we believe you should anticipate as the total initial investment required to open and operate your Business during the initial phase of the business, spanning the first three months of operation, depending upon the exact location and physical characteristics of your Business. Of course, there also may be unique local circumstances involving higher costs than those estimated. You should review these figures carefully with a business advisor before making any decision to purchase the franchise. The range provided is based partially on our information from the most recent Martinizing franchisees in the United States and our experience through affiliate franchise systems regarding additional expenses needed for your initial investment during the first three months of operation.

(Item 7 continues on the next page)

(4) SATELLITE STORE – CONVERSION				
<u>Type of Expenditure</u>	<u>Amount</u>	<u>Method of Payment</u>	<u>When Due</u>	<u>To Whom Payment is to be Made</u>
Initial Franchise Fee (Note 1)	\$30,000	Lump Sum	At signing of Franchise Agreement	Martinizing International, LLC
Initial Training and site support (Note 2)	\$4,000	Lump Sum	At signing of Lease	Martinizing International, LLC
Travel, Lodging, Expense, and Salary, if any, of Persons Attending Martinizing Training Program (Note 3)	\$0-\$2,000	As Incurred	Before and During Martinizing Training Program	Airlines, Hotels, Businesses, Managing Owner or other representatives of your Business
Satellite Store Purchase (Note 4)	\$20,000-\$400,000	Lump Sum	Upon purchase of your Satellite Store	Third-party
Real Estate and prepaid rent, security and utility deposits (Note 5)	\$1,500-\$8,000	Lump Sum	As specified in Lease	Lessor
Leasehold Improvements (Note 6)	\$0 -\$15,000	As Incurred	Before Opening	Tradesmen, Contractors and/or Martinizing International, LLC
Conversion/Rebranding (Note 7)	\$3,500-\$25,000	As Incurred	Before Opening	Tradesmen, Contractors and/or Martinizing International, LLC
Signage and permits (Note 8)	\$5,000 to \$10,000	As incurred	Before Opening	Martinizing International, LLC
Grand Opening Marketing Campaign (Note 9)	\$2,000 - \$8,900	As Incurred	As Incurred; must be spent during the week before opening and ending 2 weeks after opening	Martinizing International, LLC or third-party advertising sources
Insurance (Note 10)	\$140-\$300	Depends on Insurance Agency	Depends on Insurance Agency	Third Parties
Professional Fees	\$1,000-\$8,000	As Incurred	As Agreed	Lawyers, Accountants,

(4) SATELLITE STORE – CONVERSION				
<u>Type of Expenditure</u>	<u>Amount</u>	<u>Method of Payment</u>	<u>When Due</u>	<u>To Whom Payment is to be Made</u>
(Note 11)				Financial Institutions
Miscellaneous opening costs (Note 12)	\$50- \$2,700	As incurred	Before Opening	Third party vendors and suppliers
Additional Funds - 3 months (Note 13)	\$5,000-\$20,000	Lump Sum	As Incurred	Vendors, Suppliers, Employees, Utilities
TOTAL (Note 14)	\$72,190 to \$533,900			

Notes:

- (1) As described in Item 5, the amount of your Initial Franchise Fee depends on whether you sign a Franchise Agreement for an Initial Franchise or an Additional Franchise. Currently, the fee for an Initial Franchise that is a Satellite is \$30,000. If when you sign a Franchise Agreement for an Initial Franchise you concurrently sign a Franchise Agreement for one or more Additional Franchises, then we will reduce the amount of the Franchise Fee to \$15,000 for the Additional Franchise. If you do not sign the Franchise Agreement for the Additional Franchise concurrently with signing the Franchise Agreement for an Initial Franchise, the Franchise Fee for the Additional Franchise will be the full then-current amount. This fee is non-refundable.
- (2) If you are obtaining an Initial Franchise, we will provide the Martinizing Training Program to 2 people. The Martinizing Training Program is mandatory for the Managing Owner and the Store Manager, if you have a Store Manager. If you are obtaining an Additional Franchise, we will provide the Martinizing Training Program to the additional Store Manager if he/she has not previously completed the Martinizing Training Program.
- (3) Expenses you may incur during training include travel, lodging and living expenses for the duration of training as needed and depending upon where you are located. At this time our training facilities are located in Hanover and Waltham, Massachusetts; Fort Mill, South Carolina; Gilbert, Arizona; and Naples, Florida. These fees are paid to third parties at the time of reservations or travel. Certain travel expenditures may be refundable at the discretion of the provider. Typically, a Satellite Store is an Additional Franchise and, therefore, the range listed above includes the travel, living expenses and salary of only the Managing Owner.
- (4) This range shows the expected cost if you purchase a Satellite Store that is an existing dry cleaning and laundry drop store which will be converted into your Satellite Store and will serve as your Store, but no dry cleaning or laundry will be performed on-site. The range provided in the chart above is based upon historical data collected from and reported by Martinizing franchisees regarding purchases of Satellite Stores separate from Plant Stores (combined data was not reviewed). The cost of an existing store may vary significantly based on its geographic location and any other assets included with the purchase; the condition of all such assets, and other factors of the existing store will be unique. Typically, for a Satellite Store, since no dry cleaning and laundry services will be performed on-site, the existing store you purchase will include the limited machinery and equipment necessary to operate your Business including the following: a storage conveyor, assembly conveyor, and countertops. If the existing store you purchase does not include such equipment, you will have to purchase certain machinery and equipment to ensure your Store is operational (see Note 9 below). If you purchase a Satellite Store from an existing Martinizing franchisee, you and the existing Martinizing franchisee will need to comply with all transfer

provisions of such existing Martinizing franchisee's Franchise Agreement, including entering into an agreement to properly transfer the existing Martinizing franchisee's license to you.

- (5) You will need to secure a lease, all necessary utilities and business licenses to operate the Store. The typical Satellite Store with no on-site dry cleaning and laundry is approximately 1,200 square feet, and rent is estimated to be between \$20 and \$30 per square foot, or \$24,000 and \$36,000 per year, depending on the size, condition and location of the leased premises and the demand for the premises among prospective lessees. This range of total rent is our best estimate based on information from the most recent Martinizing franchisees in the United States. The range listed in the chart above assumes that the security deposit, on the high end, would be the equivalent to one month's rent at \$30 per square foot (or \$36,000/12). In addition to rent, you may be charged a share of taxes, insurance and common area maintenance expenses. Most Martinizing Businesses are located in leased space in retail shopping centers. If you desire to purchase real property for the Store, the amount of land required will vary with the size of the facility, the availability of adjacent parking and the like. An estimate of the size of the parcel needed for a Satellite Store would be anywhere from one-third acre to one-half acre with a building, and the cost would vary tremendously and cannot be estimated accurately.
- (6) This estimate of leasehold improvements relates to improvements to the Premises for a Martinizing Satellite Store, assuming it is in an existing retail shopping plaza or center containing adequate utility capacities. The range of leasehold improvements is generally very limited for Satellite Stores as there is no on-site dry cleaning and laundry. The range provided is based on our information from the most recent Martinizing franchisees in the United States, noting that the low end assumes you are not incurring additional fees to prepare your Store for operation of your Business and/or that these fees are part of your lease, through your negotiations or otherwise. Costs and charges for site development, leasehold improvements/construction costs, required permits, drawings, plans, studies, and the like for establishing a Satellite Store according to our specifications vary significantly depending on location, physical characteristics of the Martinizing Store, variations from standards and modifications to meet local codes, labor costs, and the like. Construction costs to establish or convert a free-standing store (not part of a plaza or center) are significantly greater, vary tremendously, and cannot be estimated accurately.
- (7) The Conversion/Re-Branding Fee relates to the package you will purchase from us in order to properly identify the Store as a Martinizing Store. Such package may include: interior signage; interior and exterior paint; counters; and floors, all to our specifications and in conformance with the requirements and guidelines set forth in our Operations Manual. The range provided is based on information from the most recent Martinizing franchisees in the United States, noting that the low end assumes that the Store you purchase will be mainly ready for operation and in good condition so that the floors and counters do not need to be significantly altered. See Appendix C of the Franchise Agreement.
- (8) There is an \$5,000 allowance which is listed with the Start Up Supplies and Equipment Package on Appendix C of the Franchise Agreement. We coordinate the ordering of signs and obtaining permits on your behalf. Actual costs for signage and permits vary by location, and if less than the allowance is spent, we will refund or credit the difference to you. If more than the allowance is required, you will be obligated to pay or reimburse us for the difference.
- (9) The Grand Opening Marketing package includes initial marketing of the business to include 15,000 Direct Mail Pieces, Banners, Micro Web Site, Social Media Pages such as Facebook® and other grassroots marketing that may be available in your market.
- (10) This estimates your initial insurance down payment. We require general liability insurance with limits of \$1M per claim or \$2M aggregate per year. Your landlord may require higher liability coverage under the terms of your lease. Your insurance company will determine under what circumstances your payments for insurance are refundable. Insurance for Satellite stores is generally less expensive than for Plant stores because there is less equipment to insure.
- (11) In addition to reviewing this Disclosure Document and your Franchise Agreement, you will need a legal advisor to review any applicable purchase documentation for the existing store you purchase to serve as your Satellite

Store, applicable lease documentation with respect to the Store, any and all employment related matters regarding the operation of your Business, and any other legal matters you would like reviewed and/or you have been advised to have reviewed in connection with operation of your Business. You should also have an accountant or other advisor prepare a business plan for your operations and review your working capital. The fees for your legal expenses will vary depending on the volume of work you request to be performed, the rates of your advisors and lawyers, your geographic location, your sophistication and familiarity with legal and financial documentation and terms, and other factors. This is our best estimate of a range of such fees.

- (12) This range estimates the cost for the general business supplies and materials you will need to operate your Business including general cleaning supplies, restroom supplies, maintenance supplies and equipment, basic tools, furniture, fixtures, and light equipment, office supplies and forms, sewing and textile repair supplies, packaging, and chemicals and cleaning supplies. The range provided is based on our information from the most recent Martinizing franchisees in the United States and the low end is based on an owner who has all of the general business supplies and material that we recommend.
- (13) This estimates your working capital and startup expenses, including payroll costs, for the first 3 months of operation. These expenses also include an estimate of any Royalty and the Fund Fee for the 3-month period. These figures are estimates and we cannot guarantee that you will not have additional expenses starting the business. Your payroll costs will largely be affected by your financial position at the time you start the business. Your costs will depend on how closely you follow the Operations Manual and other operating materials provided by us, your management skill, experience and business acumen, local economic conditions, the acceptance by local consumers of your services, prevailing wage rates, competition, and the sales levels reached during the initial period.
- (14) Unless otherwise stated, the total figures do not include sales taxes. The table above lists estimated expenditures we believe you should anticipate as the total initial investment required to open and operate your Business during the initial phase of the business, spanning the first three months of operation, depending upon the exact location and physical characteristics of your Business. Of course, there also may be unique local circumstances involving higher costs than those estimated. You should review these figures carefully with a business advisor before making any decision to purchase the franchise. The range provided is based partially on our information from the most recent Martinizing franchisees in the United States and our experience through affiliate franchise systems regarding additional expenses needed for your initial investment and during the first three months of operation.

***(The space below is blank by intention.
Item 7 continues on the next page)***

(5) MARTINIZING DELIVERS				
<u>Type of Expenditure</u>	<u>Amount</u>	<u>Method of Payment</u>	<u>When Due</u>	<u>To Whom Payment is to be Made</u>
Initial Franchise Fee (Note 1)	\$25,000	Lump Sum	At signing of Franchise Agreement	Martinizing International, LLC
Initial training (Note 2)	\$4,000	Lump Sum	When you sign a lease for your store	Martinizing International, LLC
Travel, Lodging, Expense, and Salary, if any, of Persons Attending Martinizing Training Program (Note 3)	\$0-\$2,000	As Incurred	Before and During Martinizing Training Program	Airlines, Hotels, Businesses, Managing Owner or other representatives of your Business
Delivery Vehicle (Note 4)	\$400 - \$900	Monthly	Prior to commencing operations	Auto Dealer
Vehicle Wrap/Vinyl	\$500 - \$3,000	Lump Sum	Prior to Commencing Operations	Signage Company
Permits & Licenses (Note 5)	\$100 - \$2,500	As incurred	Prior to commencing operations	Martinizing International, LLC
Start Up Supplies & Equipment (Note 6)	\$3,800 - \$5,100	Lump Sum	Prior to commencing operations	Martinizing International, LLC
Grand Opening Marketing (Note 7)	\$5,000	Lump Sum	When you sign a lease for your store	Martinizing International, LLC
Insurance (Note 8)	\$200 - \$1,500	As Incurred	Prior to commencing operations	Insurance company
Professional Fees (Note 9)	\$1,000-\$5,000	As Incurred	As Agreed	Lawyers, Accountants, Financial Institutions
Miscellaneous Opening Costs (Note 10)	\$50 - \$2,700	As incurred	As incurred	Suppliers, vendors, professional advisors

(5) MARTINIZING DELIVERS				
<u>Type of Expenditure</u>	<u>Amount</u>	<u>Method of Payment</u>	<u>When Due</u>	<u>To Whom Payment is to be Made</u>
Additional funds, first 3 months (Note 11)	\$0 - \$20,000	As incurred	As incurred	Suppliers, vendors, employees, etc.
TOTAL (Note 12)	\$40,050 - \$76,700			

Notes:

- (1) As described in Item 5, the amount of your Initial Franchise Fee depends on whether you sign a Franchise Agreement for an Initial Franchise or an Additional Franchise. Currently, the fee for an Initial Franchise that is a Martinizing Delivers is \$25,000. If when you sign a Franchise Agreement for an Initial Franchise you concurrently sign a Franchise Agreement for one or more Additional Franchises, then we will reduce the amount of the Franchise Fee to \$15,000 for the Additional Franchise. If you do not sign the Franchise Agreement for the Additional Franchise concurrently with signing the Franchise Agreement for an Initial Franchise, the Franchise Fee for the Additional Franchise will be the full then-current amount. This fee is non-refundable.
- (2) If you are obtaining an Initial Franchise, we will provide the Martinizing Training Program to 2 people. The Martinizing Training Program is mandatory for the Managing Owner and the Store Manager, if you have a Store Manager. If you are obtaining an Additional Franchise, we will provide the Martinizing Training Program to the additional Store Manager if he/she has not previously completed the Martinizing Training Program.
- (3) Expenses you may incur during training include travel, lodging and living expenses for the duration of training as needed and depending upon where you are located. At this time our training facilities are located in Hanover and Waltham, Massachusetts; Fort Mill, South Carolina; Gilbert, Arizona; and Naples, Florida. These fees are paid to third parties at the time of reservations or travel. Certain travel expenditures may be refundable at the discretion of the provider.
- (4) You must purchase or lease a delivery vehicle in conformance with the requirements and guidelines set forth in our Operations Manual, including the requirement to have the Martinizing logo and otherwise be wrapped in accordance with our specifications. If you already have a delivery vehicle with hanging racks, and otherwise meeting our specifications, with our approval, you may use it in the operation of your Business. The high end of the range listed above is applicable if you need to purchase a vehicle with a racking system and it is based on our information from the most recent Martinizing franchisees in the United States. The low end of the range assumes you would not need to secure a vehicle as you have one already or it came with the dry cleaning and laundry plant purchase. If you have a vehicle, and only need to purchase a racking system, our best estimate is that a racking system would cost \$500 - \$1,000.
- (5) We will assist you in obtaining necessary permits and licenses required to operate your Delivery business.
- (6) This expense includes the initial base package that you must purchase from us (the “Startup Supplies and Equipment Package”). The Startup Supplies and Equipment Package includes the items listed in Appendix C of the Franchise Agreement and is the standard basic package of supplies and equipment needed to start your business. Items included in the Startup Supplies and Equipment Package may be changed from time to time to reflect changes in the system, procedures and your needs.
- (7) Marketing package includes initial grand opening marketing of the business to include 7,500 Direct Mail Pieces, Banners, Micro Web Site, Social Media Pages such as Facebook® and other grassroots marketing that may be available in your market.

- (8) This estimates your initial insurance down payment. We require general business and auto insurance with limits of \$1M per claim or \$2M aggregate per year. Your vehicle provider may require higher liability coverage under the terms of your loan or lease (if applicable). Your insurance company will determine under what circumstances your payments for insurance are refundable.
- (9) In addition to reviewing this Disclosure Document and your Franchise Agreement, you will need a legal advisor to review any applicable purchase documentation for the existing store you purchase to serve as your Satellite Store, applicable lease documentation with respect to the Store, any and all employment related matters regarding the operation of your Business, and any other legal matters you would like reviewed and/or you have been advised to have reviewed in connection with operation of your Business. You should also have an accountant or other advisor prepare a business plan for your operations and review your working capital. The fees for your legal expenses will vary depending on the volume of work you request to be performed, the rates of your advisors and lawyers, your geographic location, your sophistication and familiarity with legal and financial documentation and terms, and other factors. This is our best estimate of a range of such fees.
- (10) This estimates your working capital and startup expenses, including payroll costs, for the first 3 months of operation. These figures are estimates and we cannot guarantee that you will not have additional expenses starting the business. Your payroll costs will largely be affected by your financial position at the time you start the business. Your costs will depend on how closely you follow the Operations Manual and other operating materials provided by us, your management skill, experience and business acumen, local economic conditions, the acceptance by local consumers of your services, prevailing wage rates, competition, and the sales levels reached during the initial period.
- (11) Unless otherwise stated, the total figures do not include sales taxes. The table above lists estimated expenditures we believe you should anticipate as the total initial investment required to open and operate your Business during the initial phase of the business, spanning the first three months of operation, depending upon the exact location and physical characteristics of your Business. Of course, there also may be unique local circumstances involving higher costs than those estimated. You should review these figures carefully with a business advisor before making any decision to purchase the franchise. The range provided is based partially on our information from the most recent Martinizing franchisees in the United States and our experience through affiliate franchise systems regarding additional expenses needed for your initial investment and during the first three months of operation.

Item 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

You must operate your Business according to our System Standards. System Standards may provide specifications for, among other things, the purchase or lease of all required interior and exterior signage, store furnishings, window graphics, or other items bearing the Martinizing logo; requirements related to the purchase or lease, maintenance, and inspection of machinery, equipment, and other materials used in connection with the performance of dry cleaning and laundry and all Martinizing Channels fixtures; furnishings; vehicles; office equipment (including a required or recommended computer, facsimile, point-of-sale, and other electronic information systems and all equipment components and software necessary for you to accept and process our loyalty cards and participate in our customer loyalty, and similar programs) (collectively, “**Operating Assets**”); unauthorized and prohibited products, equipment, and services; inventory requirements; and designated and approved suppliers of Operating Assets and other items.

In the case of Operating Assets, suppliers could, at our option, be limited to us, our affiliates, and/or other specified exclusive sources, in which case you would have to buy such Operating Assets only from us, our affiliates, and/or the other specified exclusive sources at the prices we or they decide to charge. We have the absolute right to limit the suppliers with whom you may deal.

You must purchase the **Startup Supplies and Equipment Package** (defined in Item 5 and 7 of this Disclosure Document) from us. We are the only approved supplier of this package. We derive income by charging a markup over the costs of acquiring certain of these goods. We do not yet have data to report our revenue from the sale of equipment and products to franchisees, or the percentage of our total revenues. For development of a new dry cleaning store, the cost of supplies and equipment purchased in accordance with specifications represents approximately 44% of your total purchases in connection with the establishment of the Plant, and approximately 18% of your total purchases in connection with the establishment of a Satellite. For a Martinizing Delivers location, this cost is approximately 10% of your total purchases in connection with the establishment of your business. Because the equipment needs for a Conversion store will vary so greatly according to the location of the business and what equipment is already included in the store purchase, the cost of supplies and equipment purchased as a percentage of your total purchase for a Conversion is impossible to calculate in advance.

Currently, the only approved supplier for the POS System is SPOT (see Item 11). Except as we describe above, there are no other goods, services, supplies, fixtures, equipment, inventory, computer hardware and software, real estate or comparable items for establishing or operating the Business that you currently must buy or lease from us (or an affiliate) or designated suppliers.

Approved suppliers and specifications are in our Operations Manual. None of our officers owns an interest in the companies which are our approved suppliers. Approved suppliers and specifications are determined based on the current needs for operating the franchised business. We evaluate approved suppliers based on price, service, quality, and other commercially reasonable benchmarks. The identity of approved suppliers and these specifications are updated periodically in writing by modifying the appropriate pages of our Operations Manual. We will send you modified pages through the United States Mail, electronic mail or by any other commercially reasonable means.

Included with (i.e., not priced separately) your Startup Supplies and Equipment Package or the Conversion/Re-Branding Fee, you will receive the entire computer system you will need to run your business, comprised of a computer hardware and software package and point-of-sale (“POS”) system. You must use the computer hardware and software provided and must continue to comply with computer specifications that we periodically establish, including hardware components, POS software, dedicated phone/cable/modem/power lines, printers and other computer-related accessories and peripheral equipment (collectively, the “Computer System”). In addition to the Computer System, you also must have a functioning email address so that we can send you notices and otherwise communicate with you by this method.

The Computer System will function in part as a web-based point-of-sale system for all transactions at the Store. The Computer System currently includes point of sale software and maintenance programs that we provide specs for in which you can obtain directly or through us and require you to use. Currently, the only approved POS software supplier is SPOT, with whom we will be the primary licensee and will sublicense to our franchisees (see Item 11). The initial computer package will include a Dual Core 3.0 GHZ Computer (or equivalent), Windows 10 Professional, 104 Key Keyboard, 3 Button Mouse Optical, Dual Serial & Dual Parallel Controller Cards, Norton Anti-Virus, 15” Touch Screen Monitor, Epson Thermal Invoice Printer, Printer Cables, Kick out Cash Drawer, Metrologic Wireless Scanner, and Clearant approved Credit Card terminal.

We do not provide other material benefits to you (e.g., special renewal privilege or additional franchises) based on your use of our designated or approved sources.

We may terminate your franchise if you purchase goods or services that are not according to our specifications.

There are no purchasing or distribution cooperatives at this time.

To maintain the quality of the goods and services that Martinizing Businesses sell and our System's reputation, we may condition your right to buy or lease goods and/or services (besides those described above that you may obtain only from us, our affiliates, and/or other specified exclusive sources) on their meeting our minimum standards and specifications and/or being acquired from suppliers that we approve. We will issue and modify standards and specifications based on our and our Martinizing franchisees' experience in operating Martinizing Businesses. Our standards and specifications may impose minimum requirements for production, performance, reputation, prices, quality, design, and appearance. Our confidential operating manual and other communications we may provide to you (collectively, the "**Operations Manual**") will identify our standards and specifications for the System. We will notify you and, where appropriate, the suppliers, of our standards and specifications. There might be situations where you can obtain items from any supplier who can satisfy our requirements and, therefore, would be an approved supplier.

If we institute any type of restrictive sourcing program and you want to use any item or service that we have not yet evaluated or to buy or lease from a supplier that we have not yet approved or designated, you first must send us sufficient information, specifications, and samples so that we can determine whether the item or service complies with System Standards or the supplier meets our approved supplier criteria. We periodically will establish or may change procedures for your requests and may limit the number of approved items, services, and/or suppliers as we think best. You may ask us to review and approve new suppliers or products. Our procedures for approving suppliers you recommend are further detailed in the Operations Manual. If you would like us to evaluate a new supplier, you will pay us \$200 plus the actual expenses for testing such product or supplier. It takes up to 30 days to evaluate new suppliers, and we will notify you of our approval or disapproval after 30 days following our receipt of your recommendation. Approvals may be revoked by us for cause, such as if a supplier we had previously approved changes their method, product quality or some other criterion on which we based our review and approval. We will notify you of such revocations in writing.

Supplier approval might depend on product quality, delivery frequency and reliability, service standards, financial capability, customer relations, concentration of purchases with limited suppliers to obtain better prices and service, or other criteria. We and our affiliates have the right to receive payments or other material consideration from suppliers on account of their actual or prospective dealings with you and other franchisees and to use all amounts that we and our affiliates receive without restriction (unless we and our affiliates agree otherwise with the supplier) for any purposes we and our affiliates deem appropriate. Supplier approval might be temporary until we evaluate the supplier in more detail. We may inspect a proposed supplier's facilities during and after the approval process to make sure that the supplier meets our standards. If it does not, we may revoke our approval by notifying the supplier and you in writing. We have no obligation to approve any request for a new supplier, product, or service. We may charge you our cost of inspection and testing of products in connection with our evaluation and approval or disapproval of proposed suppliers.

Insurance

Besides these purchases or leases, you must obtain and maintain, at your own expense, the insurance coverage that we periodically require and satisfy other insurance-related obligations underwritten by an insurance company having an A.M. Best rating of A+ or higher. Our specific requirements for Insurance products and coverage amounts is set forth in the Operations Manual and may be changed from time to time if our experience causes us to change the type and amount of insurance to best protect our franchisees. Certain specific coverages may be required by law or your lease. Premiums depend on the insurance carrier's charges, terms of payment, and your history. All insurance policies must name us, along

with our and their officers, agents and employees as additional insured parties. If you fail to obtain or maintain required insurance coverage for the Business, we may do so on your behalf and invoice you for reimbursement of our costs to arrange the missing coverage.

Advertising Materials

Before you use them, you must send us for review samples of all advertising, promotional, and marketing materials that we (or a supplier we may designate, at our option) have not prepared or previously approved. If you do not receive written notice of approval within 10 days after you submit materials to us, they are deemed disapproved. You may not use any advertising, promotional, or marketing materials that we have not approved or have disapproved.

Store Site

We have the right to approve your Store location, including the approval of your lease or sublease. If you are leasing the premises in which your Store will be located, you and your landlord must agree also to sign our required form of Option to Assume Lease to any third-party lease you sign (attached as Appendix D to the Franchise Agreement). We may also enter into a master lease for the site of Store and sublease the Premises to you. You must submit, for our approval, all information and materials we request regarding any site at which you propose to operate a Store.

Benefits

We may negotiate purchase arrangements with suppliers (including price terms) for the benefit of all Martinizing franchisees. These arrangements are subject to change and we have no obligation to insure the arrangement with any supplier will continue to be made available to you. We and our affiliates may mark up and profit on the sale of services or goods to you and/or receive payments, rebates, or other material consideration from suppliers on account of such suppliers' dealings with us, you and other Martinizing franchisees, and may keep or use any amounts so received without restriction and for any purpose we and our affiliates deem appropriate. We may concentrate purchases with one or more suppliers or distributors to obtain lower prices or the best advertising support or services.

We and/or our affiliates may receive additional revenue from any third-party provider of software for the performance of Martinizing Channels, based on either a percentage of the total fees received by such third-party from Martinizing franchisees or to the extent the amount of your total payments made exceed the costs to us of purchasing the software.

We and/or our affiliates, may receive revenue based on the purchase of any machinery or equipment we secure for you to the extent the amount of your total payments made exceed the costs to us of purchasing the machinery or equipment during the term of your Franchise Agreement. It is our best estimate that such revenue will be approximately 1% of our revenue.

There currently are no purchasing or distribution cooperatives. We may negotiate purchase arrangements with suppliers (including price terms). We do not provide material benefits to Martinizing franchisees (for example, renewal or granting additional franchises) based on their purchase of particular products or services or use of particular suppliers.

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 AGREEMENT	DISCLOSURE DOCUMENT ITEM
a. Site selection and acquisition/lease	Sections 1.D, 2.A, and 2.B of Franchise Agreement	Items 5, 7, 8, and 12
b. Pre-opening purchases/leases	Sections 2.A to 2.F, 3.A, 3.B, 8, and 9.A of Franchise Agreement	Items 5, 7, 8, and 11
c. Site development and other pre-opening requirements	Section 2, 3.A, 3.B, 4.A, 8.F of Franchise Agreement	Items 5, 7, 8, and 11
d. Initial and ongoing training	Section 4 of Franchise Agreement	Items 6, 7, and 11
e. Opening	Section 2.F of Franchise Agreement	Item 11
f. Fees	Sections 2.B, 2.E, 3.A to 3.C, 3.E, 3.G, 4.A to 4.D, 8.C, 8.F, 9, 11.B, 12.C, 13.A, 14.C, 14.F, 15.D, 16.D, and 17.C of Franchise Agreement	Items 5, 6, and 7
g. Compliance with standards and policies/operating manual	Sections 4.C, 4.D, and 8 of Franchise Agreement	Items 8 and 11
h. Trademarks and proprietary information	Sections 5 and 6 of Franchise Agreement	Items 13 and 14
i. Restrictions on products/services offered	Sections 1.D and 8 of Franchise Agreement	Items 8, 11, 12, and 16
j. Warranty and customer service requirements	Section 8 of Franchise Agreement	Items 8, 12, and 16
k. Territorial development and sales quotas	Not applicable	Not applicable

OBLIGATION	SECTION IN AGREEMENT	DISCLOSURE DOCUMENT ITEM
l. Ongoing product/service purchases	Sections 2.E, 2.F, and 8 of Franchise Agreement	Items 6 and 8
m. Maintenance, appearance, and remodeling requirements	Sections 8 and 13 of Franchise Agreement	Items 8, 11, 16, and 17
n. Insurance	Section 8.F of Franchise Agreement	Items 7 and 8
o. Advertising	Section 9 of Franchise Agreement	Items 6, 7, 8, and 11
p. Indemnification	Section 16.D of Franchise Agreement	Item 6
q. Owner's participation/management/staffing	Sections 1.C, 4, 6, and 8 of Franchise Agreement	Items 11 and 15
r. Records and reports	Section 10 of Franchise Agreement	Item 9
s. Inspections and audits	Section 11 of Franchise Agreement	Items 6 and 11
t. Transfer	Section 12 of Franchise Agreement	Item 17
u. Renewal	Section 13 of Franchise Agreement	Item 17
v. Post-termination obligations	Section 15 of Franchise Agreement	Item 17
w. Non-competition covenants	Sections 7, 12, 15, and 16 of Franchise Agreement	Items 15 and 17
x. Dispute resolution	Section 17 of Franchise Agreement	Item 17
y. Other – Personal Guaranty	Sections 1.C and 12.C of Franchise Agreement; Appendix A to Franchise Agreement	Items 1 and 15
z. Other - Confidentiality & Non-Disclosure Agreement for Prospective Franchisees	<u>Exhibit F</u> to the Disclosure Document	Item 1

Item 10

FINANCING

We and our affiliates do not offer direct or indirect financing. Neither we nor our affiliate will guarantee your note, lease, or obligation.

Item 11

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

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

Pre-Opening Assistance

Before you open your Business, we will:

1. Assist you in selecting the site for the Store (FA 2.A). The methods we use to assist you in selecting a site for your Martinizing business are an analysis of demographics including household counts, income levels, and LifeMode summary groups with similar consumption and demographic patterns, etc. We also conduct a review of the site plan, traffic patterns, foot traffic count, cost for build-out or renovation, proximity to competition, proximity to major anchor tenants, etc.
2. Review the location selected by you for conformity to our site selection guidelines. The site must meet our criteria for demographic characteristics; traffic patterns; parking; character of neighborhood; competition from, proximity to, and nature of other businesses; size; appearance; and other physical and commercial characteristics. Although there is no set time limit for you to identify a site, it is a violation of the Franchise Agreement, and therefore grounds for termination of the Franchise Agreement, for you not to have opened for operations within two hundred forty days (about 8 months) from the date you sign your Agreement. We will provide guidance to ensure you are on track to meet that timeline. If you have demonstrated due diligence and strong efforts to locate a site, but you and we have not yet agreed on a site, the dates for opening may be extended by mutual agreement. Once you have submitted a site to us for approval, we will approve or deny the site within fourteen (14) days of submission to us.
3. If you are obtaining your first Martinizing franchise, provide you with guidance and assistance (either directly or through an independent commercial real estate agent) in submitting a Letter of Intent for the site you select. Such Letter of Intent will include items such as initial and renewal terms, preferred parking, signage criteria, condition of space, ability to construct 24 hour drop box, exclusivity language, Landlord subordination, Landlords work to space, "fit up" period, delivery date of space and other payment terms. Although we or our agents may provide guidance or assistance to you in your securing a lease for your site, and we may make suggestions as to provisions to be changed or reviewed with your legal counsel, you must accept full responsibility for the final terms and conditions of the lease for your site.

We may, as a courtesy, and not as an obligation, identify existing dry cleaning businesses who may be interested in selling their business. Any such recommendations we may provide do not relieve you of the responsibility to timely locate a site, and any information we provide you regarding an independent business is not a representation or warranty of the business' suitability for a

Martinizing Store or any other purpose. Our recommendation indicates only that we believe that the business meets our then current site selection criteria. You must conduct your own independent investigation of the suitability of the conversion business for your Premises and Business.

4. We must approve your third-party lease or purchase agreement for the Premises in accordance with the Site Selection Guidelines. The lease must be in the form and contain the substance we approve, and must include the provisions of our required lease addendum (See Exhibit C to the Franchise Agreement). You must submit a proposed lease or purchase document for the Premises to us within 60 days after we approve the site for the Premises, and in any case no later than 150 days after the effective date of the Franchise Agreement. You must deliver to us the approved and fully-signed lease (including the provisions of the lease addendum) within 7 days after you sign the lease or purchase document for the Premises. At our option, we may terminate your Franchise Agreement if you and we do not agree on an acceptable site, and you do not submit a lease or purchase document for that site to us, within 150 days after the effective date of the Franchise Agreement. (FA 2.B and 14.B)
5. Provide a suggested floorplan for your location. For a Plant such plan would include call area layout, equipment layout, boiler room, electrical load calculations and steam lines. Although not always required, if needed you will arrange for Architecturally Stamped plans for submission to the town. You will independently contract with general contractor(s), architects and/or engineers to perform leasehold improvements to your location
6. Provide signage mockups and helping you secure town and landlord approval and installation of said signage. Signage allowance is \$5,000 for a Satellite Store and \$8,000 for a Plant location. Once town and landlord ordinances have been determined, we will provide the maximum amount of signage allowed as a mock up, along with additional pricing (if any) for your approval.
7. Provide you access to one copy of the Operations Manual, the current table of contents of which is Exhibit E. As of the date of this Disclosure Document, the Operations Manual contains approximately 433 pages. (FA 4.D)
8. Advise you on your Store's grand opening advertising program and in the use of your Grand Opening Advertising budget to promote the opening of the Store. (FA 9.A)
9. Train you (or your managing owner) and your Store Manager. (FA 4.A). We describe this training later in this Item.

Length of Time to Open the Business

We estimate that it will be approximately 8 months after you sign the Franchise Agreement before you open and begin operating your Store and begin operating your Business if you are a new franchisee or a Legacy Franchisee signing a DCS Amendment or a Legacy Amendment. Legacy Franchisees signing a Route Conversion Amendment for their Business may not take as long. The specific timetable for opening and operating your Business depends on various factors, including preparation of the Store, financing arrangements, obtaining permits, delivery and installation of equipment and store fixtures, weather conditions and labor. You must notify us in writing at least 30 days before the day on which you propose to begin operating your Business. You may not open or begin operating your Business until: (1) we notify you in writing that your Business and Premises meet our standards and specifications; (2) you (or your managing owner) and your other employees complete initial training to our satisfaction; (3) you pay the franchise fee and other amounts due to us; and (4) you give us certificates or other evidence we require for

all required insurance policies. In any case, you must open your Business within 240 days (8 months) after the effective date of the Franchise Agreement. (FA 2.A)

Assistance after Opening

After you open your Store, we will:

1. Advise you regarding your Store's operation based on your reports or our inspections. We also will guide you on standards, specifications, and operating procedures and methods that Martinizing Businesses use; purchasing required and authorized products and services, and other items and arranging for their distribution to you; advertising and marketing materials and programs; employee training; and administrative, bookkeeping, and accounting procedures. We will guide you in our Operations Manual, bulletins, or other written materials; by electronic media; by telephone consultation; and/or at our office or your Store. (FA 4.C)
2. We will provide you local marketing support (FA 2.5). We occasionally provide for placement of advertising on behalf of the entire Martinizing system, including franchisees. However, most placements are done on a local basis, typically by local advertising agencies hired by individual franchisees. We may advertise in local or regional newspapers; trade publications and other media at our own expense to promote the Martinizing brand name. We are not obligated to spend a specific amount, or any amount, on advertising in the specific area or territory in which your store is located. We will provide assistance with ad copy for seasonal promotional events such as Christmas, Thanksgiving, spring, fall & winter specials, etc. You may develop advertising materials for your own use, at your own cost. We must approve materials in advance and in writing prior to your using them. In order to protect the integrity of our trademarks and avoid confusion, we require that the only website you use in connection with your Store is the one we have created for and provided to you to use. You may make modifications to the website provided we approve the content in advance and in writing. During the first quarter of 2011 a marketing committee comprised of existing franchisees was formed and periodically meets to determine and suggest the best ways for all franchisees to meet their marketing goals. Members for this committee were selected by us to be a representative body of our franchisees, from different regions of the country and with differing numbers of stores and size of operations. The committee does not have decision-making power. We can change or dissolve the committee. Franchisees are not obligated to participate in local or regional advertising cooperatives.
3. Give you, at your request (and our option), additional or special guidance, assistance, and training. At your request, we will furnish additional guidance and assistance and, in this case, may charge the *per diem* fees and charges we establish. If you request additional or special training for your employees, all of the expenses that we incur for this training, including *per diem* charges and travel and living expenses for our personnel, will be your responsibility (FA 3.5.). Training will be done either at our training sites at Waltham, West Roxbury and Wellesley, MA and Fort Mill, SC and Gilbert, AZ, and one of our local area stores, or in your own store or in your local area if there is an Area Developer or Certified Trainer. You are responsible for paying for your travel and living expenses. The duration, frequency and content of this additional training will vary according to your request for additional training in a certain subject area, but it may range from 1-4 days and may be requested an unlimited number of times per year. Other than training you request, additional training or refresher courses will only be required if we find you are not complying with brand standards or operations, and may charge you the *per diem* fees and charges we establish. (FA 4) (See Item 6)

4. Continue to provide you access to one copy of the Operations Manual, which could include audio, video, computer software, other electronic media, and/or written materials. The Operations Manual contains our System Standards. We may modify the Operations Manual periodically to reflect changes in System Standards. (FA 4.D and 8)
5. Issue and modify System Standards for Martinizing Businesses. We periodically may modify the System Standards to accommodate regional or local variations or for other reasons, and these modifications may require you to invest additional capital in your Business and/or incur higher operating costs. (FA 8) (See Item 16)
6. Establish, to the fullest extent allowed by applicable law, maximum, minimum, or other pricing requirements with respect to the prices you may charge for products and services. (FA 8.G)
7. Inspect your Business and observe your Business's operations to help you comply with the Franchise Agreement and all System Standards. (FA 11.A)
8. Let you use our confidential information. (FA 6)
9. Let you use our Marks. (FA 5)
10. Periodically offer refresher training courses. (FA 4.B) (See Item 6)

Advertising and Promotion

The Brand Development Fund

Regional/National Marketing. You must pay to us a "Brand Development Fee" of two percent (2%) of Gross Sales (as defined in Item 6 above), which is paid on a weekly basis. The Brand Development Fees are collected into a Brand Development Fund, which will be used by us for advertising, marketing, and public relations programs and materials that we deem appropriate and at our direction, for the purpose of maximizing national recognition of the Marks and patronage of the Martinizing Businesses. It is our intention that the Brand Development Fund shall be used solely for this purpose, and not to solicit for the sale of franchises. We do not have an obligation to spend a specific amount on advertising of the franchise system in your specific area. Once the Brand Development Fund is implemented, we will have control over the creative concepts and their specific use, as well as their geographic, market and media placement, and so it is possible that we may spend different amounts in your market than we do in other markets, or make no expenditures during a given time period, on marketing specifically targeted within your area or territory. Media sources include internet, social media and print advertising. The Brand Development Fund is not audited, but financial statements of the Fund are available for review by a franchisee, and will be made available annually or may be obtained upon written request and reasonable notice made to us one time per year. The Brand Development Fee was formally added to our Franchise Agreement in 2021. Therefore, some franchisees currently pay a different amount as part of their agreement with us; however, it is our intention to require all franchisees to contribute to the Brand Development Fund over time. One hundred percent of the Brand Development Fees collected from franchisees will be spent on media placement; none of the fund will be used for production, administrative expenses or any other use.

Local Advertising. You will be required to spend at least two percent (2%) of your Store's Gross Sales for local advertising and marketing. We will provide guidelines for your local advertising and marketing that you must follow. You may develop advertising materials for your own use, at your cost. You must

submit to us samples of all advertising, promotional and marketing materials that we have not prepared or previously approved at least thirty (30) days before its first use. You may not use any advertising or promotional materials that we have not approved.

Franchisees are not required to participate in a local or regional advertising cooperative.

There is presently an advertising committee comprised of a minimum of five (5) franchisees that is an advisory board but does not have the right to render decisions on behalf of other franchisees. Members were self-nominated and represent various markets throughout the country. The Franchisor has the right to change or dissolve the committee.

Our obligation to conduct advertising directly within your local market is limited to the initial Grand Opening marketing campaign associated with the Grand Opening Marketing Fee ranging between \$2,000 and \$8,900, depending upon the type of Business you are opening. The grand opening marketing is spent in your local area. We employ a combination of social media, internet/website, direct mail and PR releases in local newspapers in this local campaign. Our public relations firm is external, otherwise all advertising pieces are created by the employees of Clean Franchising Brands, LLC.

We will provide you with marketing and promotional assistance in developing and implementing an ongoing marketing program. Neither compliance with our suggestions nor the assistance we provide assures or guarantees in any way the success of the marketing program developed and implemented. We make no representations or warranties with regard to the same. To assist us in providing guidance to you in developing your initial marketing program, you must provide us with such information regarding local competitors, the nature of the community, and any prior promotional efforts as we may reasonably request.

Computer Hardware and Software Requirements, and Point of Sale System

Software Systems: Franchise Management System, Locker System, On-Demand System

You must obtain and use in your Business a computer system containing the hardware and software we specify or that we recommend (the “**Computer System**”). Included with your Startup Supplies and Equipment Package, you will receive the Computer System you will need to run your business, comprised of a computer hardware and software package and POS system. You must use the computer hardware, software and POS system provided, and you must continue to comply with computer specifications that we periodically establish, including hardware components, point of sale software, dedicated phone/cable/modem/power lines, printers and other computer-related accessories and peripheral equipment. In addition to the Computer System, you also must have a functioning email address so that we can send you notices and otherwise communicate with you by this method.

The Computer System will function in part as a web-based point-of-sale system for all transactions at the Store. The Computer System currently includes point of sale software and maintenance programs provided by one or more third-party suppliers that we designate. The initial computer package will include a Dual Core 3.0 GHZ Computer (or equivalent), Windows 7 Professional, 104 Key Keyboard, 3 Button Mouse Optical, Dual Serial & Dual Parallel Controller Cards, Norton Anti-Virus, 15” Touch Screen Monitor, Epson Thermal Invoice Printer, Printer Cables, Kick out Cash Drawer, Metrologic Wireless Scanner, Star Tag Printer and PPI approved Credit Card Swipe.

The Computer System currently includes (i) the required POS System from our designated supplier, SPOT; and (ii) the Software Systems we provide to you (see Items 7 and 8 above). We have acquired and

will be the primary licensee with SPOT, and will sub-license the system to our franchisees. Each of the software systems interface and share information directly with the one another and the POS System.

We may require you to upgrade or update the software for the POS System, but no more than every 3 years during the term of your Franchise Agreement. We will have independent access to all POS System data (except credit card related data) including transaction and customer contact related data recorded or otherwise stored in your POS System. We will use the POS System data to generate invoices for Royalties, advertising and promotional fees and any other fees set forth in the Franchise Agreement, to facilitate advertising and communication to your customers, to gather sales and related data for use in our Franchise Disclosure Documents, promotional or related material, to generate reports, and for any other purpose that we deem useful.

The types of data to be generated or stored in the Computer System include sales information, costs analysis and other information that we may specify in the Operations Manual. We have independent, unlimited access to the information generated by the Computer System, and there are no contractual limitations on our right to do so. The Computer System must interface with our information technology systems and be electronically linked to us or our designee to enable us (or our designee) to poll the Computer System on a daily or other basis at the time and in the manner we or our designee establish, with or without notice, and to retrieve transaction information (which includes sales, sales mix, supply usage, inventory, and other operations data we and/or our designee deem appropriate). If for any reason polling is not practicable or is prohibited by applicable law, we may require you to download such information into machine readable information compatible with the system operated by us, our affiliates, or our agents and to deliver such information to us by the method and at the temporal frequency as we may reasonably require. You must also have a functioning email address so that we can send you notices and otherwise communicate with you by this method.

All data, including without limitation any customer lists or customer related data, remains our sole and exclusive property during the term of your Franchise Agreement and any extensions or renewals and upon expiration or termination or other cessation of the Franchise Agreement. Your use of the POS and software to process Data does not violate or in any way modify the confidentiality terms of the Franchise Agreement so long as you comply with all other terms of the Franchise Agreement and all such data remains within the required operational system control and custody upon the expiration, termination or other cessation of the Franchise Agreement. You will not have access or use of the Data in any capacity, upon the expiration, termination or other cessation of the Franchise Agreement.

You must obtain specific maintenance, updating, upgrading or hosting support contracts for the Computer System from either our designated supplier(s) or directly from us. The monthly cost of the service contract for required maintenance, updating or support for the software components of the Computer System is paid per month/ per station, payable to us.

You must not modify, delete, or change any software or hardware configurations that we or our designated supplier(s) provide to you without our advanced written consent. We may charge you up-front and ongoing fees for any required or recommended proprietary software or technology that we or our supplier licenses to you in the future and for other Computer System maintenance and support services provided during the term of the Franchise Agreement.

We reserve the right to change the Computer System at any time. There are no contractual limitations on the frequency and cost of this obligation. We need not reimburse you for any of these costs. We will require you to use proprietary software. We or our affiliates may charge you a monthly, annual, or other license fee for any proprietary software or technology that we or our affiliates license to you and for other maintenance and support services that we or our affiliates provide during the franchise term.

Training

Martinizing Training Program

If this is your Initial Franchise, then before your Business opens, we will train you (or your Managing Owner) and the Store Manager you appoint on operating a Martinizing Business, to be trained simultaneously (FA 4.A). Due to the type of training, there are no regular scheduled training classes—schedules are developed based on franchisee and trainer availability, date of lease signing, and date of store opening. Training will begin, usually two to three weeks prior to the anticipated opening date of your store. The individual training program is normally conducted over a 4-6 day time period, or equivalent to 40 to 50 hours of training. The exact time will depend upon your experience and ability to learn the material. The content will be covered by studying our Operations Manual, and the Computer System Manual, for familiarization with the touch screen application and on-the-job training at an operating Martinizing store;

Training will be done at our offices in Hanover, Massachusetts and Naples, Florida, and at our training facilities currently located in Hanover and Waltham, Massachusetts; Fort Mill, South Carolina; Gilbert, Arizona; and Naples, Florida. You are responsible for paying for your travel and living expenses while training. You are required to complete the training program to our satisfaction prior to commencing business, which must be at least eight months following signing your Franchise Agreement. We do not establish a specific deadline by which you must complete training, as this will be determined in part by site selection and the anticipated opening of your store. We will work with you to schedule Training as close in time to the opening of your store as possible, taking into consideration travel needs and the availability of specific instructors.

MARTINIZING TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Orientation and Overview of Computer System, Services & Processes	1 Hour	6 Hours	Operating Training Store
Front Counter, Customer Interaction, Order Processing	1 Hour	12 Hours	Corporate Office, Operating Training Store
Marking-In Garments and Forms, Hands-on Customer Service	0	8 Hours	Operating Training Store
Administrative, File Maintenance, Back Office, Reporting	1 Hour	7 Hours	Operating Training Store

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
In-store Review, Marketing, Customer Service, Programs	2 Hours	3 Hours	Corporate Office, Operating Training Store
Hands-on Customer Interaction, Customer Service	0	6 Hours	Operating Training Store
Hands-on Review, Computer Setup, Refresher Training on specific subjects as determined by trainer	5 Hours (over 3 days)	19 Hours	Franchisee's New Store
Plant Operations - all aspects of cleaning, spotting, and finishing. This training will take place in your operating plant.	Hands-on	56 Hours	Franchisee's Operating Plant
Plant Equipment	0	6 Hours	Franchisee's Operating Plant
Totals	10 Hours	123 Hours	

Headquarters Training is primarily managed and directed by our Chief Operating Officer Mr. David Grippi. Mr. Grippi is a third generation Dry Cleaner with 25+ years of Industry Experience coupled with years of Franchise Experience. You will also receive information technology and system support training from Alan Janosky our Director of Technology over 3 years of experience with us and over 10 years of experience in IT. Marketing and brand transition training will be provided by Eileen Curto, our Director of Marketing, who has one year of experience with us and over 20 years of experience in corporate marketing. Operations and general business development and management training will be conducted by Keith Kocher, Franchise Service Manager, who owned and operated four dry cleaning operations in Austin, TX for 32 years and came to work for Martinizing in July, 2018; and/or Ted Sontag, Franchise Service Manager, who previously worked for a family owned dry cleaning operation in Cincinnati, OH for 22 years and worked for Tide Dry Cleaners (part of Proctor and Gamble) for seven years as a Multi-Unit General Manager and Director of Training, and started with Martinizing in December 2017.

Ongoing and Other Training

You (or your managing owner) and/or other previously trained and experienced employees must attend and complete to our satisfaction various training courses that we periodically provide either online or in-person at the times and locations we designate, including web-based or remote attendance follow-up

training sessions (“**Follow-up Training**”); a refresher training course every two years, or as otherwise reasonably required (“**Refresher Training**”); industry related training and/or certification, including any re-training or re-certifications as we may reasonably require (“**Industry Training**”); your Managing Owner does not attend the Follow-up Training, Refresher Training, Industry Training, Martinizing Convention or Martinizing Regional Meeting, we may debit your account for any applicable registration fee and any applicable room rental fee and also may terminate your Franchise Agreement. We may charge reasonable registration or similar fees for these courses, and we will not require in-person attendance at these training courses by you or your personnel for more than 10 total days during a calendar year.

If any audit discloses a failure by you to operate your Business in accordance with the System Standards, then we may require you to undertake additional training at your Business, and we will determine the duration of the training and the number of trainers in our sole discretion. If we require you to undertake this additional training, you will pay our then applicable charges, including our personnel’s per diem charges and travel and living expenses.

Other personnel we designate may assist in our initial and other training programs, including other Martinizing representatives, franchisees or qualified managers or operators of Martinizing Businesses. The Franchise Agreement requires you to assist in future training programs for other franchisees, upon our request and for which we will reimburse you for your associated expenses.

Item 12

TERRITORY

You may operate your Plant or Satellite Store only at the fixed location that we have approved, and you may not relocate the Store without our approval. You may operate your Martinizing Delivers franchise within a defined area. Once we approve the site or area, we will sign an addendum to your Franchise Agreement to specifically identify the Store location (if applicable) and you will be granted a specific, exclusive territory, which we will define (the “**Territory**”). Once the Territory is defined, we will not modify your territorial rights. As long as you are in full compliance with your Franchise Agreement, we will not grant other Martinizing franchisees the right to open a franchise within the Territory, and we will not open a company-owned Martinizing store within the Territory. If an opportunity for a new store is presented to us that is within your Territory, and we would recommend that you pursue it, we will forward that opportunity to you. You do not have options or rights of first refusal outside of the Territory. We will determine the size and boundaries of the Territory at our discretion, based on factors including geographic area, population density, character of neighborhood, location, number of competing businesses and other factors. While the exact size of the Territory will vary based on these factors, a typical territory will cover an area that extends in all directions from the Store, up to three miles in less populated areas and one city block in city areas, with the Store located at the approximate center of the Territory. We may approve the relocation of your store under limited circumstances, such as if you provide a substantial information to us that the new location would be better for you, or you lose occupancy rights, and such new location meets our site selection criteria. The relocation of your store would affect the location of the Territory.

Franchisees may not solicit business from outside their exclusive territory without prior written approval from Franchisor. Certain franchisees may include pick-up and delivery of clothing as part of the services they offer. Franchisees may not pick up or deliver clothing, nor solicit customers for such services, outside of their Territory. Franchisees may not use other channels of distribution, such as Internet, telemarketing or other direct marketing, to make sales or solicit customers outside their Territory, without prior written approval of the Franchisor.

There is no sales quota or performance obligation in maintaining your Territory.

Except as limited below, as long as you are in full compliance with the Franchise Agreement, then we and our affiliates will not operate or grant a new franchise for the operation of a Martinizing Store at a location in the Territory during the term of your Franchise Agreement. Otherwise, we and our affiliates retain all rights with respect to Martinizing businesses, the Marks, the sale of identical, similar or dissimilar products and services, and any other activities we deem appropriate whenever and wherever we desire, including, but not limited to:

(1) the right to operate, and to grant others the right to operate Martinizing businesses or businesses operated under the tradenames of our affiliates located anywhere outside the Territory under any terms and conditions we deem appropriate and regardless of proximity to your Store;

(2) the right to provide, offer and sell and to grant others the right to provide, offer and sell services and products that are identical or similar to and/or competitive with those services and products provided by Martinizing businesses, whether identified by the Marks or other trademarks or service marks, through alternative distribution channels including, without limitation, the internet or similar electronic media and any other form of electronic commerce both inside and outside the Territory and on any terms and conditions we deem appropriate;

(3) the right to market and sell services and products to national, regional and institutional accounts, whether located inside or outside the Territory. “**National, regional and institutional accounts**” are organizational or institutional customers whose presence is not confined to your Territory, including: business entities with offices or branches situated both inside and outside of your Territory; government agencies, branches or facilities; healthcare networks; the military; and, any other customer whose presence is not confined to your Territory;

(4) the right to operate and grant others the right to operate Martinizing businesses at “**Non-Traditional Sites**” within and outside the Territory on any terms and conditions we deem appropriate. “Non-Traditional Sites” are sites that generate customer traffic flow which is independent from the general customer traffic flow of the surrounding area, including military bases, shopping malls, major industrial or office complexes and school campuses;

(5) the right to acquire the assets or ownership interests of one or more businesses providing products and services similar to those provided at Martinizing businesses, and franchising, licensing or creating similar arrangements with respect to these businesses once acquired, wherever these businesses (or the franchisees or licensees of these businesses) are located or operating (including in the Territory); and

(6) the right to be acquired (whether through acquisition of assets, ownership interests or otherwise, regardless of the form of transaction), by a business providing products and services similar to those provided at Martinizing businesses, or by another business, even if such business operates, franchises and/or licenses Competitive Businesses in the Territory.

Our Affiliate Next Step Franchising, LLC is the franchisor of the Lapels® Dry Cleaning franchise system, a drycleaning and laundromat concept that has offered franchises using the trademark Lapels® (the “Affiliate Franchises”). These Affiliate Franchises offer services similar to those offered by Martinizing franchisees. The Affiliate Franchises are not owned or operated by us or by our Affiliate (i.e., there are no outlets which are franchisor owned and operated).

We will attempt to avoid conflicts between Martinizing franchisees and franchisees of our Affiliate by designating the Territory granted to a new Martinizing franchisee in a manner that does not conflict with existing franchises and/or the services such franchises provide. If any conflicts exist between Martinizing franchises and any franchisees of our Affiliate regarding territory, customers or franchisor support, we will make efforts to resolve those conflicts. We share the same principal business address as our Affiliate and do not physically separate corporate offices.

The definition of your Territory, as well as any other terms of the Franchise Agreement, may not be changed without our and your written consent. You do not receive the right to acquire additional franchises.

National Account

We may implement a National Accounts Program, which would allow us to sell directly to any customer the products and services offered by Martinizing Businesses. If we create a National Accounts Program, we may receive orders for any Martinizing Channel to be performed in your Territory. If this happens, we may offer the order to you at the price established by the National Accounts Program so long as you are not in default of the Franchise Agreement. If you choose not to fulfill the order or are unable to do so, then the National Accounts Program, one of our affiliates, or a third party the National Accounts Program designates (including another franchisee) may fulfill the order, and you will be entitled to no compensation in connection with the order.

Item 13

TRADEMARKS

You may use certain Marks in operating your Business. The current principal Marks are:

MARK	REGISTRATION OR APPLICATION NUMBER	REGISTRATION OR APPLICATION DATE
MARTINIZING	1202954	7/27/1982
MARTINIZING	1915456	8/29/1995
ONE HOUR MARTINIZING	1202943	7/27/1982
MARTINIZING DELIVERS (stylized & in color)	90579820	3/15/2021
MARTINIZING GREEN CLEANING (design & in color)	90579916	3/15/2021
MARTINIZING DRY CLEANING (stylized & in color)	4950016	5/3/2016
MARTINIZED	1253144	10/4/1983
MARTINIZED	2860392	7/6/2004

We have registered the Marks listed above on the Principal Register of the United States Patent and Trademark Office (“USPTO”). No affidavits or renewal filings are yet due in connection with these registrations. No agreement limits our right to use or license the Marks.

We own the System and Marks. We will license them to our franchisees for use in operating a Martinized Business according to the terms of our Franchise Agreement.

You must use our Marks according to our System Standards. You must follow our rules when you use the Marks, including giving proper notices of trademark and service mark registration and obtaining fictitious or assumed name registrations required by law. You may not use any Mark in your corporate or legal business name; with modifying words, terms, designs, or symbols (except for those we license to you); in selling any unauthorized services or products; or as part of any domain name, homepage, electronic address, or otherwise in connection with a Website.

There are no currently effective material determinations of the USPTO, the Trademark Trial and Appeal Board, the trademark administrator of any state, or any court, and no pending infringement, opposition, or cancellation proceedings or material litigation, involving the principal Marks. We do not actually know of either superior prior rights or infringing uses that could materially affect your use of the Marks in any state.

You must notify us immediately of any apparent infringement or challenge to your use of any Mark, or of any person's claim of any rights in any Mark, and you may not communicate with any person other than us, our attorneys, and your attorneys, regarding any infringement, challenge, or claim. We have no obligation to protect your right to use our Marks or to protect you against claims of infringement or unfair competition arising out of your use of our Marks. We may take the action we deem appropriate (including no action) and control exclusively any litigation, USPTO proceeding, or other administrative proceeding arising from any infringement, challenge, or claim. You must assist us, as we direct, in protecting and maintaining our interests in any litigation or USPTO or other proceeding. At our option, we may defend and/or control the defense of any proceeding arising from your use of any Mark. You must, at your expense, cooperate in all respects with us upon our request in any court or other proceedings involving our Marks. We need not participate in your defense and/or indemnify you for damages or expenses in a proceeding involving the Marks; however, if you timely notify us and comply with our directions in response to a trademark infringement proceeding that disputes your authorized use of the Marks, then we will reimburse you for your damages and reasonable expenses you incur, up to the amount of the Franchise Fee.

If it becomes advisable at any time for us and/or you to modify or discontinue using any Mark and/or to use one or more additional or substitute trade or service marks, you must comply with our directions within a reasonable time after receiving notice. We need not reimburse you for your direct expenses of changing your Business's signs, for any loss of revenue due to any modified or discontinued Mark, any loss of goodwill associated with any modified or discontinued Mark, or for your expenses of promoting a modified or substitute trademark or service mark.

Item 14

PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

No patents or pending patent applications are material to the franchise. We claim copyrights in the Operations Manual (which contains our trade secrets), our website, advertising and marketing materials, forms, and similar items used in operating Martinizing Businesses. We have not registered these copyrights with the United States Registrar of Copyrights, but we need not do so at this time to protect them. You may use these items only as we specify while operating your Business (and must stop using them if we so direct you).

There currently are no effective adverse determinations of the USPTO, the United States Copyright Office, or any court regarding the copyrighted materials. No agreement limits our right to use or allow others to use the copyrighted materials. We do not actually know of any infringing uses of our copyrights that could materially affect your use of the copyrighted materials in any state.

We need not protect or defend copyrights, although we intend to do so if in the best interests of the System or all or some Martinizing Businesses, as we solely determine. We may control any action we choose to bring, even if you voluntarily bring the matter to our attention. We need not participate in your defense and/or indemnify you for damages or expenses in a proceeding involving a copyright.

Our Operations Manual and other materials contain our confidential information (some of which constitutes trade secrets under applicable law). This information includes, or may in the future include:

training and operations materials; methods, formats, specifications, standards, systems, procedures, sales and marketing techniques, knowledge, and experience used in developing and operating Martinizing Businesses; marketing and advertising programs for Martinizing Businesses; any computer software or similar technology that is proprietary to us or the System; knowledge of specifications for and suppliers Operating Assets, Proprietary Products, and other products and supplies; knowledge of the operating results and financial performance of Martinizing Businesses other than your Business; and graphic designs and related intellectual property.

All ideas, concepts, inventions, techniques, or materials concerning a Martinizing Business, whether or not protectable intellectual property and whether created by or for you or your owners or employees, must be promptly disclosed to us and will be deemed to be our sole and exclusive property, part of the System, and works made-for-hire for us. To the extent any item does not qualify as a “work made-for-hire” for us, you assign ownership of that item, and all related rights to that item, to us and must take whatever action (including signing assignment or other documents) we request to show our ownership or to help us obtain intellectual property rights in the item.

You may not use our confidential information in an unauthorized manner. You must take reasonable steps to prevent its improper disclosure to others. You agree to have our then current form of “**Nondisclosure and Non-Competition Agreement**” executed by all of the following persons: (i) your Store Manager and any supervisory or other employees who have received or will receive training from us, prior to their employment; (ii) if you are an Entity, all your officers, directors, shareholders, partners, members, and those of any Entity directly or indirectly controlling you, concurrent with the execution of this Agreement, or at such time as they assume such status, and (iii) you, your owners and your and your owners’ spouses. You agree to provide us copies of all executed Nondisclosure and Non-Competition Agreements and Nondisclosure Agreements no later than 10 days following their execution. We will be a third party beneficiary of each Nondisclosure and Non-Competition Agreement and Nondisclosure Agreement with independent enforcement rights.

Item 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

If you are a legal entity, you must appoint a shareholder, member, or partner (as applicable) to be your “**Managing Owner**,” responsible for overseeing and supervising your Business’s operation. You must maintain a competent, conscientious, trained staff, including a fully-trained, full-time manager, which may be you (or your Managing Owner), who must act as the Manager of your Business with responsibility for direct supervision of your Business. Your Business must at all times be under the full-time direct, on-premises management of a Manager we have approved and your supervision (or the supervision of your Managing Owner). You (or your Managing Owner) and the Manager are responsible for conducting day-to-day business activities at your Business. You (or your Managing Owner) must successfully complete the Martinizing Training Program. You must notify us in writing of any proposed change in the Managing Owner. Any new Managing Owner must attend the classroom portion of the Martinizing Training Program and sign a Confidentiality and Non-Disclosure Agreement.

You must at all times faithfully, honestly, and diligently perform your contractual obligations and use best efforts to promote and enhance your Business. System Standards may regulate your Business’s staffing levels, identifying your Business’s personnel, and employee qualifications, training, dress, and appearance.

You may also employ a manager of the Martinizing Store (the “**Store Manager**”). The Store Manager must attend the Martinizing Training Program and sign a Confidentiality and Non-Disclosure Agreement as well (see Sections 4 and 6 of the Franchise Agreement), but need not have an ownership or equity interest in you (if you are an entity).

If you are a corporation, limited liability company, or partnership, your owners must personally guarantee your obligations under the Franchise Agreement and agree to be bound personally by every contractual provision, whether containing monetary or non-monetary obligations, including the covenant not to compete. The required form of “**Guaranty and Assumption of Obligations**” is attached to the Franchise Agreement.

Item 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must offer and sell all goods and perform all services that we periodically require for Martinizing Businesses, including the Martinizing Channels designated for your Business. You may not offer or sell any products or perform any services or Martinizing Channels that we have not authorized your Business to offer or sell. (See Item 8.) Our System Standards may regulate: (i) required and/or authorized equipment, vehicles, materials, supplies, and other products and services; and (ii) unauthorized and prohibited services, products, equipment, vehicles, materials, and supplies. We periodically may change required and/or authorized services or other products. There are no limits on our right to do so. (See Item 8)

You may conduct business only with customers at your Business and any Martinizing Channels you are authorized to conduct in the Territory in compliance with System Standards. Subject to applicable law, your Business must only accept payments from customers in the form of credit and debit cards, mobile payments and any other methods of payment we may specifically authorize in writing. We do not restrict the types of customers you serve at your Business. You must advertise and solicit clients for your Business only within the Territory. You may not operate your Business, or engage in Martinizing Channels from any physical location other than at the Premises, except as required by the Martinizing Channels your Business offers and sells.

If we implement the National Accounts Program, you may participate if you meet our requirements. You must service National Accounts customers under the terms governing the National Accounts Program in our Operations Manual.

Item 17

RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

This table lists certain 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 OR OTHER AGREEMENT	SUMMARY
a. Length of the franchise term	Section 1.E of Franchise Agreement	10 years from the effective date of the Franchise Agreement
b. Renewal or extension of the term	Section 1.E and Section 13 of Franchise Agreement	If you are in full compliance, you may acquire 1 successor franchise terms of 10 years, or as long as you have the right to maintain possession of the Premises, whichever is less. The successor franchises will be on our then current form of Franchise Agreement (which may contain materially different terms and conditions than your original franchise agreement).
c. Requirements for franchisee to renew or extend	Section 13 of Franchise Agreement	To “renew,” you must be in full compliance with the Franchise Agreement; give us timely notice; pay us the renewal fee; maintain possession of the Premises or find acceptable substitute premises; remodel your Business according to our then current standards (regardless of cost); and sign our then current form of franchise agreement and general release (if law allows), and other documents we use to grant franchises. The terms of our then current Franchise Agreement that you sign for renewal of the franchise may differ materially from any and all of those contained in the Franchise Agreement attached to this Disclosure Document, including a

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
		change in the Marks your Business uses, a change in the Marketing Channels your Business offers, and a change in the amounts you pay us and how those amounts are calculated (for example, moving from an annual fixed fee to a royalty, which is a percentage of sales).
d. Termination by franchisee	Section 14.A of Franchise Agreement	If we breach the Franchise Agreement and an arbitrator determines that we did not cure default after notice from you.
e. Termination by franchisor without cause	Not Applicable	Not Applicable
f. Termination by franchisor with cause	Section 14.B of Franchise Agreement	We may terminate your franchise only if you or your owners commit one of several violations.
g. "Cause" defined-curable defaults	Section 14.B of Franchise Agreement	You have 72 hours to cure any health, safety or sanitation law, ordinance, or regulation regulating the operation of your Business; 10 days to cure monetary defaults and failure to maintain required insurance; 30 days to cure operational defaults and other defaults not listed in (h) below; and 180 days to relocate the Premises to a new site we approve if you lose possession of the Premises.

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
h. "Cause" defined- non-curable defaults	Sections 14.B and 14.C of Franchise Agreement	Non-curable defaults include: misrepresentation in acquiring the franchise; failure to locate and submit to us a lease for a site within the Designated Area within 150 days; failure to deliver a signed lease addendum within 7 days after its execution; failure to open and operate your Business within 180 days; failure to complete training; abandonment; unapproved transfers; conviction of a felony, crime involving moral turpitude, or other crime; dishonest or unethical conduct; making an unauthorized representation or warranty on our behalf; unauthorized use or disclosure of the Operations Manual or other confidential information; failure to pay vendors or suppliers; failure to pay taxes; understating Gross Sales; repeated defaults (even if cured); an assignment for the benefit of creditors; appointment of a trustee or receiver; violation of any anti-terrorism law; knowingly maintaining false books or records or submitting false reports; refusing to permit us to inspect your Business or your books, records, or accounts; termination of any other agreement between you (or your owners or affiliates) and us (or our owners and affiliates) due to failure to comply with the agreement.
i. Franchisee's obligations on termination/non-renewal	Section 15 of Franchise Agreement	Obligations include paying outstanding amounts; paying Brand Damages (if applicable); complete de-identification; assigning telephone and other numbers; and returning confidential information (also see (o) and (r) below)

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
j. Assignment of contract by franchisor	Section 12.A of Franchise Agreement	No restriction on our right to assign; we may assign without your approval.
k. "Transfer" by franchisee – defined	Section 12.B of Franchise Agreement	Includes transfer of Franchise Agreement, your Business (or its profits, losses or capital appreciation), sale of equipment, and ownership change in you or your owners.
l. Franchisor approval of transfer by franchisee	Section 12.B of Franchise Agreement	No transfer without our prior written consent.
m. Conditions for franchisor approval of transfer	Section 12.C of Franchise Agreement	New franchisee qualifies (based on business experience, aptitude and financial resources); you pay us, our affiliates, and third party vendors all amounts due and submit all required reports; no default during 90-day period before transfer request or during period between request and transfer's proposed effective date; new franchisee (and its owners and affiliates) are not in a Competitive Business; training completed; your landlord allows the transfer or sublease of your lease; you or transferee signs our then current Franchise Agreement and other documents; transfer fee paid; you sign release (if law allows); we approve material terms; you subordinate amounts due to you; you de-identify; and you correct existing Business deficiencies of which we notify you on punchlist (also see (r) below)
n. Franchisor's right of first refusal to acquire franchisee's business	Section 12.G of Franchise Agreement	We may match any offer for your Business or an ownership interest in you.

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
o. Franchisor's option to purchase franchisee's business	Section 15.E of Franchise Agreement	We have the option to purchase your Business upon termination or expiration of the franchise term.
p. Death or disability of franchisee	Section 12.E of Franchise Agreement	Your or your managing owner's representative must assign the franchise or an ownership interest in you to an approved party within 6 months; substitute management must be appointed within 15 days; we may assume management of your Business and collect our costs and expenses if your Business is not being managed properly.
q. Non-competition covenants during the term of the franchise	Section 7 of Franchise Agreement	No diverting business; no ownership interest in, performing services for, or lending money to, Competitive Business anywhere (" Competitive Business " means any (i) any business which provides dry cleaning and/or laundry services or (ii) any business granting franchises or licenses to others to operate a dry cleaning or laundry services business); no engagement in activities that may injure goodwill of the Marks.
r. Non-competition covenants after the franchise expires or is terminated	Section 15.D of Franchise Agreement	No direct or indirect ownership interest in, or performing services for, competing business for 2 years at the Premises where your Business is located; within the Territory; within a 25-mile radius of the Territory; or within 25 miles of any other Martinizing Store in operation or under construction as of date Franchise Agreement expires or is terminated.

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
s. Modification of the agreement	Section 17.J of Franchise Agreement	No modifications except by written agreement signed by both us and you, but we may change Operations Manual and System Standards.
t. Integration/merger clause	Section 17.L of Franchise Agreement	Only the terms of the Franchise Agreement are binding (subject to state law). However, nothing in the Franchise Agreement or any related agreement is intended to disclaim our representations made in this Disclosure Document.
u. Dispute resolution by arbitration or mediation	Sections 17.E and 17.F of Franchise Agreement	Subject to certain restrictions, we and you must arbitrate all disputes in the city where our then current principal business address is located (currently, Naples, FL).
v. Choice of forum	Section 17.H of Franchise Agreement	Subject to arbitration requirements, litigation generally must be in the state or federal court of competent jurisdiction located closest to our then current principal business address (currently, Naples, FL) (subject to state law)
w. Choice of law	Section 17.G of Franchise Agreement	Except for Federal Arbitration Act and other federal law, Florida law governs (subject to state law)

Item 18

PUBLIC FIGURES

We currently do not use any public figures to promote franchises for Martinizing Businesses.

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.

We do not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing Martinizing Dry Cleaning Business, however, we may provide you with the actual records of that business. If you receive any other financial performance information or projections of your future income, you should report it to our management by contacting Kevin DuBois, Martinizing International, LLC, 711 5th Avenue South, Naples, FL 34102, and 781-829-9935, the Federal Trade Commission, and the appropriate state regulatory agencies.

Item 20

OUTLETS AND FRANCHISEE INFORMATION

Table 1
Systemwide Outlet Summary
For years 2018 to 2020

MARTINIZING				
System-wide Outlet Summary				
Outlet Type	Year	Outlets at Start of Year	Outlets at End of Year	Net Change
Franchised	2018	171	193	22
	2019	193	173	-20
	2020	173	151	-22
Company Owned (Note 1)	2018	1	1	0
	2019	1	1	0
	2020	1	1	0
Total Outlets	2018	172	194	22
	2019	194	174	-20
	2020	173	152	-21

- (1) This location was owned by the affiliate of our predecessor, Huntington, as of December 31, 2020. There are no franchisor-owned outlets as of the Effective Date of this Disclosure.

DRY CLEANING STATION System-wide Outlet Summary				
Outlet Type	Year	Outlets at Start of Year	Outlets at End of Year	Net Change
Franchised	2018	8	8	0
	2019	8	8	0
	2020	8	4	-4
Company Owned	2018	0	0	0
	2019	0	0	0
	2020	0	0	0
Total Outlets	2018	8	8	0
	2019	8	8	0
	2020	8	4	-4

1-800-DRYCLEAN System-wide Outlet Summary				
Outlet Type	Year	Outlets at Start of Year	Outlets at End of Year	Net Change
Franchised	2018	75	61	-14
	2019	61	49	-12
	2020	49	42	-7
Company Owned	2018	0	0	0
	2019	0	0	0
	2020	0	0	0
Total Outlets	2018	75	61	-14
	2019	61	49	-12
	2020	49	42	-7

BIZZIE				
System-wide Outlet Summary				
Outlet Type	Year	Outlets at Start of Year	Outlets at End of Year	Net Change
Franchised	2018	11	4	-7
	2019	4	3	-1
	2020	3	3	0
Company Owned	2018	0	0	0
	2019	0	0	0
	2020	0	0	0
Total Outlets	2018	11	4	-7
	2019	4	3	-1
	2020	3	3	0

PRESSED4TIME				
System-wide Outlet Summary				
Outlet Type	Year	Outlets at Start of Year	Outlets at End of Year	Net Change
Franchised	2018	63	53	-10
	2019	53	37	-16
	2020	37	30	-7
Company Owned	2018	0	0	0
	2019	0	0	0
	2020	0	0	0
Total Outlets	2018	63	53	-10
	2019	53	37	-16
	2020	37	30	-7

Table 2

**Transfers of Outlets from Franchisees to New Owners
(other than Franchisor or Affiliate)
for Years 2018 to 2020.**

MARTINIZING		
Transfers of Outlets from Franchisees to New Owners		
State	Year	Number of Transfers
Colorado	2018	1
	2019	0
	2020	0
Florida	2018	0
	2019	0
	2020	0
Georgia	2018	1
	2019	0
	2020	0
Kansas	2018	0
	2019	4
	2020	0
Michigan	2018	1
	2019	5
	2020	0
Minnesota	2018	1
	2019	0
	2020	0
Ohio	2018	0
	2019	0
	2020	0
Pennsylvania	2018	0
	2019	0
	2020	1
Utah	2018	0
	2019	1
	2020	0
Total	2018	4
	2019	10
	2020	1

DRY CLEANING STATION

There were no transfers of any Dry Cleaning Station franchised outlets in 2018, 2019 or 2020.

<u>1-800-DRYCLEAN</u>		
Transfers of Outlets from Franchisees to New Owners		
State	Year	Number of Transfers
Colorado	2018	1
	2019	0
	2020	0
Michigan	2018	1
	2019	0
	2020	0
North Carolina	2018	4
	2019	0
	2020	0
Tennessee	2018	1
	2019	0
	2020	0
Virginia	2018	1
	2019	0
	2020	0
Total	2018	8
	2019	0
	2020	0

BIZZIE

There were no transfers of any Bizzie franchised outlets in 2018, 2019 or 2020.

<u>PRESSED4TIME</u>		
Transfers of Outlets from Franchisees to New Owners		
State	Year	Number of Transfers
California	2018	1
	2019	0
	2020	0
Colorado	2018	0
	2019	0
	2020	3
Massachusetts	2018	0

<u>PRESSED4TIME</u>		
Transfers of Outlets from Franchisees to New Owners		
State	Year	Number of Transfers
	2019	0
	2020	0
Michigan	2018	0
	2019	4
	2020	0
Texas	2018	1
	2019	0
	2020	1
Total	2018	2
	2019	4
	2020	4

Table 3

**Status of Franchised Outlets for
Years 2018 to 2020**

MARTINIZING								
Status of Franchised Outlets								
State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operation - Other Reasons	Outlets at End of Year
Arizona	2018	1	1	0	0	0	0	2
	2019	2	0	0	0	0	0	2
	2020	2	0	1	0	0	0	1
Arkansas	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1
	2020	1	0	1	0	0	0	0

MARTINIZING
Status of Franchised Outlets

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operation - Other Reasons	Outlets at End of Year
California	2018	31	0	0	0	0	0	31
	2019	31	2	5	5	0	0	23
	2020	23	1	0	1	0	0	23
Colorado	2018	7	2	1	0	0	0	8
	2019	8	0	0	0	0	1	7
	2020	7	1	0	0	0	1	7
Florida	2018	3	6	1	0	0	0	8
	2019	8	2	0	0	0	0	10
	2020	10	0	0	0	0	0	10
Georgia	2018	3	1	0	0	0	0	4
	2019	4	0	2	0	0	0	2
	2020	2	3	0	0	0	0	5
Idaho	2018	10	0	0	0	0	0	10
	2019	10	0	0	5	0	0	5
	2020	5	0	0	0	0	0	5
Illinois	2018	3	0	0	0	0	0	3
	2019	3	2	1	0	0	1	3
	2020	3	1	0	0	0	0	4
Indiana	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1

MARTINIZING
Status of Franchised Outlets

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operation - Other Reasons	Outlets at End of Year
	2020	1	0	1	0	0	0	0
Iowa	2018	2	0	0	0	0	0	2
	2019	2	0	0	0	0	0	2
	2020	2	0	2	0	0	0	0
Kansas	2018	4	0	0	0	0	0	4
	2019	4	1	0	0	0	0	5
	2020	5	0	0	0	0	0	5
Kentucky	2018	1	0	0	0	0	0	1
	2019	1	0	0	1	0	0	0
	2020	0	0	0	0	0	0	0
Maryland	2018	1	0	0	0	0	0	1
	2019	1	0	1	0	0	0	0
	2020	0	0	0	0	0	0	0
Massachusetts	2018	1	0	1	0	0	0	0
	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	0	0	0
Michigan	2018	22	5	0	0	0	0	24
	2019	24	1	0	1	0	0	24
	2020	24	0	4	2	0	0	18
Minnesota	2018	6	0	0	0	0	0	6

MARTINIZING
Status of Franchised Outlets

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operation - Other Reasons	Outlets at End of Year
	2019	6	0	0	0	0	0	6
	2020	6	0	0	0	0	3	3
Mississippi	2018	2	0	0	0	0	0	2
	2019	2	0	0	0	0	0	2
	2020	2	0	0	0	0	0	2
Missouri	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
New Mexico	2018	5	0	0	0	0	0	5
	2019	5	0	0	0	0	0	5
	2020	5	0	1	0	0	0	4
New York	2018	1	0	0	0	0	0	1
	2019	1	1	0	0	0	0	2
	2020	2	0	0	0	0	0	2
North Carolina	2018	5	0	1	0	0	0	4
	2019	4	0	0	0	0	0	4
	2020	4	0	0	0	0	0	4
Ohio	2018	9	0	0	0	0	0	9
	2019	9	0	0	0	0	3	6
	2020	6	0	0	0	0	1	5

MARTINIZING
Status of Franchised Outlets

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operation - Other Reasons	Outlets at End of Year
Oregon	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1
	2020	1	1	0	0	0	0	2
Pennsylvania	2018	3	3	0	0	0	0	6
	2019	6	1	0	0	0	0	7
	2020	7	0	3	0	0	0	5
South Carolina	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1
	2020	1	0	0	1	0	0	0
Tennessee	2018	1	0	0	0	0	0	1
	2019	1	1	0	0	0	0	2
	2020	2	0	0	0	0	0	2
Texas	2018	15	11	0	0	0	2	24
	2019	24	2	1	2	0	3	20
	2020	20	5	4	0	0	3	18
Utah	2018	2	0	0	0	0	0	2
	2019	2	0	0	0	0	0	2
	2020	2	0	0	0	0	0	2
Virginia	2018	7	0	0	0	0	0	7
	2019	7	0	0	0	0	0	7

MARTINIZING
Status of Franchised Outlets

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operation - Other Reasons	Outlets at End of Year
	2020	7	0	1	0	0	0	6
Washington	2018	0	2	0	0	0	0	2
	2019	2	0	0	0	0	0	2
	2020	2	1	0	0	0	2	1
Wisconsin	2018	19	0	0	0	0	0	19
	2019	19	0	0	1	0	0	18
	2020	18	0	0	6	0	0	13
Wyoming	2018	2	0	0	0	0	0	2
	2019	2	1	0	0	0	0	3
	2020	3	0	0	0	0	0	3
Totals	2018	171	29	3	0	0	4	193
	2019	193	14	10	14	0	8	173
	2020	173	13	17	8	0	10	151

DRY CLEANING STATION								
Status of Franchised Outlets								
State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations – Other Reasons	Outlets at End of Year
California	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
Colorado	2018	3	0	0	0	0	0	3
	2019	3	0	0	0	0	0	3
	2020	3	0	0	0	0	2	1
Ohio	2018	2	0	0	0	0	0	2
	2019	2	0	0	0	0	0	2
	2020	2	0	0	1	0	0	1
Oklahoma	2018	2	0	0	0	0	0	2
	2019	2	0	0	0	0	0	2
	2020	2	0	1	0	0	0	1
Totals	2018	8	0	0	0	0	0	8
	2019	8	0	0	0	0	0	8
	2020	8	0	1	1	0	2	4

1-800-DRYCLEAN								
Status of Franchised Outlets								
State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operation - Other Reasons	Outlets at End of Year
Arizona	2018	3	0	0	0	0	0	3
	2019	3	0	0	0	0	0	3
	2020	3	0	0	0	0	0	3
California	2018	17	0	0	0	0	2	15
	2019	15	0	0	0	0	0	15
	2020	15	0	0	0	0	0	15
Colorado	2018	4	0	0	0	0	1	3
	2019	3	0	0	0	0	0	3
	2020	3	0	0	0	0	0	3
Connecticut	2018	3	0	0	0	0	0	3
	2019	3	0	0	0	0	0	3
	2020	3	0	0	0	0	1	2

1-800-DRYCLEAN
Status of Franchised Outlets

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operation - Other Reasons	Outlets at End of Year
Florida	2018	9	0	0	0	0	2	7
	2019	7	0	1	0	0	0	6
	2020	6	0	0	0	0	0	6
Georgia	2018	2	0	0	0	0	0	2
	2019	2	0	2	0	0	0	0
	2020	0	0	0	0	0	0	0
Illinois	2018	6	0	0	0	0	0	6
	2019	6	0	0	0	0	1	5
	2020	5	0	0	0	0	0	5
Maryland	2018	1	0	0	0	0	0	1
	2019	1	0	1	0	0	0	0
	2020	0	0	0	0	0	0	0
Michigan	2018	2	0	0	0	0	1	1
	2019	1	0	0	1	0	0	0
	2020	0	0	0	0	0	0	0
Missouri	2018	2	0	0	0	0	0	2
	2019	2	0	0	0	0	0	2
	2020	2	0	0	0	0	0	2
Nevada	2018	2	0	0	0	0	1	1
	2019	1	0	0	0	0	0	1
	2020	1	0	0	1	0	0	0
New York	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
North Carolina	2018	3	0	0	0	0	2	1
	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	1	0
Ohio	2018	2	0	0	0	0	0	2
	2019	2	0	1	0	0	0	1
	2020	1	0	0	0	0	0	1
Oregon	2018	2	0	0	0	0	0	2
	2019	2	2	0	0	0	0	2
	2020	2	0	0	0	0	2	0
Pennsylvania	2018	3	0	0	0	0	0	3
	2019	3	0	0	0	0	1	2
	2020	2	0	0	0	0	0	2

1-800-DRYCLEAN								
Status of Franchised Outlets								
State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operation - Other Reasons	Outlets at End of Year
Tennessee	2018	2	0	0	0	0	0	2
	2019	2	0	0	0	0	1	1
	2020	1	0	0	0	0	0	1
Texas	2018	6	0	0	0	0	4	2
	2019	2	0	0	0	0	0	2
	2020	2	0	1	0	0	0	1
Virginia	2018	3	0	0	0	0	0	3
	2019	3	0	0	0	0	0	3
	2020	3	0	0	0	0	0	3
Washington	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	1	0
Wisconsin	2018	1	0	1	0	0	1	0
	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	0	0	0
Totals	2018	75	0	1	0	0	13	61
	2019	61	0	5	1	0	3	49
	2020	49	0	1	1	0	5	42

BIZZIE								
Status of Franchised Outlets								
State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at End of Year
Arkansas	2018	1	0	0	0	0	0	1
	2019	1	0	1	0	0	0	0
	2020	0	0	0	0	0	0	0
California	2018	1	0	1	0	0	0	1
	2019	1	0	1	0	0	0	0
	2020	0	0	0	0	0	0	0
Colorado	2018	0	0	0	0	0	0	0
	2019	0	2	0	0	0	0	2
	2020	2	0	0	0	0	0	2

BIZZIE								
Status of Franchised Outlets								
State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations – Other Reasons	Outlets at End of Year
Indiana	2018	1	0	1	0	0	0	1
	2019	1	0	0	0	0	0	0
	2020	0	0	0	0	0	0	0
Louisiana	2018	1	0	0	0	0	0	1
	2019	1	0	1	0	0	0	0
	2020	0	0	0	0	0	0	0
Michigan	2018	1	0	0	0	0	0	1
	2019	1	0	0	1	0	0	1
	2020	1	0	0	0	0	0	1
Ohio	2018	1	0	1	0	0	0	0
	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	0	0	0
Oklahoma	2018	1	0	0	0	0	0	1
	2019	1	0	1	0	0	0	0
	2020	0	0	0	0	0	0	0
Texas	2018	1	0	1	0	0	0	0
	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	0	0	0
South Carolina	2018	1	0	1	0	0	0	0
	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	0	0	0
Totals	2018	11	0	7	0	0	0	4
	2019	4	0	0	1	0	0	3
	2020	3	0	0	0	0	0	3

PREPRESSED4TIME								
Status of Franchised Outlets								
State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations – Other Reason	Outlets at End of Year
Nevada	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	0
	2020	0	0	0	0	0	0	0

New Hampshire	2018	4	0	0	0	0	0	4
	2019	4	0	0	0	0	0	4
	2020	4	0	0	0	0	0	4
New Jersey	2018	2	0	0	0	0	0	2
	2019	2	0	0	0	0	0	2
	2020	2	0	0	0	0	0	2
New Mexico	2018	1	0	0	0	0	1	0
	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	0	0	0
New York	2018	7	0	0	0	0	1	6
	2019	6	0	0	0	0	0	6
	2020	6	0	0	0	0	0	6
Tennessee	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
Texas	2018	6	0	0	0	0	4	2
	2019	2	0	0	0	0	0	2
	2020	2	0	0	0	0	0	2
Virginia	2018	5	0	0	0	0	0	5
	2019	5	0	0	0	0	0	5
	2020	5	0	0	0	0	0	5
Totals	2018	63	0	0	0	0	10	53
	2019	53	0	0	16	0	0	37
	2020	37	0	0	7	0	0	30

Table 4
Status of Company-Owned Outlets*
For years 2018 to 2020

MARTINIZING							
Status of Company-Owned Outlets*							
State	Year	Outlets at Start of the Year	Outlets Opened	Outlets Reacquired from franchisee	Outlets Closed	Outlets Sold to franchisee	Outlets at End of Year
Michigan	2018	1	0	0	0	0	1
	2019	1	0	0	0	0	1
	2020	1	0	0	0	0	1

Total	2018	1	0	0	0	0	1
	2019	1	0	0	0	0	1
	2020	1	0	0	0	0	1

* This location was owned by the affiliate of our predecessor, Huntington, as of December 31, 2020. There are no franchisor-owned outlets as of the Effective Date of this Disclosure. Neither Martinizing nor any affiliate of Martinizing owns or operates any outlets under the Dry Cleaning Station, 1-800- DryClean, Bizzie and Pressed 4 Time brands.

Table 5

Projected Openings as of December 31, 2020

MARTINIZING Projected Openings as of December 31, 2020			
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
California	4	4	0
District of Columbia	0	0	0
Florida	5	0	0
Georgia	1	2	0
Idaho	0	0	0
Illinois	3	5	0
Indiana	0	2	0
Michigan	0	2	0
Massachusetts	0	0	0
Nebraska	1	1	0
New Hampshire	0	0	0
New Jersey	2	3	0

MARTINIZING			
Projected Openings as of December 31, 2020			
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
New York	0	2	0
North Carolina	2	2	0
Ohio	2	2	0
Pennsylvania	0	2	0
South Carolina	0	2	0
Texas	8	8	0
Utah	2	2	0
Total	30	44	0

Martinizing Franchisees that were not yet operational as of the franchisor's fiscal year ending 12/31/2020 were:

CA -	Christopher and Chheavy Lema (2) Chheavy Lema Denzil Craig Howell (2)	FL -	Sixta Lawrence (5)
GA -	Derek Douglas	IL -	Azzit Hussain (3)
NE -	Adrienne and Brian Cooper	NJ -	Brian Conti (2)
NC -	Melvin Wilkins Robert Niccolai	OH -	Justin Smith (2)
TX -	Chad Thayer Jeffrey Van Kalker (4) Kenneth Wilcox (3)	UT -	Michael Huppe (2)

DRY CLEANING STATION, 1-800-DRYCLEAN, BIZZIE AND PRESSED 4 TIME

We are not offering new franchises for the operation of Dry Cleaning Station, 1-800- DryClean, Bizzie or Pressed 4 Time franchised businesses and, as such, there are no projected openings for these brands as of December 31, 2020.

CONTACT INFORMATION FOR FRANCHISEES

The following tables include the name, business address, and business telephone number of each operating Martinizing, Dry Cleaning Station, 1-800-DryClean, Bizzie, and Pressed 4 Time franchisee as of December 31, 2020:

MARTINIZING

STATE	FRANCHISEE NAME	ADDRESS & PHONE
AL	Marvinia Adams and Adams Dry Cleaning & Laundry, LLC	714 Pratt Ave NE Huntsville 35801 (256) 534-9262
AL	Marvinia Adams and Adams Dry Cleaning & Laundry, LLC	475 Providence Main, Suite A Huntsville 35806 (256) 722-8983
AL	Marvinia Adams and Adams Dry Cleaning & Laundry, LLC	23C Shelton Rd. Madison 35768 (256) 464-3958
AZ	Benjamin Pavkov and DWC 941507, LLC	6825 N. 16th Street A-1 Phoenix 85016 (602) 230-9600
CA	Charles Patel	5756 Pacific Ave. Suite 1 Stockton 95207 (209) 477-4321
CA	Christopher Lema and CJLema Enterprises, Inc.	9098 Laguna Main Street Suite 2 Elk Grove 95758 (916) 691-1493
CA	Chul Noh, Myung S. Noh, and Chul Noh & Myung Noh	2240 Encinitas Blvd., Suite B & C Encinitas 92024 (760) 942-6369
CA	Chul Noh, Myung S. Noh, and Chul Noh & Myung Noh	661 Lomas Santa Fe Solana Beach 92075 (858) 509-1148
CA	Denzil Craig Howell and Palo Verdes Blue, Inc.	4411 Mercury St. San Diego 92111 (858) 279-3900
CA	Gary Coppola†	717 West Main Street Visalia 93291 (559) 732-6254
CA	Gigi Chang and Bob and Gigi, Inc.	3250 Grand Avenue Oakland 94610 (510) 452-3594
CA	Grant Carson	2210-I S. Shore Center Alameda 94501 (510) 523-6033
CA	Grant Carson	822 Hartz Way Danville 94526 (925) 938-5000
CA	Hungsan Simon Ching and Sann Trading, Inc.	8680 Navajo Road San Diego 92119 (619) 466-6584
CA	John Pamo and Platinum Blue, LLC	605 Wake Avenue Suite 1 El Centro 92243 (760) 353-8525
CA	John Philip and NorCal Garment Care Inc.	1309 College St Woodland 95695 (530) 662-1652

CA	Paul But†	1319 University Ave. Berkeley 94702 (510) 548-1053
CA	Thakorlal Jamnadas	4555 North Pershing Stockton 95207 (209) 474-1665
CA	Young Kang	2025 Alta Vista Dr. Bakersfield 93305 (661) 325-5562
CO	Brad Ambridge and Ambridge 1 LLC	6265 Evans Avenue Denver 80222 (720) 897-6600
CO	Brad Ambridge and Ambridge 1 LLC	2200 W. 29th Avenue Denver 80211 (720) 897-6600
CO	Bradley Johnson and Executive Dry Cleaners & Shirt Laundry, Inc.	13689 Colorado Blvd Thornton 80602 (303) 457-1672
CO	Chae Chong Lee	8727 East Dry Creek Ste. C Englewood 80112 (303) 290- 9292
CO	Daewan Ko and DW Martine LLC	9249 South Broadway, Suite 500 Highlands Ranch 80129 (303) 471-0788
CO	Samantha Levitt and Levitt Investments LLC	Arvada 80007 (303) 741-0507
CO	Young In Lee and O'Lee Enterprises, Inc.	5160 W. 120th Ave Ste. E Westminster 80020 (303) 410- 1950
FL	Cynthia Olson and LBC Partners, LLC	1607-1 University Blvd. W. Jacksonville 32217 (904) 230- 2295
FL	Raul Paredes and Areti Parcas LLC	225 NW First Ave Hallandale Beach 33009 (754) 248-5303
FL	Raul Paredes and Areti Parcas LLC	6644 Stirling Road Hollywood 33009 (954) 962-6166
FL	Raul Paredes and Areti Parcas LLC	1396 SW 160th Avenue, Suite #1 Sunrise 33326 (954) 384- 1109
FL	Robert Niccolai and Reddie, Inc.	10408 West Atlantic Blvd. Coral Springs 33071 (954) 757-8500
FL	Sara Stensrud, Richard Stensrud, and Florida F.L.H., LLC	3525 Bonita Road SW #100 & 101 Bonita Springs 34134 (239) 949-1677
FL	Sara Stensrud, Richard Stensrud, and Florida RAS, LLC	883 Vanderbilt Beach Rd Naples 34108 (239) 910-2382

FL	Sara Stensrud, Richard Stensrud, and Florida SKS, LLC	3050 N. Tamiami Trail Naples 34103 (239) 910-2382
FL	Sixta Lawrence and Lawrence Line Enterprise, LLC	348 Moore Rd. Ocoee 34761 (407) 656-0292
GA	Bharti Parmar and Suresh Parmar	1205 Collier Road Atlanta 30318 (404) 351-2732
GA	Derek Douglas and Clean Things Co.	3150 Highlands Parkway Smyrna 30082 (770) 437-3108
GA	Gwyn Maclin and The Maclin Group, Inc.	3330 Cobb Parkway, Suite 344 Acworth 30101 (770) 975-0739
GA	Nathan Mars and Acadia Cleaners, LLC	3427 A Keith Bridge Road Cumming 30041 (770) 889-6777
GA	Nathan Mars and Acadia Cleaners, LLC	1570 Holcomb Bridge Road, Ste. 908 Roswell 30076 (678) 629-3330
ID	James M. Winkle and Winkle Group, Inc.	7150 West State Street Boise 83703 (208) 853-1206
ID	James M. Winkle and Winkle Group, Inc.	1503 West Washington St. Boise 83702 (208) 343-8091
ID	James M. Winkle and Winkle Group, Inc.	10406 West Overland Ave Boise 83709 (208) 322-8614
ID	James M. Winkle and Winkle Group, Inc.	13601 W. McMillan Road, Suite 101 Boise 83713 (208) 938-9000
ID	James M. Winkle and Winkle Group, Inc.	991 East Parkcenter Blvd. Boise 83706 (208) 387-0235
IL	Dmitriy Derkach and Aldima, Inc.	Westchester (708) 492-1512
IL	Paul Randesi and A & R Dry Cleaning LLC	1740 First St Highland Park 60035 (847) 433-4800
IL	Paul Randesi and A & R Dry Cleaning LLC	2201 South Plumb Grove Palatine 60069 (847) 303-1700
IL	Vince Aversano and VLA Dry Cleaning, LLC	19858 South La Grange Rd Mokena 60448 (708) 995-7698
KS	Michelle Chavez, Jill Meyer, and Jill & Shelly, LLC	Shawnee 66203 (913) 244-7147
KS	Sherrie Hill, Kevass Harding, and ICT Cleaners, LLC	7724 East 37th St. North #200 Wichita 67226 (316) 558-8008
KS	Sherrie Hill, Kevass Harding, and ICT Cleaners, LLC	12627 E. Central, Suite 304 Wichita 67206 (316) 618-1349

KS	Sherrie Hill, Kevass Harding, and ICT Cleaners, LLC	626 South Andover Wichita 67002 (316) 733-2002
KS	Sherrie Hill, Kevass Harding, and ICT Cleaners, LLC	2132 North Rock Road, Suite 102 Wichita 67206 (316) 636-4553
KS	Sherrie Hill, Kevass Harding, and ICT Cleaners, LLC	525 North Edgemoor Street Wichita 67208 (316) 252-8588
MI	Derek Shaffer and Top Notch Dry Cleaning, Inc.	212 S. Main Street Plymouth 48170 (734) 453-4343
MI	Greg Gelder and Cleaners Choice, LLC	Jenison (616) 895-6219
MI	Kyong Yuk†	1307 Washtenaw Ave Ypsilanti 48197 (734) 482-3111
MI	Ljiljana Zdravkovski	29326 Northwestern Hwy. Southfield 48034 (248) 357-3011
MI	Michael Healy and CEB Cleaners, L.L.C.	2733 Plymouth Road Ann Arbor 48105 (734) 998-1055
MI	Michael Healy and CEB Cleaners, L.L.C.	2025 Packard Street Ann Arbor 48105 (734) 747-7124
MI	Michael Healy and CEB Cleaners, L.L.C.	2381 West Stadium Ann Arbor 48105 (734) 662-3500
MI	Michael Healy and CEB Cleaners, L.L.C.	47340 West Ten Mile Road Novi 48374 (248) 344-8266
MI	Robert Plassman and Plassman and Sons, Inc.	7210 Allen Road Allen Park 48146 (313) 388-0710
MI	Robert Plassman and Plassman and Sons, Inc.	28620 Telegraph Road Flat Rock 48134 (734) 782-5005
MI	Robert Plassman and Plassman and Sons, Inc.	2934 Fort Street Lincoln Pk 48146 (313) 386-2292
MI	Robert Plassman and Plassman and Sons, Inc.	845 South Monroe Monroe 48161 (734) 241-3365
MI	Robert Plassman and Plassman and Sons, Inc.	13231 Eureka Road Southgate 48195 (734) 283-1811
MI	Robert Plassman and Plassman and Sons, Inc.	2204 West Road Trenton 48183 (734) 675-1266
MI	Todd Watkins and Watkins Management L.L.C.	1015 South Main Street Royal Oak 48067 (248) 398-0664
MI	Virginia Zeffiro and ZB Cleaning ML, LLC	3590 W. Maple Rd Bloomfield Hills 48301 (248) 647-0440

MI	Virginia Zeffiro and ZB Cleaning MT, LLC	1085 W. Long Lake Rd. Bloomfield Hills 48302 (248) 647-1743
MI	Virginia Zeffiro and ZB Cleaning NR, LLC	6818 N. Rochester Rd Rochester Hills 48306 (248) 759-4628
MI	Virginia Zeffiro and ZB Cleaning, LLC	33989 Woodward Ave Birmingham 48009 (248) 654-1040
MI	Virginia Zeffiro and ZB-CLEANING SL, LLC	2267 Orchard Lake Rd Sylvan Lake 48320 (248) 338-9571
MN	Glenn Anderson and Gala Cleaners, LLC	7623 Egan Drive Savage 55378 (952) 226-6777
MN	Glenn Anderson and Gala Cleaners, LLC	8072 Old Carriage Court Shakopee 55379 (952) 746-8888
MN	Perry Chapman and Chappy Enterprises, LLC	2330 Cloud Drive Blaine 55449 (763) 767-3353
MS	Greg Kennedy	603 West Main Tupelo 38802 (601) 842-4261
MS	Greg Kennedy	1196 W. Main Street Tupelo 38802 (601) 842-4252
MO	Steve Hammond and KC Dry Cleaning, LLC	6008 NW 63rd Terrace Kansas City 64151 (816) 741-8883
NM	Bruce Squires (est of) and Wirtco, Inc.	1091 Saint Francis Drive Santa Fe 87501 (505) 982-8603
NM	Bruce Squires (est of) and Wirtco, Inc.	400 North Guadalupe Santa Fe 87501 (505) 988-2455
NM	Bruce Squires (est of) and Wirtco, Inc.	2801 Rodeo Road Santa Fe 87501 (505) 473-4396
NM	Bruce Squires (est of) and Wirtco, Inc.	913 Old Pecos Trail Santa Fe 87501 (505) 982-9259
NY	Damian Freire and A & D Cleanology, Inc.	Mastic 11950 (631) 433-1533
NY	Todd Sankes and Rapideer, Inc.	12 Courtney Drive Fairport 14450 (585) 425-4242
NC	Kyle Panther and KPP Holdings Inc.	1408 E. Boulevard, Suite AA Charlotte 28203 (704) 372-0009
NC	Randolph Lambeth, Kimberly Lambeth, and Lambeth Development, LLC	9832 Gilead Rd Ste D102 Huntersville 28078 (704) 875-8383

NC	Randolph Lambeth, Kimberly Lambeth, and Lambeth Development, LLC	287 Williamson Rd. Suite H Mooresville 28117 (704) 660-3054
NC	Randolph Lambeth, Kimberly Lambeth, and Lambeth Development, LLC	128 Argus Lane, Suite E Mooresville 28117 (704) 662-7773
OH	Craig Hons and Quality Services Group Inc.	118 West Streetsboro Rd. Hudson 44236 (330) 650-2535
OH	Richard Hames, Eric Hames, and R & E Joint Venture, Inc.	1177 North Hamilton Rd. Gahanna 43230 (614) 418-0150
OH	Richard Hames, Eric Hames, and R & E Joint Venture, Inc.	7348 Fodor Road New Albany 43082 (614) 418-0150
OH	Richard Hames, Ryan Hames, and R2 Joint Venture Co	528 Polaris Parkway Westerville 43082 (614) 899-7933
OH	Yagnesha Malaviya and Aara Enterprises Inc.	3357 Navarre Ave. Oregon 43616 (419) 693-0061
OR	Ik Mok and Eco Friendly Cleaners, LLC	Portland 97219 (503) 970-9251
OR	Scott Forrester	1250 Biddle Road, Suite G Medford 97504 (541) 734-9247
PA	Craig Mauro and Crell, Inc.	124 E Pike St. Canonsburg 15317 (724) 745-9289
PA	Craig Mauro and Crell, Inc.	3517 Washington Road McMurray 15317 (724) 942-1233
PA	Craig Mauro and Crell, Inc.	465 Valley Brook Rd. McMurray 15317 (724) 941-1088
PA	Soo Dong†	128 East Baltimore Pike Media 19063 (610) 565-7999
PA	Todd A. Fennell	12023 Perry Highway Wexford 15090 (724) 940-2494
PA	William Moro and Willie MacBrand, Inc.	Allentown (484) 809-7660
TN	Britt Akers and Peak Enterprises, Inc.	377 Foutch Drive Cookeville 38501 (931) 526-4687
TN	John Marr	Nashville 37216 (615) 739-4733
TX	Alikhan Khoja	2205 West 15th St. Plano 75075 (972) 867-1292
TX	Chad Thayer and Burgeon Brands and Investments, Inc.	2608 Flower Mound Road, Ste. 136 Flower Mound 75028 (972) 355-4991

TX	Chad Thayer and Burgeon Brands and Investments, Inc.	6101 Long Prairie Road, Ste 756 Flower Mound 75028 (972) 691-4379
TX	David Youngflesh and DYZX Enterprises, Inc.	822 Durham Drive Houston 77007 (713) 426-1430
TX	Eric Monroe and Cowtown Cleaners Corporation	9019 Benbrook Blvd. Benbrook 76126 (817) 249-3639
TX	Eric Monroe and Cowtown Cleaners Corporation	5950 Cityview Blvd. Fort Worth 76136 (817) 292-0605
TX	James Frazier and Mar-Tex, Inc.	4422 Lovers Lane Dallas 75225 (214) 361-4168
TX	Lee Haskin and GRANIK CCHG CORP.	106 North Denton Tap Rd. Suite 220 Coppell 75019 (972) 471-7778
TX	Lee Haskin and GRANIK CCHG CORP.	8611 Hillcrest, Ste 160 Dallas 75225 (972) 471-7778
TX	Lydia Woodall and LWood Inc.	19931 Hwy 6 Manvel 77578 (281) 489-6660
TX	Lydia Woodall and LWood Inc.	9430 Broadway Suite 100 Pearland 77584 (281) 412-6666
TX	Michael Walthall	7450 Oakmont Blvd. Fort Worth 76132 (817) 370-1034
TX	Raja Kolappan, Mahalakshmi Krishnamurthy, and Mangala Cleaners LLC	1406 S Eldridge Pkwy Houston 77077 (281) 759-1800
TX	Raja Kolappan, Mahalakshmi Krishnamurthy, and Mangala Cleaners LLC	1560 Eldridge Pkwy Ste. 166 Houston 77077 (281) 531-4300
TX	Raja Kolappan, Mahalakshmi Krishnamurthy, and Mangala Cleaners LLC	1029 Highway 6 N Ste. 800 Houston 77079 (281) 506-8285
TX	Raja Kolappan, Mahalakshmi Krishnamurthy, and Mangala Cleaners LLC	12002 Richmond Ave Ste. 300 Houston 77082 (281) 759-7600
TX	Scott Schaefer and MDC Austin Holdings, Inc.	1732 Camp Craft Rd. Austin 78746 (512) 731-7677
UT	Jake Runyan, Cache Ferguson, C & J Business Services, LLC	5424 West 11000 N Highland 84003 (801) 763-2222

UT	Michael Huppe and Yankee Dry Cleaning LLC	861 East Gordon Ave. Layton 84040 (801) 444-7244
VA	Avery B. Mills, Jr. and One Hour Martinizing of Martinsville, Inc.	2415 Virginia Ave. Collinsville 24078 (276) 647-3164
VA	Avery B. Mills, Jr. and One Hour Martinizing of Martinsville, Inc.	745 East Church Martinsville 24112 (276) 638-2970
VA	Avery B. Mills, Jr. and One Hour Martinizing of Martinsville, Inc.	2100 Rives Road Martinsville 24112 (276) 632-5305
VA	Mark Mills and One Hour Modernizing, Inc.	2225 Riverside Drive Danville 24541 (434) 792-4080
VA	Mark Mills and One Hour Modernizing, Inc.	115 N. Market Street Danville 24541 (434) 792-2362
VA	Mark Mills and One Hour Modernizing, Inc.	865 Piney Forest Drive Danville 24541 (434) 836-0167
WA	John Feik	Vancouver 98683 (360) 833-0405
WI	Brian Cass, Dave Cass, and OHM Holdings, INC	13405 Watertown Plank Rd Elm Grove 53122 (262) 782-0665
WI	Brian Cass, Dave Cass, and OHM Holdings, INC	418 Merton Avenue Hartland 53029 (262) 367-4508
WI	Brian Cass, Dave Cass, and OHM Holdings, INC	N95W 18397 County Line Rd Memomonee Falls 53051 (262) 251-7979
WI	Brian Cass, Dave Cass, and OHM Holdings, INC	11106 N. Port Washington Road Mequon 53092 (262) 241-3535
WI	Brian Cass, Dave Cass, and OHM Holdings, INC	285 East Hampton Ave Milwaukee 53217 (414) 964-4747
WI	Brian Cass, Dave Cass, and OHM Holdings, INC	233 West Layton Ave Milwaukee 53207 (414) 747-1077
WI	Brian Cass, Dave Cass, and OHM Holdings, INC	1300 Brown Street Oconomowoc 53066 (262) 560-9981
WI	Brian Cass, Dave Cass, and OHM Holdings, INC	1320 Pabst Farms Circle Oconomowoc 53066 (262) 560-0666
WI	Brian Cass, Dave Cass, and OHM Holdings, INC	6737 Milwaukee Ave Wauwatosa 53213 (414) 771-3331

WI	Brian Cass, Dave Cass, and OHM Holdings, INC	2262 South 108th Street West Allis 53214 (414) 545-8688
WI	Lori Novy and G.B. Cleaner Corporation	1233 South Military Ave Green Bay 54302 (920) 494-1602
WI	Wendy Bacon	1420 Calhoun Road, New Berlin 53151 (262) 784-8432
WY	Anthony Allen and Wyoming OHM Corporation.	828 Cy Avenue Casper 82601 (307) 235-5114
WY	Anthony Allen and Wyoming OHM Corporation.	946 E. 2nd Street Casper 82601 (307) 234-0595
WY	Troy Baker and Sugarland Enterprises, Inc.	1360 Sugarland Drive Sheridan 82801 (307) 674-6799

DRY CLEANING STATION

STATE	FRANCHISEE NAME	ADDRESS & PHONE
CA	Michelle Tanlapco and Tanlapco Enterprises, LLC	1675 Industrial Pkwy Hayward 94544 (510) 887-5923
CO	Arthur Dawson, Kathy Dawson, and Gregory Street Dry Cleaning Home SVC, LLC	9940 N. Wadsworth Pkwy Westminster 80021 (303) 466-6013
OH	Charles Prenatt and CJI Ohio, LLC	1045 Bethel Road Columbus 43220 (614) 457-1807
OK	Rick Jarrard, Janie Jarrard, Earth Angel Dry Cleaning, LLC	1225 W. Rogers Blvd Skiatook 74070 (918) 396-1299

1-800 DRYCLEAN

STATE	FRANCHISEE NAME	ADDRESS & PHONE
AZ	Martain Swainston and MLS Acquisition, Inc.	14412 N Calle Del Oro Fountain Hills 85268 (480) 924-6200
AZ	Martain Swainston and MLS Acquisition, Inc.	14412 N Calle Del Oro Fountain Hills 85268 (480) 924-6200
CA	Barry Taleghani and On Second Thought, Inc.	1681 Broadway Street Redwood City 94063 (650) 679-9774
CA	Brent Moffitt and Moffitt, Inc.	6632 Spruce Lane Dublin 94568 (925) 803-7597
CA	Darryl Gan	4733 W. Torrance Blvd., #383 Torrance 90503 (310) 792-4600
CA	Dat Nguyen and DTN Enterprises, Inc.	2953 Rose Ave San Jose 95127 (925) 251-9656

CA	David Kim and Fresh Green Cleaners, Inc.	1326 Fulton Ave. Sacramento 95835 (916) 686-9222
CA	David Kim and Fresh Green Cleaners, Inc.	1326 Fulton Ave Sacramento 95835 (916) 686-9222
CA	David Schneider	200 Avery Lane #28 Los Gatos 95032 (408) 354-1667
CA	David Schneider	25 Sandra Ct Walnut Creek 94595 (408) 354-1667
CA	Larry Rabei and King's Office Services, LLC	1042 N. El Camino Real, Suite B PMB 344 Encinitas 92024 (760) 753-9606
CA	Larry Rabei and King's Office Services, LLC	1042 N. El Camino Real, Suite B PMB 344 Encinitas 92024 (760) 753-9606
CA	Larry Rabei and King's Office Services, LLC	1042 N. El Camino Real, Suite B PMB 344 Encinitas 92024 (760) 753-9606
CA	Paresh Patel and iCleaners LLC	2635 Laramie Gate Circle Pleasanton 92609 (949) 305-4091
CA	Paresh Patel and iCleaners LLC	2635 Laramie Gate Circle Pleasanton 92609 (949) 305-4091
CA	Paresh Patel and iCleaners LLC	2635 Laramie Gate Circle P.O Box 585 Pleasanton 92609 (949) 305-4091
CA	Paresh Patel and iCleaners LLC	2635 Laramie Gate Circle Pleasanton 92609 (949) 305-4091
CO	Katherine Dawson, Art Dawson, and Gregory Street Dry Cleaning Home SVC, LLC	4145 Broadmoor Loop Broomfield 80023 (303) 466-6013
CO	Katherine Dawson, Art Dawson, and Gregory Street Dry Cleaning Home SVC, LLC	4145 Broadmoor Loop Broomfield 80023 (303) 466-6013
CO	Katherine Dawson, Art Dawson, and Gregory Street Dry Cleaning Home SVC, LLC	9940 Wadsworth Parkway Westminster 80021 (303) 466-6013
FL	Gonzalo Zesati and Edge Z Services Inc	12717 W Sunrise Blvd Ste 323 Pembroke Pines 33028 (954) 438-5755
FL	Gonzalo Zesati and Edge Z Services Inc	12717 W. Sunrise Blvd, Ste 323 Pembroke Pines 33097 (561) 883-8836
FL	Kevin O'Brien and CleanOn! Ent. LLC	11638 Shilpa Ct., Orlando 32817 (407) 384-4915
FL	Kevin O'Brien and CleanOn! Ent. LLC	7806 Plantation Dr Orlando 32810 (407) 384-4915

FL	Steven Reiter and SB3 Enterprises, LLC,	9526 Argyle Forest Blvd Ste B2 Jacksonville 32222 (904) 777-9002
FL	Walter Chacon and SAMIO CORP	6405 NW 199th Ter Hialeah 33015 (305) 625-2203
IL	Paul Kynch, Karen Knych, and P.E.K., Inc	5320 W Warwick Ave Chicago 60641 (773) 742-9606
IL	Steven Welker and Tammy's Cleaners Inc.	9235 Corsair Rd. Unit A Frankfort 60423 (815) 806-8203
IL	Steven Welker and Xtreme Cleaners Corp.	9235 Corsair Rd. Unit A Frankfort 60423 (630) 428-4845
IL	Steven Welker and Xtreme Cleaners Corp.	9235 Corsair Rd. Unit A Frankfort 60423 (708) 243-5278
IL	Steven Welker and Xtreme Cleaners Corp.	9235 Corsair Rd. Unit A Frankfort 60423 (708) 243-5278
MO	Gary Mueller, Tammy Mueller, and GT Mueller, Inc.	11118 Veterans Memorial Pkwy Lake St. Louis 63367 (636) 561-9177
MO	Gary Mueller, Tammy Mueller, and GT Mueller, Inc.	11118 Veterans Memorial Pkwy Lake St. Louis 63367 (636) 561-9177
NY	Halliday Pete and Mohawk Enterprises, Inc.	144 Village Landing, Suite 271 Fairport 14450 (585) 586-5510
OH	Richard Hames, Eric Hames, and R2 Joint Venture Co.	528 Polaris Parkway Westerville 43082 (614) 341-7050
PA	Jun Hong, Hong JK Cleaners	1154 MacArthur Rd Whitehall 18052 (610) 814-6191
PA	Jean Claude Clerveaux and Clerveaux, Inc	521 E. Airy Street Norristown 19401 (610) 331-0076
TN	Robert Opfer, Catherine Opfer, and Roca Enterprises, Inc.	PO Box 40 Cordova 38088 (901) 239-2696
TX	Michael Norat, Glicel Norat, and Taron Services LLC	395 Sawdust Rd Ste 2007 The Woodlands 77380 (281) 573-8584
VA	Vanessa Brown and We Deliver Dry Cleaning, LLC	9347 Gildenfield Court Richmond 23294 (804) 545-8971
VA	Vanessa Brown and We Deliver Dry Cleaning, LLC	9347 Gildenfield Court Richmond 23294 (804) 545-8971
VA	Vanessa Brown and We Deliver Dry Cleaning, LLC	9347 Gildenfield Ct. Richmond 23294 (804) 545-8971

PRESSED4TIME

STATE	FRANCHISEE NAME	ADDRESS & PHONE
CA	Craig Howell and Palo Verdes Blue, Inc.	7509 Jerez Ct., Unit 4 Carlsbad 92009 (619) 507-5364
CO	Andrea Randall and Scott Randall	785 Grey Eagle Circle North Colorado Springs 80919 (719) 599-5325
CO	John Rush	249 E. Highline Circle #308 Denver 80224 (720) 624-9876
FL	David Trovillion and Patricia Trovillion	2038 Corner School Drive Orlando 32820 (321) 332-5406
FL	Mrugank Shah	5778 San Martino Street Pensacola 32583 (850) 471-2270
GA	Robert Berta	10 Glenlake Parkway Atlanta 30328 (678) 725-4201
KY	Shannon Gullett	3607 Bardstown Road Louisville 40218 (502) 767-6503
MD	Robert Ansah - Birikorang and United Group, LLC	6480 New Hampshire Ave Tacoma Park 20912 (571) 457-1540
MA	Adnaldo Lopes and AJL Services, Inc	11 Settler's Way Bourne 02532 (617) 959-7463
NV	Kevin Denney, Tamara Denney, and Denney Enterprises, LLC	25 East Quail Street Sparks 89431 (775) 284-6350
NH	Mathew Glenn Annis	135 Heather Lane Hampstead 03841 (603) 608-7672
NH	Oscy Cadran	223 South Willow Street Manchester '03104 (603) 494-4368
NY	Mack Finley	177A E. Main Street #209 Bronx 10475 (347) 275-6718
TX	Edward Mitchell III and Atlas-Roc Corporation	9339 Crimmonson Ct. Dallas 75217 (972) 480-4807
VA	Gregory Walker	2410 Elmington Dr Richmond 23238 (804) 288-1776
VA	Mark Parnell and Nelly Services Inc.	15 Beach Road Hampton 23664 (757) 825-1447

The following tables include the name, city and state, and the current business telephone number (or, if unknown, home telephone number) of every Martinizing, Dry Cleaning Station, 1-800-DryClean, Bizzie, and Pressed 4 Time franchisee who has had a franchise terminated, canceled, transferred, not renewed, or otherwise voluntarily or involuntarily ceased to do business under our franchise agreement during our last fiscal year or who have not communicated with us within 10 weeks of the issuance date of this Disclosure Document.

The following franchisees voluntarily ceased to conduct business:

MARTINIZING

STATE	FRANCHISEE NAME	ADDRESS & PHONE
CO	Ambridge Scott Bradley, Ambridge 1 LLC	1364 Leyden Ave Denver 80220 (720) 941-2881
IA	Hochstetler Virgil & Karen, Busy Bubble LLC	207 NE Delaware, Unit 26, Ankeny 50021 (330) 964-5371
IA	Hochstetler Virgil & Karen, Busy Bubble LLC	8805 Chambery Blvd, Suite 350 Johnston 50131 (515) 964-5371
IN	Brown Kent & Keith, KB Squared Inc	14350 Mundy Drive Suite 1300, Noblesville 46060 (317) 770- 0270
MI	Shaffer Derek, Top Notch Dry Cleaning, Inc.	42175 Fourteen Mile Road Novi 48377 (248) 926-6999
MN	Chapman Perry & Catherine, Chappy Enterprises, LLC	14755 Victor Hugo Blvd. Hugo 55038 (651) 426-7008
MN	Kolar Dan & Kigin David, K2 Enterprises LLC	1212 West 96th Street Bloomington 55431 (952) 884- 3821
MN	Gemeda Tewodros, BON, CO.	3525 Vicksburg Lane North, Suite 500 Plymouth 55443 (612) 805-9454
NM	Squires Estate of Bruce, Wirtco, Inc.	5809 Juan Tabo Blvd. NE, Albuquerque 87111 (505) 299-3335
OH	Shoar Pirouz, Parand Enterprises, Inc.	6435 Perimeter, Ste. 1070 Dublin 43016 (614) 336-9210
TX	Allen Tannette & Mark, M&T Allen Ventures, Inc.	14999 Preston Road Suite C112 Dallas 75254 (214) 450-4781
TX	Allen Tannette & Mark, M&T Allen Ventures, Inc.	601 Weeping Willow Rd. Garland 75044 (214) 450-4781
TX	Dodla Vamsi, Gullapalli Rajesh, Mallu Giridhar, Fresh Fab LLC	1257 W. Round Grove Road, Lewisville 75067 (402) 210-5745

TX	Johnson Scott & Cynthia, Tejas Cleaners, Inc.	18442 Highway 105 W. Suite B Montgomery 77356 (936) 582-4244
TX	Johnson Scott & Cynthia, Tejas Cleaners, Inc.	8604 Highway 6 North, Houston 77095 (281) 656-2600
TX	Schuurman Karla & Willem, B&K, LLC	501 W. 15th Street, Austin 78701 (512) 796-0636
TX	Schuurman Karla & Willem, B&K, LLC	9515 N. Lamar Blvd., Suite 108, Austin 78735 (512) 339-9932
TX	Schuurman Karla & Willem, B&K, LLC	12221 Riata Trace Parkway, Suite 130 Austin 78727 (512) 796-0636
WA	Quinn Kay, Smart Choice Cleaning Incorporated	12519 North Division Street, Ste#2, Spokane 99218 (509) 464-3294
WA	Quinn Kay, Smart Choice Cleaning Incorporated	3007 East 57th Avenue, STE#2, Spokane 99223 (509) 448-3305

DRY CLEANING STATION

STATE	FRANCHISEE NAME	ADDRESS & PHONE
CO	Norden Brett, H & N Holdings Inc.	6086 E. County Line Road Littleton 80126 (303) 741-0507
CO	Norden Brett , H & N Holdings Inc.	9567 S. University Blvd Ste D-5 Highlands Ranch 80126 (303) 805-5646

1-800 DRYCLEAN

STATE	FRANCHISEE NAME	ADDRESS & PHONE
CT	Kim Tommy	28 Field St 2nd Floor Torrington 06790 (860) 321-9200
NC	Boranian Paul & Lily, Palian Enterprises, LLC	16202 Northstone DDrive Huntersville 28078 (704) 787-5255

The following franchises were terminated:

MARTINIZING

STATE	FRANCHISEE NAME	ADDRESS & PHONE
PA	Groves Arthur, BridgeStreet Group, Inc.	2651 Huntingdon Pike #4, Huntingdon 19006 (215) 947-3776
PA	Groves Arthur, BridgeStreet Group, Inc.	148 N. Flowers Mill Road, Langhorne 19047 (215) 750-7870
PA	Groves Arthur, BridgeStreet Group, Inc.	22 Richboro Newtown Road Newtown 18940 (215) 944-8987
VA	Ansah-Birikorang Robert, United Group, LLC	2200 N. Westmoreland St., Unit 1040 Arlington 22213 (703) 237-5651

DRY CLEANING STATION

STATE	FRANCHISEE NAME	ADDRESS & PHONE
OK	Keenze Tom & Barbara Vireo Enterprises, LLC	9530 N 129 E Ave., #102-104 Owasso 74055 (918) 272-9950

1-800 DRYCLEAN

STATE	FRANCHISEE NAME	ADDRESS & PHONE
TX	Lemon, Al	3001 Portulaca Drive Round Rock 78681 (512) 731-7677

The following Franchisees did not renew their Franchise Agreements:

MARTINIZING

STATE	FRANCHISEE NAME	ADDRESS & PHONE
AR	Brantley Grady	507 East 1st Ave, Crosset 71635 (870) 364-6107
AZ	Farmer James, The Farmer-Orth Agency Inc.	1838 East Southern Ave Tempe 85282 (480) 838-0638
CA	Imamoto Gregg, US Dry Cleaning Inc.	2679 Geer Road Turlock 95382 (209) 632-7270
CA	Imamoto Gregg, US Dry Cleaning Inc.	1071 Champlain Drive Fresno 93720 (559) 433-9620

CA	Imamoto Gregg, US Dry Cleaning Inc.	786 W. Bullard Ave. Fresno 93705 (559) 439-3033
CA	Imamoto Gregg, US Dry Cleaning Inc.	1187 North Willow Ave., Suite 105 Clovis 93612 (559) 324-7810
CA	Imamoto Gregg, US Dry Cleaning Inc.	7718 N. First Street, Fresno 93720 (559) 449-9932
CA	Imamoto Gregg, US Dry Cleaning Inc.	1201 W. Yosemite, Madera 93637 (559) 673-1822
CA	Imamoto Gregg, US Dry Cleaning Inc.	1818 R. Street Fresno 94230 (209) 722-2244
CA	Imamoto Gregg, US Dry Cleaning Inc.	5627 E. Kings Canyon Road, Ste 103 Fresno 93727 (559) 251-7117
CA	Imamoto Gregg, US Dry Cleaning Inc.	4938 E. Yale #1576 Yale 93727 (209) 052-4027
CA	Imamoto Gregg, US Dry Cleaning Inc.	2828 G. Street Merced 95340 (209) 723-6631
CA	Kyung Cheon Kim Choon	9930 Mira Mesa Blvd. San Diego 92131 (858) 566-0189
MI	Plassman Robert, Plassman and Sons, Inc.	24601 Ford Road Dearborne Hts 48128 (313) 274-0610
MI	Seung Won Lee, Mountain Mack Inc.	17450 Mack Avenue, Grosse Pt Farms 48230 (313) 884-6890
MI	Seung Won Lee, Mountain Mack Inc.	19200 Mack Avenue, Grosse Pt Farms 48236 (313) 886-9530
SC	Whitesides George	123 Church Street, Chester 29706 (803) 581-3560
WI	Cass Charles, OHM of Oconomowoc, Inc.	1035 West Summit Ave. Oconomowoc 53066 (262) 567-4813
WI	Cass Brian, Dave, Steve, & OHM Pewaukee Inc.	1405 W. Capitol Drive, Suite B, Peawaukee 53073 (262) 695-1661
WI	Shah Braina & Rahil, Laughing Buddha LLC	8615 Durand Ave, Sturtevant 53177 (262) 886-9161
WI	Shah Braina & Rahil, Laughing Buddha LLC	301 Main Street Racine 53403 (262) 632-2585
WI	Shah Braina & Rahil, Laughing Buddha LLC	4606 Washington Ave. Racine 53403 (262) 632-2699
WI	Shah Braina & Rahil, Laughing Buddha LLC	2801 Durand Avenue, Racine 53403 (262) 632-2585

DRY CLEANING STATION

STATE	FRANCHISEE NAME	ADDRESS & PHONE
OH	Khalilpour Farhad	8497 Sancus Blvd Columbus 43240 (614) 844-4840

1-800 DRYCLEAN

STATE	FRANCHISEE NAME	ADDRESS & PHONE
NV	Mendoza Kathryn & Jose, Sagebrush Services, LLC	6001 Santa Catalina Ave Las Vegas 89108 (702) 645-0943

PRESSED4TIME

STATE	FRANCHISEE NAME	ADDRESS & PHONE
NJ	Ricklin Jonathan	69 Fairhaven Drive Hillsdale 07642 (201) 666-6809

The following franchisees terminated their agreements to transfer ownership to a new franchisee or brand:

MARTINIZING

STATE	FRANCHISEE NAME	ADDRESS & PHONE
KS	Staal Mark & Nancy, Limpiar, LLC	7724 East 37th St. North #200 Wichita 67226 (316) 558-8008
KS	Staal Mark & Nancy, Limpiar, LLC	626 South Andover, Andover 67002 (316) 733-2002
KS	Staal Mark & Nancy, Limpiar, LLC	2132 North Rock Road, Suite 109, Wichita 67206 (316) 636- 4553
KS	Staal Mark & Nancy, Limpiar, LLC	12627 E. Central, Suite 304 Wichita 67207 (316) 618-1349
MI	Shaffer Derek, Top Notch Dry Cleaning, Inc.	47340 West Ten Mile Road Novi, 48374 (248) 344-8266
PA	DeFazio George, DeFern Corporation	3517 Washington Road McMurray 15317 (972) 942- 1233

1-800 DRYCLEAN

STATE	FRANCHISEE NAME	ADDRESS & PHONE
OR	Lee, Ken, K & I Cleaners, LLC	11116 SW Capitol Hwy Portland 97219 (503) 970-9251
OR	Lee Ken, K & I Cleaners, LLC	11116 SW Capitol Hwy Portland 97219 (503) 970-9251
WA	Feik, John & Marilyn, 1-800-DryClean of Clark County, LLC	16420 SE McGillivray Blvd Ste 103-401, Vancouver 98683 (360) 833-0405

PRESSED4TIME

STATE	FRANCHISEE NAME	ADDRESS & PHONE
CO	Kim Sandra	10720 Yates Drive Westminster 80031 (303) 404-2001
CO	Norden Brett, H & N Holdings Inc.	6086 E. County Line Road Highlands Ranch 80126 (303) 595-3449
TX	Lemon Alfred	3001 Portulaca Drive Round Rock 78681 (512) 731-7677

The following Martinizing agreements were signed and failed to commence operations:

STATE	FRANCHISEE NAME	ADDRESS & PHONE
IN	Polston Bradley, Clean2u, Inc.	Carmel 48033 (303) 552-6398
IN	Polston Bradley, Clean2u, Inc.	Carmel 48034 (303) 552-6399
IN	Polston Bradley, Clean2u, Inc.	Carmel 48035 (303) 552-6398
MD	Ansah-Birikorang Robert, United Group, LLC	District of Columbia (301) 844-5513
MD	Ansah-Birikorang Robert, United Group, LLC	Tacoma Park (202) 607-9363
MD	Ansah-Birikorang Robert, United Group, LLC	District of Columbia (301) 844-5513
MI	Macdonald Richard, RDM Management Inc.	Rochester (313) 770-8808
NH	Lampognana Thomas & Leah Roxanne, Roll Tide of NH, LLC	Nashua 03064 (917) 913-1166
NJ	Roth David	West Orange, 07052 (973) 216-1144

NJ	Roth David	West Orange, 07052 (973) 216-1144
NJ	Roth David	West Orange, 07052 (973) 216-1144
NY	Carlino Kenneth, KNE Services Inc.	Garden City 11530 (516) 532-3087
PA	Groves Arthur, BridgeStreet Group, Inc.	Doylestown 18901 (609) 220-5599
TX	Dodla Vamsi, Gullapalli Rajesh, Mallu Giridhar, Fresh Fab LLC	Grapevine (402) 210-5745
TX	Dodla Vamsi, Gullapalli Rajesh, Mallu Giridhar, Fresh Fab LLC	Grapevine (402) 210-5745
TX	Dodla Vamsi, Gullapalli Rajesh, Mallu Giridhar, Fresh Fab LLC	Grapevine (402) 210-5745
TX	Dodla Vamsi, Gullapalli Rajesh, Mallu Giridhar, Fresh Fab LLC	Grapevine (402) 210-5745
TX	Johnson Scott & Cynthia, Tejas Cleaners, Inc.	Magnolia 77354 (832) 671-7144
TX	Alavalapati Sreedhar Chinthalapuri Prahlada Shaik Maktar	Keller 76248 (248) 390-7086
TX	Stout Robyn, NT Dry Cleaners of Denton, LLC	Fort Worth (623) 512-8698
TX	Stout Robyn, NT Dry Cleaners of Denton, LLC	Fort Worth (623) 512-8698
TX	Marver Cory & Rikki, LLPH, LLC	Plano (214) 392-5993
TX	Marver Cory & Rikki, LLPH, LLC	Plano (214) 392-5994
TX	Marver Cory & Rikki, LLPH, LLC	Plano (214) 392-5995
TX	Dedora Grant & Nancy, Rolling Shores, LLC	Houston (713) 306-8494
TX	Dedora Grant & Nancy, Rolling Shores, LLC	Houston (713) 306-8494
TX	Dedora Grant & Nancy, Rolling Shores, LLC	Houston (713) 306-8494
WA	Quinn Kay, Smart Choice Cleaning Incorporated	Spokane (509) 464-3294

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the Franchise System. In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with us. You may wish to speak with current and former franchisees, but be aware that not all such franchisees will be able to communicate with you.

There are currently no trademark-specific franchisee organizations associated with the Franchise System.

Item 21

FINANCIAL STATEMENTS

Exhibit B contains our unaudited opening balance sheet as of April 5, 2021, together with updated financials through August 31, 2021.

Item 22

CONTRACTS

The following agreements are exhibits:

- (a) Exhibit A Franchise Agreement
- (b) Exhibit D State Addenda to Franchise Agreement
- (c) Exhibit F Confidentiality and Non-Disclosure Agreement for Prospective Franchisees

Item 23

RECEIPTS

Our and your copies of the receipt to this Disclosure Document are located at the last 2 pages of this Disclosure Document. There are two duplicate copies. We keep one of the copies, which you must sign and date.

Franchise Sellers offering the franchise for Martinizing International LLC are:

Kevin DuBois, CEO
Martinizing International, LLC
711 5th Avenue South
Naples, FL 34102
(781) 499-6992

Michael Eisner, VP of Franchise Development
Clean Franchise Brands, LLC
962 Washington Street
Hanover, MA 02339
(781) 829-8780

John Powers, VP of Franchise Development
Martinizing International, LLC
711 5th Avenue South
Naples, FL 34102
(248) 505-3710

Exhibit A Franchise Agreement

MARTINIZING INTERNATIONAL, LLC

FRANCHISE AGREEMENT

FRANCHISEE

DATE OF AGREEMENT

STORE ADDRESS

FRANCHISE AGREEMENT COVER PAGE

1. The authorized Martinizing Channels for your Business is/are:

- Martinizing Store;
- Pickup and Delivery;

2. This Business is an:

- Initial Location
- Additional Location

3. This Business is a:

- Plant Store
- Satellite Store
- Martinizing Delivers

4. The Territory is:

TABLE OF CONTENTS

	<u>Page</u>
1. PREAMBLES, ACKNOWLEDGMENTS, AND GRANT OF FRANCHISE	1
A. PREAMBLES	1
B. ACKNOWLEDGMENTS	2
C. CORPORATION, LIMITED LIABILITY COMPANY, OR PARTNERSHIP	3
D. GRANT OF FRANCHISE	4
E. TERM AND RENEWAL	4
F. YOUR TERRITORIAL RIGHTS	5
G. RIGHTS WE RESERVE	5
H. MODIFICATION OF SYSTEM	6
I. NATIONAL, REGIONAL AND INSTITUTIONAL ACCOUNTS	6
2. SITE SELECTION, LEASE OF PREMISES, AND DEVELOPMENT AND COMMENCEMENT OF OPERATIONS	7
A. SITE SELECTION	7
B. LEASE OF PREMISES	8
C. BUSINESS DEVELOPMENT	9
D. OPERATING ASSETS	10
E. COMPUTER SYSTEM	10
F. STORE OPENING	12
3. FEES	13
A. INITIAL FRANCHISE FEE	13
B. OTHER INITIAL FEES	13
C. ROYALTY FEE	14
D. ANNUAL FIXED FEE	14
E. MARKETING AND PROMOTION FUND FEE	14
F. CLOUD SERVICE FEE	15
G. DEFINITION OF “GROSS SALES”	15
H. INTEREST ON LATE PAYMENTS	15
I. APPLICATION OF PAYMENTS	16
J. METHOD OF PAYMENT	16
4. TRAINING AND ASSISTANCE	16
A. INITIAL TRAINING	16
B. ONGOING TRAINING	17
C. GENERAL GUIDANCE AND CONSULTATION SERVICES	18
D. OPERATIONS MANUAL	18
E. DELEGATION OF PERFORMANCE	19

5.	MARKS	19
	A. OWNERSHIP AND GOODWILL OF MARKS.....	19
	B. LIMITATIONS ON YOUR USE OF MARKS.....	19
	C. NOTIFICATION OF INFRINGEMENTS AND CLAIMS	20
	D. DISCONTINUANCE OF USE OF MARKS	20
	E. INDEMNIFICATION FOR USE OF MARKS	20
6.	CONFIDENTIAL INFORMATION	20
7.	EXCLUSIVE RELATIONSHIP.....	23
8.	SYSTEM STANDARDS.....	24
	A. CONDITION AND APPEARANCE OF THE STORE.....	24
	B. BUSINESS SPECIFICATIONS, STANDARDS AND PROCEDURES	24
	C. APPROVED SERVICES, PRODUCTS, DISTRIBUTORS AND SUPPLIERS.....	25
	D. COMPLIANCE WITH LAWS AND GOOD BUSINESS PRACTICES	26
	E. MANAGEMENT OF THE BUSINESS/CONFLICTING INTERESTS	26
	F. INSURANCE.....	27
	G. DISCOUNTS, GIVEAWAYS, AND OTHER PROMOTIONS	28
	H. COMPLIANCE WITH SYSTEM STANDARDS	28
	I. MODIFICATION OF SYSTEM STANDARDS	29
9.	MARKETING.....	30
	A. THE BRAND DEVELOPMENT FUND	30
	B. BY YOU	31
	C. SPECIAL PROGRAMS AND BENEFITS	32
10.	RECORDS, REPORTS, AND FINANCIAL STATEMENTS	32
11.	INSPECTIONS AND AUDITS.....	33
	A. OUR RIGHT TO INSPECT	33
	B. OUR RIGHT TO AUDIT	33
12.	TRANSFER	34
	A. BY US.....	34
	B. BY YOU	34
	C. CONDITIONS FOR APPROVAL OF TRANSFER.....	35
	D. TRANSFER TO A WHOLLY-OWNED CORPORATION OR LIMITED LIABILITY COMPANY	37
	E. YOUR DEATH OR DISABILITY.....	38
	F. EFFECT OF CONSENT TO TRANSFER.....	38
	G. OUR RIGHT OF FIRST REFUSAL	39

13.	EXPIRATION OF THIS AGREEMENT	40
	A. YOUR RIGHT TO ACQUIRE A SUCCESSOR FRANCHISE	40
	B. GRANT OF A SUCCESSOR FRANCHISE.....	41
	C. AGREEMENTS/RELEASES.....	42
14.	TERMINATION OF AGREEMENT	42
	A. BY YOU	42
	B. BY US.....	43
	C. OUR ALTERNATE REMEDIES UPON YOUR DEFAULT	45
	D. CROSS DEFAULT.....	46
	E. FAILURE TO CURE MAY BE DEEMED TERMINATION BY YOU.....	46
	F. ASSUMPTION OF MANAGEMENT	46
15.	OUR AND YOUR RIGHTS AND OBLIGATIONS UPON TERMINATION OR EXPIRATION OF THIS AGREEMENT	47
	A. PAYMENT OF AMOUNTS OWED TO US	47
	B. MARKS	48
	C. CONFIDENTIAL INFORMATION	50
	D. COVENANT NOT TO COMPETE	50
	E. CONTINUING OBLIGATIONS.....	51
16.	RELATIONSHIP OF THE PARTIES/INDEMNIFICATION.....	52
	A. INDEPENDENT CONTRACTORS	52
	B. NO LIABILITY FOR ACTS OF OTHER PARTY	52
	C. TAXES.....	52
	D. INDEMNIFICATION.....	53
17.	ENFORCEMENT	54
	A. SEVERABILITY AND SUBSTITUTION OF VALID PROVISIONS	54
	B. WAIVER OF OBLIGATIONS.....	54
	C. COSTS AND ATTORNEYS' FEES	55
	D. RIGHTS OF PARTIES ARE CUMULATIVE	55
	E. ARBITRATION	55
	F. GOVERNING LAW.....	57
	G. CONSENT TO JURISDICTION.....	57
	H. WAIVER OF PUNITIVE DAMAGES AND JURY TRIAL.....	57
	I. BINDING EFFECT	58
	J. LIMITATIONS OF CLAIMS.....	58
	K. CONSTRUCTION.....	58

18.	NOTICES AND PAYMENTS	59
19.	COMPLIANCE WITH ANTI-TERRORISM LAWS	60
20.	ELECTRONIC MAIL	61
21.	ELECTRONIC SIGNATURES.....	61
	BANK/FINANCIAL INSTITUTION INFORMATION	3

APPENDICES

APPENDIX A	PERSONAL GUARANTY AND ASSUMPTION OF OBLIGATIONS
APPENDIX B	LISTING OF OWNERSHIP INTERESTS
APPENDIX C	START UP SUPPLIES AND EQUIPMENT PACKAGE or CONVERSION/ RE-BRANDING PACKAGE
APPENDIX D	OPTION TO ASSUME LEASE
APPENDIX E	ELECTRONIC FUNDS TRANSFER AUTHORIZATION

^

MARTINIZING INTERNATIONAL, LLC
FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (the “**Agreement**”) is made and entered into by and between **MARTINIZING INTERNATIONAL, LLC**, a limited liability company organized under the laws of Delaware and located at 711 5th Avenue South, Naples, FL 34102 (“**we,**” “**us,**” or “**our**”), and _____, whose principal business address is _____ (“**you**” or “**your**”) as of the date signed by us and set forth opposite our signature on this Agreement (the “**Effective Date**”).

1. PREAMBLES, ACKNOWLEDGMENTS, AND GRANT OF FRANCHISE.

A. PREAMBLES.

(1) We and our affiliates have, over a considerable time period and with considerable effort, developed (and continue to develop and modify) a system and franchise opportunity for the operation of retail businesses offering dry cleaning and laundry services and other services, products and equipment which now comprise, or in the future may comprise, part of the System (defined below) or our trade secrets which are developed by and are proprietary to us or our affiliates. These retail businesses operate under the “**Martinizing**” name and other Marks (as defined below) (“**Martinizing Businesses**”), and offer their services and products through retail storefronts (“**Martinizing Stores**”), pickup and delivery services (“**Pickup and Delivery**”) and, together with Martinizing Stores, Pickup and Delivery and the Locker System, the “**Martinizing Channels**”); and have distinctive business formats, methods, procedures, signage designs, layouts, standards, and specifications, and the Marks, all of which we may improve, further develop, or otherwise modify at any time and from time to time (collectively, the “**System**”).

(2) We and our affiliates use, promote, and license certain trademarks, service marks, and other commercial symbols in operating Martinizing Businesses, which have gained and will continue to gain public acceptance and goodwill, and may create, use, and license other trademarks, service marks, and commercial symbols for Martinizing Businesses (collectively, the “**Marks**”).

(3) We grant to persons who meet our qualifications, and are willing to undertake the investment and effort, a franchise to own and operate a Martinizing Business using the System and offering the services and products we authorize.

(4) As a franchisee of a Martinizing Business, you will comply with this Agreement and all System Standards (defined in Subsection 4.D) in order to maintain the high and consistent quality that is critical to attracting and maintaining customers for Martinizing Businesses.

(5) You have applied for a franchise to own and operate a Martinizing Business as either your first Martinizing Business (an “**Initial Franchise**”) or in addition to a

Martinizing Business you already currently own and operate (an “**Additional Franchise**”).

B. ACKNOWLEDGMENTS.

You acknowledge:

(1) That you have independently investigated the Martinizing Business franchise opportunity and recognize that, like any other business, the nature of the business a Martinizing Business conducts may, and probably will, evolve and change over time.

(2) That an investment in a Martinizing Business involves business risks that could result in the loss of a significant portion or all of your investment.

(3) That your business abilities and efforts are vital to your success.

(4) That attracting customers for your Business (as defined in Subsection D below) will require you to make consistent marketing efforts in your community through various methods, which may include media advertising, social media advertising, search engine marketing, search engine optimization, direct mail advertising, and display and use of in-store promotional materials.

(5) That retaining customers for your Business will require you to have a high level of customer service and adhere strictly to the System and our System Standards and that you are committed to maintaining System Standards.

(6) That you have not received from us, and are not relying upon, any representations or guarantees, express or implied, as to the potential volume, sales, income, or profits of a Martinizing Business.

(7) That in all of their dealings with you, our officers, directors, employees, and agents act only in a representative, and not in an individual, capacity and that business dealings between you and them as a result of this Agreement are deemed to be only between you and us.

(8) That you have represented to us, to induce our entry into this Agreement, that all statements you have made and all materials you have given us are accurate and complete and that you have made no misrepresentations or material omissions in obtaining the franchise.

(9) That you and your guarantors have received as one document at one time a copy of the form of this Agreement, the exhibits hereto, and the applicable complete Franchise Disclosure Document not less than fourteen (14) days prior to the earlier of: (i) the date on which this Agreement or any other agreement relating thereto was executed, and (ii) the payment of any consideration by or on behalf of you relating to this Agreement, and the franchise associated therewith (except, where applicable, any deposit permitted under applicable law).

(10) That you have read this Agreement and our Franchise Disclosure Document and understand and accept that this Agreement's terms and covenants are reasonably necessary for us to maintain our high standards of quality and service, as well as the uniformity of those standards with respect to every Martinizing Business, and to protect and preserve the goodwill of the Marks.

(11) That we have the right to restrict your sources of Operating Assets and Proprietary Products, as well as other goods and services, as provided in various sections of this Agreement, including Section 8 below.

(12) That we have not made any representation, warranty, or other claim regarding this Martinizing Business franchise opportunity, other than those made in this Agreement and our Franchise Disclosure Document, and that you have independently evaluated this opportunity, including by using your business professionals and advisors, and have relied solely upon those evaluations in deciding to enter into this Agreement.

(13) That you have been afforded an opportunity to ask any questions you have and to review any materials of interest to you concerning the Martinizing Business franchise opportunity.

(14) That you have been afforded an opportunity, and have been encouraged by us, to have this Agreement and all other agreements and materials we have given or made available to you reviewed by an attorney and have either done so or waived your right to do so.

C. **CORPORATION, LIMITED LIABILITY COMPANY, OR PARTNERSHIP.**

If you are at any time a corporation, limited liability company, general or limited partnership, or other form of business entity (each, an "**Entity**"), then you agree and represent that:

(1) You will have the authority to execute, deliver, and perform your obligations under this Agreement and all related agreements and are duly organized or formed and validly existing in good standing under the laws of the state of your incorporation or formation;

(2) Your organizational documents, operating agreement, or partnership agreement, as applicable, will recite that this Agreement restricts the issuance and transfer of any ownership interests in you, and all certificates and other documents representing ownership interests in you will bear a legend referring to this Agreement's restrictions;

(3) **Appendix B** to this Agreement completely and accurately describes all of your owners and their interests in you as of the Effective Date;

(4) Each of your owners during the Term (as defined in Subsection E below) and the Renewal Term (as defined in Subsection E below) will execute a guaranty in the form attached to this Agreement undertaking personally to be bound, jointly and severally, by all provisions of this Agreement and any ancillary agreements between

you and us. Subject to our rights and your obligations under Section 12, you and your owners agree to promptly sign and deliver to us revisions to Appendix B to reflect any permitted changes in the information that Appendix B now contains;

(5) You will appoint a shareholder, member, or partner, as applicable, to be your “**Managing Owner**,” who will be responsible for overseeing and supervising the operation of your Business, and will have full authority to make the financial and operational decisions associated with the management of your Business, and who has completed the Martinizing Training Program to our satisfaction. The Managing Owner as of the Effective Date is identified in Appendix B. You may not change the Managing Owner without our prior written consent; and

(6) The Business operated hereunder and other Martinizing Businesses, if applicable, will be the only businesses you operate (although your owners may have other, non-competitive business interests).

D. **GRANT OF FRANCHISE.**

You have applied for a franchise to own and operate a Martinizing Business that offers its services and products at or through one or more Martinizing Channels. Subject to this Agreement’s terms, we grant you a franchise (the “**Franchise**”) to operate a Martinizing Business (your “**Business**”) and using only the Martinizing Channels designated on the Franchise Agreement Cover Page, and to use the System in its operation, for the Term (define below). You do not have an exclusive right to use all Martinizing Channels in your Business. If your Business will operate a Martinizing Store (your “**Store**”), the premises for your Store will be identified on the Franchise Agreement Cover Page or will be identified once you identify a site for your Martinizing Store and we approve it (the “**Premises**”). If you are opening a Plant Store, your Store must include an on-premises dry cleaning and laundry plant where dry cleaning and laundry services will be performed. You shall not engage in any Martinizing Channels away from the Store unless we authorize you to do so. If we allow you to engage in other Martinizing Channels, you must comply with System Standards that govern each of the Martinizing Channels. You agree to at all times faithfully, honestly, and diligently perform your obligations under this Agreement and to use your best efforts to promote your Business.

E. **TERM AND RENEWAL.**

(1) Term. The term of this Agreement (the “**Term**”) will begin on the first date on which the FRANCHISE opens to serve the general public (the “Opening Date”), and will expire on the tenth (10th) anniversary of the Opening Date, unless this Agreement is sooner terminated as provided herein.

(2) Renewal Term. Provided you are in full compliance with the terms of this Agreement, we and you may mutually agree to renew this Agreement for successor ten (10) year periods. You and we will execute our then-current form of franchise agreement provided that you have complied with the conditions and procedures for renewal in Section 13 of this Agreement.

F. **YOUR TERRITORIAL RIGHTS.**

The only Martinizing Store you are authorized to operate hereunder is your Store. As long as you are in full compliance with this Agreement, and except as provided in Subsection G below, we and our affiliates will not during the Term operate or grant a franchise for the operation of another Martinizing Store at a location within the geographic area surrounding the Premises set forth in the Franchise Agreement Cover Page or an area to be determined once the location for your Martinizing Store is determined (the “**Territory**”). The exact size and boundaries of the Territory shall be determined in our sole judgment. You and we will decide which Martinizing Channels, if any, you will offer within the Territory. You must offer the Martinizing Channels we approve you to offer only within the Territory.

G. **RIGHTS WE RESERVE.**

Except as expressly limited by Subsection 1.F above, we and our affiliates retain all rights with respect to Martinizing Businesses, the Marks, the sale of identical, similar or dissimilar services and products, and any other activities we deem appropriate whenever and wherever we desire. Specifically, but without limitation, we reserve the following rights:

(1) if your Business is not authorized to operate a Martinizing Store, the right to operate, and to grant others the right to operate Martinizing Stores located anywhere inside and outside the Territory under any terms and conditions we deem appropriate;

(2) the right to operate a Martinizing Business using Martinizing Channels, and to grant to others right to operate a Martinizing Business using the Martinizing Channels, inside and outside of the Territory;

(3) the right to operate, and to grant others the right to operate Martinizing Businesses (including Martinizing Stores) located anywhere outside the Territory under any terms and conditions we deem appropriate and regardless of proximity to your Store;

(4) the right to establish and operate, and to grant to others the right to establish and operate businesses offering similar services (including Martinizing Channels) or dissimilar services and products through similar or alternative channels of distribution, at any locations inside or outside the Territory under trademarks or service marks other than the Marks and on any terms and conditions we deem appropriate;

(5) the right to provide, offer and sell and to grant others the right to provide, offer and sell services and products that are identical or similar to and/or competitive with those services and products provided by Martinizing Businesses (including Martinizing Channels), whether identified by the Marks or other trademarks or service marks, through alternative distribution channels including, without limitation, the internet or similar electronic media and any other form of electronic commerce both inside and outside the Territory and on any terms and conditions we deem appropriate;

(6) the right to establish and operate, and to grant to others the right to establish and operate, businesses offering dissimilar products and services, both inside and

outside the Territory, under the Marks and on any terms and conditions we deem appropriate;

(7) the right to market and sell services and products to national, regional and institutional accounts, whether located inside or outside the Territory. “**National, Regional and Institutional Accounts**” are organizational or institutional customers whose presence is not confined to your Territory, including, without limitation: businesses whose offices or branches are located both inside and outside of your Territory; government agencies, branches or facilities; healthcare networks; the military; and, any other customer whose presence is not confined to your Territory;

(8) the right to operate, and to grant others the right to operate Martinizing Stores at “**Non-Traditional Sites**” within and outside the Territory on any terms and conditions we deem appropriate. “**Non-Traditional Sites**” are sites that generate customer traffic flow which is independent from the general customer traffic flow of the surrounding area, including, without limitation, military bases, shopping malls, major industrial or office complexes and school campuses;

(9) the right to acquire the assets or ownership interests of one or more businesses providing services and products the same as or similar to those provided by Martinizing Businesses, and franchising, licensing or creating similar arrangements with respect to these businesses once acquired, wherever these businesses (or the franchisees or licensees of these businesses) are located or operating (including in the Territory); and

(10) the right to be acquired (whether through acquisition of assets, ownership interests or otherwise, regardless of the form of transaction), by a business providing services and products the same as or similar to those provided by Martinizing Businesses, or by another business, even if such business operates, franchises and/or licenses competitive businesses in the Territory.

H. **MODIFICATION OF SYSTEM.**

Because complete and detailed uniformity under many varying conditions might not be possible or practical, you acknowledge that we specifically reserve the right and privilege, as we deem best, to vary System Standards (defined below) for any franchisee based upon the peculiarities of any condition that we consider important to that franchisee’s successful operation. You have no right to require us to grant you a similar variation or accommodation.

I. **NATIONAL, REGIONAL AND INSTITUTIONAL ACCOUNTS.**

Only we will have the right to enter into contracts with national, regional and/or institutional accounts (which may include facilities or projects within your Territory). If we receive contracts for any services and/or products under the Marks calling for performance or delivery in your Territory as a result of our engaging in commerce with national, regional and institutional accounts, then we will have the right, but not the obligation, either to require you to fulfill such contracts at the price we agree on with the customer or to give you the opportunity to

fulfill such contracts at the price we agree on with the customer, even though such pricing may be higher or lower than the prices you charge. If we give you the opportunity to fulfill such contracts and if, for any reason, you do not desire to or cannot serve the customer, or if the customer desires for any or no reason to deal exclusively with us, our affiliate or another franchisee and not with you, then we, our affiliate or any other Martinizing Business may serve the customer within your Territory, and you will not be entitled to any compensation. The procedures governing our national, regional and institutional accounts program are set forth in our Operations Manual. Such procedures include, but are not limited to, marketing and promoting the national, regional and institutional accounts, your participation in such marketing or promotional efforts, payment mechanisms, requirements for your eligibility to service national, regional and institutional accounts, and referral of national, regional and institutional account business among Martinizing Business franchisees.

2. **SITE SELECTION, LEASE OF PREMISES, AND DEVELOPMENT AND COMMENCEMENT OF OPERATIONS.**

A. **SITE SELECTION.**

If we have accepted a location for the Premises before the execution of this Agreement, it will be set forth on the Franchise Agreement Cover Page. Time is of the essence in connection with the construction and opening of the Martinizing Business. If we and you have not agreed upon an accepted location for the Premises before signing this Agreement, then you are responsible for selecting the site for the Premises. You agree to obtain our written acceptance of the Premises before signing any lease, sublease, purchase agreement or other document for the site. We will use reasonable efforts to help analyze your market area, to help determine site feasibility, and to assist in designating the location, although we will not conduct site selection activities for you. We will not unreasonably withhold our acceptance of a site that meets our criteria for demographic characteristics; traffic patterns; parking; character of neighborhood; competition from, proximity to, and nature of other businesses; other commercial characteristics; and the proposed site's size, appearance, and other physical characteristics.

You agree to send us a description of the proposed site including a summary of the items listed above, along with a letter of intent or other evidence confirming your favorable prospects for obtaining the proposed site. We will use reasonable efforts to accept or reject the proposed site within **thirty (30)** days after receiving your written proposal. Notwithstanding our time to review and accept or reject any site you propose, you must have submitted and received our acceptance of an acceptable site no later than **two hundred forty (240)** days after the Effective Date, or we may terminate this Agreement (at our option) pursuant to Section 14 below. Upon our acceptance of a site, and after you secure the site, you and we will mutually sign an amendment to this Franchise Agreement to add the Martinizing Store address, and it will be the Premises. Such amendment will also add a specific description of the Territory.

You acknowledge and agree that, if we suggest, approve, or give you information regarding a site for the Premises, our action is not a representation or warranty of any kind, express or implied, of the site's suitability for a Martinizing Store or any other purpose. Our action indicates only that we believe that the site meets our then acceptable criteria. Applying criteria that has appeared effective with other sites and premises might not accurately reflect the potential for all

sites and premises, and demographic and/or other factors included in or excluded from our criteria could change, altering the potential of a site and premises. The uncertainty and instability of these criteria are beyond our control, and we are not responsible if a site and premises we suggest or approve for the location of a Martinizing Store fails to meet your expectations. Accordingly, you acknowledge and agree that your acceptance of the Franchise pursuant to this Agreement is based on your own independent investigation of the site's suitability for the Premises.

B. LEASE OF PREMISES.

You must submit a proposed lease, sublease or other rental agreement for the Premises (each a "**Lease**") for our approval within sixty (60) days after we approve the site for the Premises, and in any case no later than two hundred forty (240) days after the Effective Date, or we may terminate this Agreement (at our option) pursuant to Section 14.B below. Any and all Leases that you propose or enter into must: (i) be in a form and contain substance we require, and (ii) include our form of addendum to lease agreement attached hereto as Appendix D (the "**Lease Option**") containing certain required terms and provisions applicable to the Lease. You must deliver to us fully-signed copies of the Lease and Lease Option, as approved by us, within fifteen (15) days after their execution. You also agree to sign, and have the landlord sign, any other document(s) we deem necessary to record our interest in the Premises in public real estate indices and elsewhere to protect our interests.

You acknowledge that our approval of the Lease (including the Lease Option, for purposes of the remainder of this Subsection 2.B) does not constitute a guarantee, warranty, or representation of any kind, whether express or implied, as to the Lease's fairness or suitability, your ability to comply with its terms, or the success or profitability of a Martinizing Store operated at the Premises. Our approval of the Lease indicates only that we believe that the Premises and the Lease terms meet our then acceptable criteria. We do not, by virtue of approving the Lease, assume any liability or responsibility to you or to any third party. You may not modify the Lease if any proposed modification would impact our rights as a third-party beneficiary of provisions of the Lease.

You may not relocate your Store without our approval. If the Lease expires or is terminated without your fault, or if the site for the Premises is destroyed, condemned, or otherwise rendered unusable, we will allow you to relocate your Store to a new site acceptable to us. You must locate a substitute site, and begin operating your Store from that substitute site, within ninety (90) days after you lose the right to occupy the Premises. Any relocation will be at your sole expense, and we may charge you for the reasonable costs we incur, plus a reasonable fee (as set forth in the Operations Manual) for our services, in connection with any relocation of your Store.

We reserve the right (but we have no obligation) to enter into a master lease for the Premises (or a substitute site you propose), whether directly or through an affiliate, and sublease the Premises (or any substitute site you propose) to you upon mutually agreeable terms regarding fees, rent and deposits. You acknowledge that any master lease that we or our affiliate may enter into for the Premises (or a substitute site you propose) shall neither give rise to any liability on our part (or that of our affiliates), nor shall such master lease be construed as an express or implied warranty to you regarding the viability, profitability or merit of the Premises (or a substitute site you propose) for your Store. You further acknowledge that you shall not be a third party

beneficiary of the master lease and that we do not make any representations or guarantees regarding the commercial terms of the master lease, including, but not limited to, the rent. If we or our affiliate sublease the Premises (or a substitute site you propose) to you, you agree to execute our then current form of sublease, as may be modified or amended by us.

C. **BUSINESS DEVELOPMENT.**

You are responsible for developing your Store. We will give you mandatory and suggested specifications and layouts for a model Martinizing Store, including requirements for equipment, dimensions, image, interior layout, decor, fixtures, signs, furnishings, and color scheme. These plans might not reflect the requirements of any federal, state, or local law, code, or regulation, including those arising under the Americans with Disabilities Act (the “**ADA**”) or similar rules governing public accommodations for persons with disabilities. It is your responsibility to prepare a site survey and all required construction plans and specifications to suit the Premises and to make sure that these plans and specifications comply with the ADA and similar rules governing public accommodations for persons with disabilities, other applicable ordinances, building codes, permit requirements, and Lease requirements and restrictions.

You agree to send us construction plans and specifications for review before you begin constructing your Store and all revised or “as built” plans and specifications during construction. We will require you to use approved plans and specifications to design and construct your Store, and we reserve the right to require you to submit to us all contractor bids you receive related to your Store for the purpose of recording and benchmarking total construction costs for the future benefit of other franchisees and all Martinizing Businesses. Any general contractor or other builders you use must maintain builder’s and/or contractor’s insurance (as applicable), lien insurance, and performance and completion bonds in forms and amounts acceptable to us, pursuant to Subsection 8.F below. Because our review is limited to ensuring your compliance with our design requirements, it might not assess compliance with federal, state, or local laws and regulations, including the ADA. Accordingly, you recognize and acknowledge that compliance with these laws is your responsibility. We may inspect the Premises while you are developing your Store.

You agree to do the following, at your own expense, to develop your Business:

- (1) secure all financing required to develop and operate your Business;
- (2) obtain all required building, utility, sign, health, sanitation, business, and other permits and licenses (provided, however, that we will assist you with permits for your exterior signage);
- (3) ensure the Store has all required and properly functioning machinery and equipment. Depending upon the type of store to be opened, this may include a dry cleaning machine, a boiler for steam production, an air compressor, various types of presses and garment finishing equipment, irons, a commercial washer, a commercial water heater, pressing equipment, a garment assembly conveyor, a storage conveyor, a mark-in-bin, assembly and storage racks, an on-line back-up system, and sales counters.

The complete list of machinery, supplies and equipment is attached to this Agreement as Appendix C (the “**Start Up Supplies and Equipment Package**”);

(4) construct all required improvements to the Premises and decorate your Store according to approved plans and specifications;

(5) obtain all customary contractors’ sworn statements and partial and final waivers of lien for construction, remodeling, decorating, and installation services;

(6) purchase or lease, and install, if applicable, according to our specifications, all required interior and exterior signage, store furnishings, window graphics, or other items bearing the Martinizing logo; requirements related to the purchase or lease, maintenance, and inspection of machinery, equipment, and other materials used in connection with the performance of dry cleaning and laundry and all Martinizing Channels fixtures; furnishings; vehicles; office equipment (including the required computer and POS systems that are part of the Start Up Supplies and Equipment Package, facsimile, and other electronic information systems and all equipment components and software necessary for you to accept and process our loyalty cards and participate in our customer loyalty, and similar programs) (collectively, “**Operating Assets**”) for your Business; and

(7) purchase an opening inventory of authorized and approved products, materials, and supplies to operate your Business (which will be part of the Start Up Supplies and Equipment Package).

D. **OPERATING ASSETS.**

You agree to use in operating your Business only those Operating Assets that we approve for Martinizing Businesses as meeting our specifications and standards for quality, design, appearance, function, and performance. You agree to place or display at the Premises (interior and exterior) and on delivery vehicles only the signs, emblems, lettering, logos, and display materials that we approve at any time and from time to time. You agree to purchase or lease approved brands, types, or models of Operating Assets only from suppliers we designate or approve (which may include or be limited to us and/or our affiliates).

E. **COMPUTER SYSTEM.**

Included with your Startup Supplies and Equipment Package, you will receive the computer hardware and software package and Point of Sale (POS) system you will need to run your business. You agree to use the computer hardware, software and POS system (collectively, the “Computer System”) provided, and you must continue to comply with computer specifications that we periodically establish, including hardware components, point of sale software, dedicated phone/cable/modem/power lines, printers and other computer-related accessories and peripheral equipment.

The Computer System will function in part as a web-based POS system for all transactions at the Store. The Computer System currently includes (i) the required POS System from our designated supplier, SPOT; and (ii) the Software Systems we provide to you. Concurrently with signing this Agreement, you must sign our form of license agreement for the proprietary software that you must use in operating your Business. We have acquired and will be the primary licensee with SPOT, and we will sub-license the system to you. Each of the software systems interface and share information directly with one another and the POS System.

We may require you to upgrade or update the Computer System and the software for the POS System, but no more than every 3 years during the term of this Franchise Agreement. We will have independent access to all POS System data (except credit card related data) including transaction and customer contact related data recorded or otherwise stored in your POS System. We will use the POS System data to generate invoices for Royalties, advertising and promotional fees and any other fees set forth in this Franchise Agreement, to facilitate advertising and communication to your customers, to gather sales and related data for use in our Franchise Disclosure Documents, promotional or related material, to generate reports, and for any other purpose that we deem useful.

The types of data to be generated or stored in the Computer System include sales information, costs analysis and other information that we may specify in the Operations Manual. We have independent, unlimited access to the information generated by the Computer System, and there are no contractual limitations on our right to do so. The Computer System must interface with our information technology systems and be electronically linked to us or our designee to enable us (or our designee) to poll the Computer System on a daily or other basis at the time and in the manner we or our designee establish, with or without notice, and to retrieve transaction information (which includes sales, sales mix, supply usage, inventory, and other operations data we and/or our designee deem appropriate). If for any reason polling is not practicable or is prohibited by applicable law, we may require you to download such information into machine readable information compatible with the system operated by us, our affiliates, or our agents and to deliver such information to us by the method and at the temporal frequency as we may reasonably require.

All data, including without limitation any customer lists or customer related data, remains our sole and exclusive property during the term of this Franchise Agreement and any extensions or renewals hereof, and upon expiration or termination or other cessation of this Agreement. Your use of the POS and software to process data does not violate or in any way modify the confidentiality terms of the Franchise Agreement so long as you comply with all other terms of the Franchise Agreement and all such data remains within the required operational system control and custody upon the expiration, termination or other cessation of this Franchise Agreement. You will not have access or use of the data in any capacity, upon the expiration, termination or other cessation of this Franchise Agreement.

You must obtain specific maintenance, updating, upgrading or hosting support contracts for the Computer System from either our designated supplier(s) or directly from us.

You must not modify, delete, or change any software or hardware configurations that we or our designated supplier(s) provide to you without our advanced written consent. We may charge you up-front and ongoing fees for any required or recommended proprietary software or

technology that we or our supplier licenses to you in the future and for other Computer System maintenance and support services provided during the term of the Franchise Agreement.

We reserve the right to change the Computer System at any time. We need not reimburse you for any of these costs. You agree to use our proprietary software, and agree that your use of technology that we or our affiliates develop or maintain will require a monthly, annual, or other license fee for any proprietary software or technology that we or our affiliates license to you and for other maintenance and support services that we or our affiliates provide during the franchise term. As part of the Computer System, you agree to to maintain a functioning email address so that we can send you notices and otherwise communicate with you by this method. We will require you to maintain at least one **Cloud Service Account** and may require you to maintain additional accounts, depending on the size of your network and number of users. The user fee for a Cloud Service Account is \$12 per month. Our modification of specifications for the Computer System, and/or other technological developments or events, might require you to purchase, lease, and/or license new or modified computer hardware and/or software and to obtain service and support for the Computer System. Although we cannot estimate the future costs of the Computer System or required service or support, and although these costs might not be fully amortizable over this Agreement's remaining Term, you agree to incur the costs of obtaining the computer hardware and software comprising the Computer System (or additions and modifications) and required service or support. We may establish a call center to provide Martinizing Businesses with computer hardware and software support services. If we establish a call center, we, our affiliates, or designated suppliers may charge you a monthly or other fee in connection with the call center. In the future, we may group such monthly fees for cloud services, POS license fees, telephone or call center fees, payroll processing and other similar fees together under one bundle called a "**Technology Fee**," but only if we are able to bundle such services together for the betterment of the System and to the advantage of our Franchisees.

You hereby consent to us obtaining, using and disclosing to third parties (including, without limitation, prospective franchisees, financial institutions, legal and financial advisors), for any purpose or as may be required by law, any financial or other information contained in or resulting from information, data, materials, statements and reports received by us or disclosed to us, whether by means of the Computer System or otherwise, in accordance with this Agreement. You will obtain such consents from third parties, including your customers, as are necessary in order to give effect to the foregoing.

F. **STORE OPENING.**

We reserve the right to inspect (or designate a third party to inspect) your Store at any time prior to opening. You agree not to open your Store until:

(1) we notify you in writing that your Store meets our standards and specifications (although our acceptance is not a representation or warranty, express or implied, that your Store complies with any engineering, licensing, environmental, labor, health, building, fire, sanitation, occupational, landlord's, insurance, safety, tax, governmental, or other statutes, rules, regulations, requirements, or recommendations nor a waiver of our right to require continuing compliance with our requirements, standards, or policies);

(2) you (or your Managing Owner) and your other employees satisfactorily complete training;

(3) you pay any amounts then due to us; and

(4) you give us certificates for all required insurance policies, or such other evidence of insurance coverage and payment of premiums as we may request.

Subject to your compliance with these conditions, you agree to open your Business within two hundred forty (240) days after the Effective Date of this Agreement, and you acknowledge that your failure to timely open shall be grounds for termination as set forth in Section 14 below.

3. **FEES.**

A. **INITIAL FRANCHISE FEE.**

As consideration for the grant of the Franchise to you, you agree to pay us a nonrecurring and nonrefundable franchise fee (the “**Initial Franchise Fee**”) according to the type of Store you choose to purchase:

<u>Business</u>	<u>Initial Franchise Fee</u>
Martinizing® Plant	\$62,500
Martinizing® Satellite Store	\$30,000
Martinizing Delivers	\$25,000

The Initial Franchise Fee is as set forth above if you are signing this Agreement for your Initial Franchise. If you are signing this Agreement for an Additional Franchise concurrently with signing a separate franchise agreement for an Initial Franchise, your Initial Franchise Fee is reduced to Fifteen Thousand Dollars (\$15,000). This fee is due, and fully earned by us, when you sign this Agreement. The amount of the Franchise Fee for any Additional Franchise you purchase during the Term will be our then-current initial franchise fee.

B. **OTHER INITIAL FEES.**

(1) **Start Up Supplies and Equipment Package.** When you sign the Lease for your Store, you must also purchase an initial package of products, supplies, and materials to assist in the establishment of your Martinizing Business. The type of initial package you purchase depends on whether the Store is a Plant Store or Satellite Store, and whether you are converting an existing dry cleaners to your Martinizing Store (a “**Conversion**”) or building out a brand new location. The costs of the Start Up Supplies and Equipment Package will vary to account for a variation of items we provide for your Business, and the various forms of this Package are attached here as Appendix C. Modifications will be reflected in the list of items included in your Start Up Supplies and Equipment Package, which you and we will sign when we approve your Premises and sign the specific Appendix C that applies to your Store. The cost of the Start Up Supplies and Equipment Package The Start Up Supplies and Equipment Package may include or be replaced by a set of supplies and materials specifically compiled to accommodate for a Store that is converted from an existing dry cleaning store (a “**Conversion/Rebranding Package**”). The Fee for Signage and Permits is also listed on the Start Up Supplies and Equipment Package, which is

set at \$5,000 for a Satellite and \$8,000 for a Plant, for which we coordinate the ordering of signage and obtaining of permits on your behalf. The applicable Start Up Supplies and Equipment Package and/or Conversion/Re-Branding Package, and its full cost, is attached here as Appendix C.

(2) **Grand Opening Marketing Fee.** You will pay us a Grand Opening Marketing Fee of Eight Thousand Nine Hundred Dollars (\$8,900) when you sign your lease for the Store (see Item 7 of the Disclosure Document), for a Plant or Satellite. For a Martinizing Delivers business, the Grand Opening Marketing Fee is Five Thousand Dollars (\$5,000), and it is due when you sign this Agreement. In connection with your Grand Opening, we will attract targeted customers to your store through direct mail postcards and cooperative mailings or other saturation marketing as available in the marketplace.

C. **ROYALTY FEE.**

Following your start of operations at your location, you agree to pay us a "**Royalty Fee**" in a weekly amount, equal to six percent (6%) of Gross Sales (defined below). The Royalty Fee is due every Monday for the week ending the prior Sunday. We will directly debit your checking account for the weekly Royalty Fee, which we will calculate based on information we obtain, or estimate if such information is not made available to us. You have agreed to and have signed an Authorization for Electronic Funds Transfer (EFT), which is attached as Appendix E of this Agreement, and which will allow us to debit your bank account directly for Royalty Fees. In the event that you cancel your EFT Authorization you will be in breach of this Agreement, and such breach will constitute grounds for termination.

D. **ANNUAL FIXED FEE.**

In addition to the Royalty, after the end of each calendar year, we will charge you a fixed fee (the "**Annual Fixed Fee**") on January 15 of the following year, which will be prorated as necessary based on the number of months your Business was open during the previous year (if it was not open for the entire calendar year). The Annual Fixed Fee is Two Thousand Five Hundred Dollars (\$2,500) for an Initial Franchise and One Thousand Dollars (\$1,000) for an Additional Franchise. You must pay the entire Annual Fixed Fee even if your Business closes and does not reopen.

E. **MARKETING AND PROMOTION FUND FEE.**

Regional/National Marketing. Following your start of operations at your location, you agree to pay us a "**Brand Development Fee**" in a weekly amount, equal to two percent (2%) of Gross Sales (defined below). The Brand Development Fee is due every Monday for the week ending the prior Sunday. If we do not receive your Brand Development Fee within seven days of its due date, we will be permitted to directly debit your checking account for the unpaid weekly fee, which we will calculate based on information we obtain, or estimate if such information is not made available to us. Your EFT authorization noted in paragraph 3.C above, applies to the collection of the Brand Development Fee also. Brand Development Fees will be held collectively in the Brand Development Fund, which is described in greater detail in Paragraph 9 hereof.

Local Advertising: You must spend at least two percent (2%) of the Franchised Business' Gross Sales for local advertising and marketing. Your local advertising and marketing must follow our guidelines. You must keep a record of the amounts spent for local advertising and, if requested, submit or permit us to inspect your records. You may develop advertising materials for your own use, at your cost. You must submit to us samples of all advertising, promotional and marketing materials that we have not prepared or previously approved at least thirty (30) days before its first use. You may not use any advertising or promotional materials that we have disapproved. If you do not document your minimum advertising expenses of at least two percent (2%) of your Gross Sales, we may collect such amount, or the balance thereof, from you and spend such amount for advertising on your behalf.

All advertising and marketing materials developed for your Franchised Business must contain notices of our Website domain name in the manner we designate. You may not develop, maintain or authorize any website that mentions or describes you or the Franchised Business or displays any of the Marks, except that website that we have specifically authorized in writing or made available for your use.

F. **CLOUD SERVICE FEE.**

You agree to pay us a weekly cloud services fee (“**Cloud Services Fee**”) in the amount of Twelve Dollars (\$12) per month/user. The Cloud Services Fee is payable in the same manner as the Royalty. We may increase the amount of the Cloud Services Fee during the Term upon notice to you.

G. **DEFINITION OF “GROSS SALES”.**

As used in this Agreement, the term “**Gross Sales**” means all incoming revenue you derive from operating your Business, including, but not limited to, all amounts that you receive for services and products sold or rendered by your Business and the Martinizing Channels you offer, and whether from cash, check, credit and debit card, barter exchange, trade credit, or other credit transactions and all other income of every kind and nature related to your Business and the Martinizing Channels you offer, but (1) excluding all federal, state, or municipal sales, use, or service taxes collected from customers and paid to the appropriate taxing authority and (2) reduced by the amount of any documented refunds, credits, allowances, and charge-backs your Business in good faith gives to customers in accordance with our policies.

H. **INTEREST ON LATE PAYMENTS.**

All amounts which you owe us or our affiliate for any reason, will bear interest accruing as of their original due date at the maximum interest rate permitted by law. If there is no applicable legal maximum rate, interest will be eighteen percent (18%) per annum, calculated beginning on the date such amounts were originally due and ending on the date we receive the past due amounts. We may debit your bank account automatically for late fees and interest. You acknowledge that this Subsection 3.H is not our agreement to accept any payments after they are due or our commitment to extend credit to, or otherwise finance your operation of, your Business. Your

failure to pay all amounts when due constitutes ground for termination of this Agreement, as provided in Article 14 hereof.

I. APPLICATION OF PAYMENTS.

Despite any designation you make, we may apply any of your payments to any of your past due indebtedness to us. We may set off any amounts you or your owners owe us or our affiliates against any amounts we or our affiliates owe you or your owners. You may not withhold payment of any amounts you owe us due to our alleged nonperformance of any of our obligations under this Agreement.

J. METHOD OF PAYMENT.

Before your Business opens, you agree to sign and deliver to us the document(s) we require (the current form of which is set forth in **Appendix E**) to authorize us to debit your business checking account automatically for the Royalty, Fund contributions, Annual Fixed Fee, and other amounts due under this Agreement and for your purchases from us and/or our affiliates (the “**Electronic Depository Transfer Account**” or “**EDTA**”). We will debit the EDTA for these amounts on their due dates. You agree to ensure that funds are available in the EDTA to cover our withdrawals. If there are insufficient funds in the EDTA to cover any such amount owed (or, if you are paying by check and a check is returned for insufficient funds), you must pay us, on demand, a processing fee of Fifty Dollars (\$50), plus reimbursement of our additional administrative expenses and charges. If there are insufficient funds in the EDTA, or if your check is returned for insufficient funds, then we may require you to make all subsequent payments to us by certified check.

If you fail to report your Business’s Gross Sales, we may debit your EDTA for one hundred percent (100%) of the last Royalty and Fund contribution that we debited (together with the Late Payment Fee noted in Subsection 3.I above). If we discover, once we have determined your Business’s true and correct Gross Sales, that the amounts we debited from your EDTA are less than the amounts you actually owe us, then we will debit your EDTA for the remaining balance on the day we specify. Conversely, if we discover that the amounts we debited from your EDTA are greater than the amounts you actually owe us, then we will credit an amount equal to: (i) the excess against the amounts we otherwise would debit from your EDTA during the following week. You will also owe us a Non-Reporting Fee of \$500 per week for each week for which you were obligated to report Gross Sales and failed to do so.

We may require you to pay any amounts due under this Agreement or otherwise by means other than automatic debit (*e.g.*, by check) whenever we deem appropriate, and you agree to comply with our payment instructions.

4. TRAINING AND ASSISTANCE.

A. INITIAL TRAINING.

Initial Training and Site Support Fee. Before the Store begins operating, we will furnish training and site support for the operation of the Martinizing Business to you (or, if you are a corporation or partnership, your managing shareholder or partner) and one (1) additional employee

you elect to enroll in the training program. For Plant franchisees, Initial Training and Site Support is Seven Thousand dollars (\$7,000). For Satellite Store franchisees, Initial Training and Site Support is Four Thousand dollars (\$4,000). The fee is due when you sign your Lease. For a Martinizing Delivers model, the Initial Training Fee is Four Thousand dollars (\$4,000) and is due when you sign this Agreement. The training courses are described in greater detail in the Disclosure Document. The initial training fee is refundable on a pro rata basis for training that is not completed due to circumstances beyond your control. Training will be conducted by using a combination classroom instruction and by using our proprietary Operations Manual. Training will be provided at an operating Martinizing business or at one of our training facilities, and at one of our corporate offices. Commencement assistance consists of approximately one to three working days by our representative assisting you at your Store. You (or your managing shareholder or partner) and your employee are required to complete the initial training to our satisfaction. You also are required to participate in all other activities required to operate the FRANCHISE. Additionally, we will furnish initial training and site support such as for site location, lease review, wholesaler support, store build-out and other start up assistance to you (or your managing shareholder or partner) and the aforementioned number of additional employees, as needed. You will be responsible for all travel and living expenses which you (or your managing shareholder or partner) and your employee incur in connection with training. If we determine that you (or your managing shareholder or partner) are unable to complete initial training to our satisfaction, we have the right to terminate this Agreement pursuant to the terms hereof.

B. ONGOING TRAINING.

We may require you (or your managing shareholder or partner) and/or previously trained and experienced employees to attend periodic refresher training courses at such times and locations that we designate, and we may charge reasonable fees for such courses. We also may require you to pay us fees for our training your new employees hired after your Franchised Business commences operations, if you so request. You agree to give us reasonable assistance in training or assisting other Martinizing franchisees.

Such refresher training may include industry-related training and/or certification, including any re-training or re-certifications as we may reasonably require. We may charge reasonable registration or similar fees for these courses of no more than \$400 per day. We will not require in-person attendance at these training courses by you or your personnel for more than ten (10) days during a calendar year.

Besides attending these courses, you agree to attend an annual meeting of all Martinizing Business franchises (the “**Martinizing Convention**”) and any regional meetings of Martinizing Business franchisees (“**Martinizing Regional Meeting**”) at the locations we designate, if we organize and plan (at our option) such a meeting. You agree to pay all costs to attend these online or in-person training courses and meetings. You are also responsible for your and your employees’ travel, room, and board, plus wages and benefits, including workers’ compensation insurance, while attending.

You understand and agree that any specific ongoing training or advice we provide does not create an obligation (whether by course of dealing or otherwise) to continue to provide such

specific training or advice, all of which we may discontinue and modify at any time and from time to time.

C. GENERAL GUIDANCE AND CONSULTATION SERVICES.

We will advise you at any time and from time to time regarding your Business's operation based on your reports or our inspections and will guide you with respect to: (1) standards, specifications, and operating procedures and methods that Martinizing Businesses use; (2) purchasing required and authorized Operating Assets, Standard Machinery and Equipment, Limited Machinery and Equipment, and related services and products and other items and arranging for their distribution to you; (3) advertising and marketing materials and programs; (4) employee training; and (5) administrative, bookkeeping, accounting, and inventory control procedures.

We will guide you in our operations manual (the "**Operations Manual**"); in bulletins or other written materials; by electronic media; by telephone consultation; and/or at our office or your Store. If you request, and we agree to provide (subject to our availability), additional or special guidance, assistance, or training, you agree to pay our then applicable charges, including our personnel's per diem charges and travel and living expenses.

If you request, and we agree to provide (subject to our availability) either (i) additional guidance, assistance, or training, or (ii) specialized Consultation Services, then you agree to pay our then applicable charges, including our personnel's per diem charges and travel and living expenses. For purposes of this Agreement, "**Consultation Services**" may include any advice related to the operation of your Business, on-site reviews of your operations and additional training as needed, on-site training for you (or your Managing Owner), Store Managers, or any of your other personnel, and other specialized assistance.

D. OPERATIONS MANUAL.

We will provide you access during the Term to one (1) copy of our Operations Manual, which could consist of videos, computer software, other electronic media, and/or written materials. The Operations Manual contains mandatory and suggested specifications, standards, operating procedures, and rules ("**System Standards**") that we periodically prescribe for operating a Martinizing Business and information on your other obligations under this Agreement. We may modify the Operations Manual periodically, in our sole judgment, to reflect changes in System Standards. For purposes of this Agreement, all written instructions or communications we or our affiliates provide to all, or a substantial number of, Martinizing Business franchisees concerning aspects or modifications to the System shall be deemed part of the Operations Manual.

You agree to keep your copy of the Operations Manual current and in a secure location at your Store. If there is a dispute over its contents, our master copy of the Operations Manual controls. You agree that the Operations Manual's contents are confidential and that you will not disclose the Operations Manual to any person other than Business employees who need to know its contents. You may not at any time copy, duplicate, record, or otherwise reproduce any part of the Operations Manual. If your copy of the Operations Manual is lost, destroyed, or significantly damaged, you agree to obtain a replacement copy at our then applicable charge.

At our option, we may post some or all of the Operations Manual on a restricted Website or extranet to which you will have access. (For purposes of this Agreement, “**Website**” means an interactive electronic document contained in a network of computers linked by communications software, including, without limitation, the internet and World Wide Web home pages). If we do so, you agree to monitor and access the Website or extranet for any updates to the Operations Manual or System Standards. Any passwords or other digital identifications necessary to access the Operations Manual on a Website or extranet will be deemed to be part of Confidential Information (defined in Section 6 below).

E. **DELEGATION OF PERFORMANCE.**

You agree that we have the right to delegate the performance of any portion or all of our obligations under this Agreement to third-party designees, whether these designees are our agents or independent contractors with whom we have contracted to perform these obligations. If we do so, such third-party designees will be obligated to perform the delegated functions for you in compliance with this Agreement.

5. **MARKS.**

A. **OWNERSHIP AND GOODWILL OF MARKS.**

We own the Marks. Therefore, you agree and acknowledge that the Marks are our exclusive property, and that we are granting you a license to use the Marks in connection with your Business’s development and operation. Your right to use the Marks is derived only from this Agreement and is limited to your operating your Business according to this Agreement and all System Standards we prescribe during the Term. Your unauthorized use of the Marks is a breach of this Agreement and infringes our rights in the Marks. You acknowledge and agree that your use of the Marks and any goodwill established by that use are exclusively for our and/or our affiliate’s benefit and that this Agreement does not confer any goodwill or other interests in the Marks upon you (other than the right to operate your Business under this Agreement). All provisions of this Agreement relating to the Marks apply to any additional proprietary trade and service marks we authorize you to use. You may not at any time during or after the Term and the Renewal Term contest, or assist any other person in contesting, the validity, or our and/or our affiliate’s ownership, of the Marks.

B. **LIMITATIONS ON YOUR USE OF MARKS.**

You agree to use the Marks as your Business’s sole identification, except that you agree to identify yourself as its independent owner in the manner we prescribe. You may not use any Mark (1) as part of any corporate or legal business name, (2) with any prefix, suffix, or other modifying words, terms, designs, or symbols (other than logos we have licensed to you), (3) in selling any unauthorized services or products, (4) as part of any domain name, homepage, electronic address, or otherwise in connection with a Website (other than our Website), or (5) in any other manner that we have not expressly authorized in writing.

You may not use any Mark in advertising the transfer, sale, or other disposition of your Business or an ownership interest in you without our prior written consent, which we will not unreasonably withhold. You agree to display the Marks prominently as we prescribe at your Store and on forms, advertising, supplies, and other materials we designate. You agree to use the notices of trade and service mark registrations that we specify and to obtain any fictitious or assumed name registrations required under applicable law.

C. **NOTIFICATION OF INFRINGEMENTS AND CLAIMS.**

You agree to notify us immediately of any apparent infringement or challenge to your use of any Mark, or of any person's claim of any rights in any Mark, and not to communicate with any person other than us, our attorneys, and your attorneys, regarding any infringement, challenge, or claim. We may take the action we deem appropriate (including no action) and control exclusively any litigation, U.S. Patent and Trademark Office ("USPTO") proceeding, or other administrative proceeding arising from any infringement, challenge, or claim or otherwise concerning any Mark. You agree to sign any documents and take any other reasonable action at your expense that, in the opinion of our attorneys, are necessary or advisable to protect and maintain our interests in any litigation or USPTO or other proceeding or otherwise to protect and maintain our interests in the Marks.

D. **DISCONTINUANCE OF USE OF MARKS.**

If, in our sole judgment, it becomes advisable at any time for us and/or you to modify or discontinue using any Mark and/or to use one or more additional or substitute trade or service marks, you agree to comply with our directions within a reasonable time after receiving notice. We need not reimburse you for your direct expenses of changing your Store's signage, for any loss of revenue due to any modified or discontinued Mark, or for your expenses of promoting a modified or substitute trademark or service mark.

Our rights in this Subsection 5.D apply to any and all of the Marks (and any portion of any Mark) that we authorize you to use in this Agreement. We may exercise these rights at any time and for any reason, business or otherwise, that we think best. You acknowledge both our right to take this action and your obligation to comply with our directions.

E. **INDEMNIFICATION FOR USE OF MARKS.**

We agree to reimburse you for damages and reasonable expenses that you incur up to the amount of the Franchise Fee in any trademark infringement proceeding disputing your authorized use of any Mark under this Agreement if you have timely notified us of, and comply with our directions in responding to, the proceeding. At our option, we may defend and control the defense of any proceeding arising from your use of any Mark under this Agreement.

6. **CONFIDENTIAL INFORMATION.**

We possess (and will continue to develop and acquire) certain confidential information, some of which constitutes trade secrets under applicable law (the "**Confidential Information**"), relating to developing and operating Martinizing Businesses, including (without limitation):

- (1) site selection criteria and layouts, designs and other plans and specifications for Martinizing Stores;
- (2) training and operations materials and manuals;
- (3) methods, formats, specifications, standards, systems, procedures, sales and marketing techniques, knowledge, and experience used in developing and operating Martinizing Businesses;
- (4) marketing, promotional and advertising research and programs for Martinizing Businesses;
- (5) knowledge of specifications for and suppliers of Operating Assets and other services, products and supplies, including supplier pricing and related terms;
- (6) any computer software or similar technology which is proprietary to us or the System, including, without limitation, digital passwords and identifications and any source code of, and data, reports, and other printed materials generated by, the software or similar technology;
- (7) knowledge of the operating results and financial performance of Martinizing Businesses other than your Business;
- (8) graphic designs and related intellectual property;
- (9) customer solicitation, communication and retention programs, along with data and information used or generated in connection with those programs;
- (10) all data and other information generated by, or used in, the operation of your Business, including customer names, addresses, phone numbers, pricing and other information supplied by any customer (such as credit card information or personal information), and any other information contained at any time and from time to time in the Computer System or that visitors to your Store (including you and your personnel) provide to the Website for the network of Martinizing Businesses;
- (11) future business plans relating to Martinizing Businesses and the Martinizing franchise opportunity, including expansion and development plans; and
- (12) any other information that we reasonably designate as confidential or proprietary.

You acknowledge and agree that you will not acquire any interest in Confidential Information, other than the right to use it as we specify in operating your Business during the Term and the Renewal Term, and that Confidential Information is proprietary, includes our trade secrets, and is disclosed to you only on the condition that you agree, and you in fact do agree, that you:

- (a) will not use Confidential Information in any other business or capacity;

(b) will keep each item deemed to be part of Confidential Information absolutely confidential, both during the Term and the Renewal Term and then thereafter for as long as the item is not generally known in the dry cleaning and laundry service industry;

(c) will not sell, trade or otherwise profit in any way from the Confidential Information (including by selling or assigning any customer names, addresses, phone numbers, e-mail contact information, or related data), except using methods that we may have authorized or approved in our sole judgment;

(d) will not make unauthorized copies of any Confidential Information disclosed via electronic medium or in written or other tangible form;

(e) will adopt and implement reasonable procedures to prevent unauthorized use or disclosure of Confidential Information, including, without limitation, restricting its disclosure to Business personnel and others and using non-disclosure and non-competition agreements with those having access to Confidential Information; and

(f) will notify us within twenty-four (24) hours of any unauthorized use or disclosure of Confidential Information (whether by you or any of your employees or personnel).

Confidential Information does not include information, knowledge, or know-how which you can demonstrate lawfully came to your attention before we provided it to you directly or indirectly; which, at the time we disclosed it to you, already had lawfully become generally known in the dry cleaning and laundry service industry through publication or communication by others (without violating an obligation to us); or which, after we disclose it to you, lawfully becomes generally known in the dry cleaning and laundry service industry through publication or communication by others (without violating an obligation to us). However, if we include any matter in Confidential Information, anyone who claims that it is not Confidential Information must prove that one of the exclusions provided in this paragraph is fulfilled.

All ideas, concepts, techniques, or materials relating to a Martinizing Business, whether or not protectable intellectual property and whether created by or for you or your owners or employees, must be promptly disclosed to us and will be deemed to be our sole and exclusive property, part of the System, and works made-for-hire for us. To the extent that any item does not qualify as a “**work made-for-hire**” for us, by this paragraph you hereby assign ownership of that item, and all related rights to that item, to us, hereby waive all moral rights in that item, and hereby agree to take whatever action (including signing assignment or other documents) we request to evidence our ownership or to help us obtain intellectual property rights in the item (including signing assignment or other documents, and causing your owners, employees and contractors to do the same). You may not use any such idea, concept, technique or material in connection with your Business without our prior approval.

7. EXCLUSIVE RELATIONSHIP.

You acknowledge that we have granted you the Franchise in consideration of and reliance upon your agreement to deal exclusively with us. You therefore agree that, during the Term and the Renewal Term, neither you, any of your owners, nor any of your or your owners' spouses will:

- (a) have any direct or indirect controlling or non-controlling interest as an owner – whether of record, beneficially, or otherwise – in a Competitive Business, wherever located or operating (except that equity ownership of less than two percent (2%) of a Competitive Business whose stock or other forms of ownership interest are publicly traded on a recognized United States stock exchange will not be deemed to violate this subparagraph);
- (b) perform services as a director, officer, manager, employee, consultant, representative, or agent for a Competitive Business, wherever located or operating;
- (c) divert or attempt to divert any actual or potential business or customer of your Business to a Competitive Business;
- (d) directly or indirectly loan any money or other thing of value to, or guarantee any other person's loan to, any Competitive Business or any owner, director, officer, manager, employee or agent of any Competitive Business, wherever located or operating; or
- (e) engage in any other activity which, in our sole opinion, might injure the goodwill of the Marks and System.

The term “**Competitive Business**” means (i) any business which provides dry cleaning and/or laundry services or (ii) any business granting franchises or licenses to others to operate the type of business specified in subparagraph (i) (other than a Martinizing Business operated under a franchise agreement with us).

You agree to have all of the following persons sign, and you will submit to us executed copies of, our then current form of Nondisclosure and Non-Competition Agreement (the current form of which is set forth in **Exhibit D** to the Disclosure Document) from all of the following persons: (i) if you are an Entity, all your officers, directors, shareholders, partners, members and owners, and those of any Entity directly or indirectly controlling you, concurrent with the execution of this Agreement, or at such time as they assume such status; and (ii) all of the persons enumerated in this Section 7 and Subsection 15.D below. You also agree to have your Store Manager and any supervisory or other employees who have received or will receive training from us, prior to their employment, sign our then current form of Nondisclosure Agreement. You agree to provide us copies of all executed Nondisclosure and Non-Competition Agreements and Nondisclosure Agreements no later than ten (10) days following their execution.

8. SYSTEM STANDARDS.

A. CONDITION AND APPEARANCE OF THE STORE.

You agree that:

(1) you will maintain the condition and appearance of your Store, its Operating Assets and the Premises in accordance with System Standards and consistent with the image of a Martinizing Store and in observing the highest standards of cleanliness, sanitation, efficient, courteous service and pleasant ambiance, and in that connection will take, without limitation, the following actions during the Term: (1) thorough cleaning, repainting and redecorating of the interior and exterior of the Premises at intervals we prescribe; (2) interior and exterior repair of the Premises; and (3) repair or replacement of damaged, worn out or obsolete Operating Assets or Standard Machinery and Equipment or Limited Machinery and Equipment;

(2) you will place or display at the Premises (interior and exterior) only those signs (including neon), emblems, designs, artwork, lettering, logos, and display and advertising materials that we at any time and from time to time approve;

(3) if at any time we determine, in our reasonable judgment, the general state of repair, appearance or cleanliness of the Premises of your Store or its fixtures, furnishings, equipment or signs does not meet our System Standards, we have the right to notify you, specifying the action you must take to correct the deficiency. If (i) within twenty-four (24) hours after you received our notice in the case of a deficiency of a health, safety, or sanitary law, ordinance or regulation or (ii) within ten (10) days after you received our notice in the case of any other deficiencies, you do not initiate action to correct the deficiency and then continue in good faith and with due diligence, a bona fide program to complete the correction of the deficiency, we have the right, in addition to all other remedies, to enter the Premises or your Store and do any required maintenance or refurbishing on your behalf. You must reimburse us on demand for all costs and expenses we incur in connection with such maintenance and refurbishment; and

(4) once every five (5) years, on notice from us, you agree to remodel, expand, redecorate, reequip and/or refurbish the Premises and your Store at your expense to reflect changes in the operations of Martinizing Stores which we prescribe and require of new franchisees. You agree to diligently complete such renovation within a reasonable time after commencing the work. While remodeling expenses are primarily paid to third-party contractors, some components (e.g., Lockers, light fixtures) will be obtained by us and you will reimburse us for these expenses.

B. BUSINESS SPECIFICATIONS, STANDARDS AND PROCEDURES.

You agree that: (1) your Business (including the Martinizing Channels) will offer for sale all services and products that we specify at any time and from time to time; (2) your Business will offer and sell approved services and products only in the manner we have prescribed; (3) you will

not offer for sale or sell at any location any services or products we have not approved in advance; (4) all services and products will be offered and sold only at retail or, for certain Martinizing Channels, in accordance with System Standards, and you will not offer or sell any services or products at wholesale or on the internet; and (5) you will discontinue selling and offering for sale any services or products, including any of the Martinizing Channels, that we at any time decide (in our sole judgment) to disapprove in writing.

C. **APPROVED SERVICES, PRODUCTS, DISTRIBUTORS AND SUPPLIERS.**

We have developed or may develop standards and specifications with respect to certain services and products and with respect to certain types, models and brands of required Operating Assets, and related products, materials and supplies. We reserve the right at any time and from time to time to approve specifications or suppliers and distributors of the above or other services and products that meet our reasonable standards and requirements. If we do so, you agree to purchase only such services and products meeting those specifications, and if we require it, only from distributors and other suppliers we have approved, including or limited to ourselves or our affiliates.

We may limit the number of approved distributors or suppliers (collectively “**suppliers**”) with whom you may deal, designate sources that you must use, and/or refuse any of your requests for any reason, including that we have already designated an exclusive source (which might be us or our affiliate) for a particular item or service.

We and our affiliates may mark up and profit on the sale of services or goods to you and/or receive payments, rebates, or other material consideration from suppliers on account of such suppliers’ dealings with us, you and other franchisees, and may keep or use any amounts so received without restriction and for any purpose we and our affiliates deem appropriate. We may concentrate purchases with one or more suppliers or distributors to obtain lower prices or the best advertising support or services. Approval of a supplier or distributor may be conditioned on requirements relating to product quality, prices, consistency, reliability, financial capability, labor relations, customer relations, frequency of delivery, concentration of purchases, standards of service, including prompt attention to complaints, or other criteria and may be temporary, pending our continued evaluation of the supplier or distributor at any time and from time to time.

If you would like to purchase any items from any unapproved supplier or distributor, you must submit to us a written request for approval of the proposed supplier or distributor. We have the right to inspect the proposed supplier’s or distributor’s facilities, and to require product samples from the proposed supplier or distributor to be delivered at our option either directly to us or to any independent, certified laboratory which we designate for testing. Either you or the proposed supplier or distributor must pay us a fee of \$200 plus the actual cost of the test to make the evaluation. We have no obligation to approve any new supplier, product, or service you propose. We reserve the right to periodically re-inspect the facilities and products of any approved supplier or distributor and to revoke our approval if the supplier or distributor does not continue to meet any of our criteria.

You must use only the techniques and products that we require in the operation of your Business which meet our current requirements and specifications. You may only use forms, bags,

boxes, and other packaging with our Marks or other design specifications which meet our current requirements and quality standards for Martinizing Businesses. We and our affiliates may develop specially formulated and prepared proprietary products (“**Proprietary Products**”) for use in the operation of Martinizing Businesses. We reserve the right to require you to purchase Proprietary Products from us, our affiliates or a designated third party supplier.

D. COMPLIANCE WITH LAWS AND GOOD BUSINESS PRACTICES.

You must secure and maintain in force all required licenses, permits and certificates relating to the operation of your Business and must operate your Business in full compliance with all applicable laws, ordinances and regulations, including, without limitation, government regulations relating to occupational hazards, health, wastewater treatment, worker’s compensation and unemployment insurance and withholding and payment of federal and state income taxes, social security taxes and sales and service taxes. All advertising and promotion by you must be completely factual and must conform to the highest standards of ethical advertising. The Business must in all dealings with its customers, suppliers, us and the public adhere to the highest standards of honesty, integrity, fair dealing and ethical conduct. You agree to refrain from any business or advertising practice which may be injurious to our business and the goodwill associated with the Marks and other Martinizing Businesses. You must notify us in writing within five (5) days of the commencement of any action, suit or proceeding, and of the issuance of any order, writ, injunction, award or decree of any court, agency or other governmental instrumentality, which may adversely affect your operation or financial condition or that of your Business and of any notice of violation of any law, ordinance, or regulation relating to your Business.

E. MANAGEMENT OF THE BUSINESS/CONFLICTING INTERESTS.

The Business must at all times be under the full-time direct, on-premises supervision of you (or your Managing Owner), or a Store Manager who has successfully completed the Martinizing Training Program. You shall take such steps as are necessary to ensure that any and all of your Business’s employees preserve good customer relations; render competent, prompt, courteous, and knowledgeable service; and meet such minimum standards as we may establish from time to time in the Operations Manual or otherwise in writing. You and your employees shall handle all customer complaints, refunds, returns, and other adjustments in a manner that will not detract from the name and goodwill of the Marks, the System or us.

Besides you (or your Managing Owner) or the Store Manager, your Business must at all times have a sufficient number of personnel on staff to operate your Business in accordance with our then current System Standards.

You (or your Managing Owner) must keep us informed at all times of the identity of the Store Manager, and ensure that personnel are competent and proficient in their duties. You must conduct background checks on all Store Managers and any employee who will (i) have access to a customer’s personal Information; (ii) perform Locker Services; or (iii) perform On-Demand Services. You must require that all employees who have access to a customer’s home or business are bonded and insured. You (or your Managing Owner) are solely responsible for all employment decisions for your Business, including hiring, firing, remuneration, personnel policies, training,

benefits, and maintaining supervision and discipline, regardless of whether you received advice from us on any of these subjects.

F. **INSURANCE.**

During the Term you must maintain the following categories of insurance coverage in force at your sole expense, all containing the minimum liability coverage we prescribe at any time and from time to time in the Operations Manual

You understand that the types and coverage amounts we prescribe are only minimums, and that we have not assessed whether, and do not guarantee that, the types and coverage amounts are sufficient for your Business.

We may periodically increase the amounts of coverage required under these insurance policies and/or require different or additional insurance coverage (including reasonable excess liability insurance, employment practices liability insurance and cybersecurity insurance) at any time to reflect inflation, identification of new risks, changes in law or standards of liability, higher damage awards or other relevant changes in circumstances. Required coverage must contain the following: (i) a severability of interest clause for all named insureds, with no cross-liability for exclusion; (ii) insurers' waiver of subrogation against us and all named insureds; and (iii) a waiver of rights of recovery against us.

These insurance policies must name us, any affiliates we designate, and the Indemnified Parties (as defined in Subsection 16.D below) as additional named insureds for claims arising from your Business's operation and provide for ten (10) days' prior written notice to us of a policy's material modification, cancellation or expiration. These insurance policies must be primary to and without right of contribution from any other insurance policy purchased by us or any other Indemnified Party; must not limit or reduce coverage for you if there is a claim by us or any one or more of the other Indemnified Parties; and must extend to and provide indemnity for all of your indemnification obligations to us and the other Indemnified Parties under this Agreement. You agree not to reduce the policy limits, restrict coverage, cancel or otherwise alter or amend your insurance policies without our prior written consent. If there is a claim by us or any one or more of the other Indemnified Parties against you, you must, upon our request, assign to us all rights which you then have or thereafter may have with respect to the claim against the insurer(s) providing the coverages described above.

You must provide us with copies of your Certificates of Insurance or other evidence we require evidencing the required coverages no later than ten (10) days before you commence operations of your Business and annually thereafter. You agree to renew all policies and documents, and to furnish us copies of renewal Certificates of Insurance or other evidence we require of your maintaining this insurance coverage and paying premiums prior to the expiration date of the policy, and, if not previously provided, to furnish us copies of such documents within five (5) days of our written request.

If you fail or refuse to obtain and maintain the insurance we specify, in addition to our other remedies, we may (but need not) obtain such insurance for you and your Business on your behalf, in which event you shall cooperate with us and reimburse us for all premiums, costs and

expenses we incur in obtaining and maintaining the insurance, plus a reasonable fee for our time incurred in obtaining such insurance. If we obtain such insurance for you and your Business on your behalf, you must furnish all information necessary to obtain and maintain such insurance within fifteen (15) days of our request.

G. DISCOUNTS, GIVEAWAYS, AND OTHER PROMOTIONS.

You acknowledge and agree that periodic discounts, giveaways and other promotions are an integral part of the System. Therefore, you agree to offer and participate in any required discounts, giveaways and other promotions at your sole cost and expense, in accordance with our specifications. You further agree to honor the discounts, giveaways and other promotions offered by other Martinizing Business franchisees under any such program we establish, as long as such compliance does not contravene any applicable law, rule or regulation.

H. COMPLIANCE WITH SYSTEM STANDARDS.

You acknowledge and agree that operating and maintaining your Business according to System Standards are essential to preserve the goodwill of the Marks and all Martinizing Businesses. Therefore, you agree at all times to operate and maintain your Business according to all of our System Standards, as we periodically modify and supplement them, even if you believe that a System Standard, as originally issued or subsequently modified, is not in the System's or your Business's best interests. Although we retain the right to establish and periodically modify System Standards that you have agreed to maintain, you retain the right to and responsibility for the day-to-day management and operation of your Business and implementing and maintaining System Standards for your Business.

As examples, and without limitation, System Standards may regulate any one or more of the following, in addition to the items described in Subsections 8.A through 8.H above:

- (1) any aspects of the Martinizing Channels;
- (2) terms and conditions of the sale and delivery of, and terms and methods of payment for, Proprietary Products, other products, and services that you obtain from us and affiliated and unaffiliated suppliers; and our and our affiliates' right not to sell you any Proprietary Products, or other products or to provide you with services, or to do so only on a "**cash-on-delivery**" or other basis, if you are in default under any agreement with us;
- (3) inventory, quality, and safety requirements for products, services, equipment, and supplies;
- (4) sales, marketing, advertising, promotional and loyalty programs and materials and media, including social media Websites, used in these programs ("**social media**" includes personal blogs, common social networks like Facebook, professional networks like LinkedIn, live-blogging tools like Twitter, virtual worlds, file, audio and video-sharing sites, and other similar social networking or media sites or tools);

(5) use and display of the Marks at your Store, on vehicles, and on boxes, bags, forms, and other supplies;

(6) staffing levels for your Business; identifying your Business's personnel; and employee qualifications, training, dress, and appearance (although you have sole responsibility and authority concerning employee selection and promotion, hours worked, rates of pay and other benefits, work assigned, and working conditions);

(7) days and hours of operation;

(8) customer service protocols;

(9) specifications of service, quality, and store and delivery vehicle maintenance and appearance;

(10) participation in market research and testing and service and product development programs and preparation of reports and other relevant information we may request regarding the market research, as well as participation in, and dues assessed for, advisory councils;

(11) accepting credit and debit cards, other payment systems, and check verification services;

(12) bookkeeping, accounting, data processing, and recordkeeping systems and forms; formats, content, and frequency of reports to us of sales, revenue, financial performance, and condition; and giving us copies of tax returns and other operating and financial information concerning your Business;

(13) use of social media and mobile applications in connection with your Business's operation or otherwise referencing the System; and

(14) any other aspects of operating and maintaining your Business that we determine to be useful to preserve or enhance the efficient operation, image, or goodwill of the Marks and Martinizing Businesses.

You agree that you are obligated to comply with all System Standards we prescribe in the Operations Manual, or otherwise communicate to you in writing or another tangible form during the Term (for example, via System extranet or Website), as we periodically modify them.

I. MODIFICATION OF SYSTEM STANDARDS.

We periodically may modify System Standards, which may accommodate regional or local variations, and these modifications may obligate you to invest additional capital in your Business and/or incur higher operating costs. You agree to implement any changes in System Standards within the time period we request, whether they involve refurbishing or remodeling the Premises or any other aspect of your Business, buying new Operating Assets, adding new services, or otherwise modifying the nature of your operations, as if they were part of this Agreement as of the Effective Date.

9. MARKETING.

A. THE BRAND DEVELOPMENT FUND.

Recognizing the value of advertising and marketing to the goodwill and public image of Martinizing Businesses, we have established a Brand Development Fund (the “**Fund**”) for the advertising, marketing, and public relations programs and materials we deem appropriate. You agree to contribute to the Fund the amounts we require as set forth in Subsection 3.E above.

We have the right to collect for deposit into the Fund any advertising, marketing, or similar allowances paid to us by suppliers who deal with Martinizing Businesses and with whom we have agreed that we will so deposit these allowances. (These payments are different from those which are not designated by suppliers to be used exclusively for advertising or similar purposes, and which we and our affiliates therefore may use for any purposes we and they deem appropriate, as provided in Subsection 8.C above.)

We will direct all programs that the Fund finances, with sole control over the creative concepts, materials, and endorsements used and their geographic, market, and media placement and allocation. The Fund may pay for preparing and producing video, audio, and written materials and electronic media; creative, production, and administrative expenses incurred for advertising or promotional materials we develop, including market research, compensation of our marketing and sales executives and staff, hiring outside advertising and public relations agencies to provide assistance and support for public relations, market research, piloting, consultations for work performed to test initiatives, and the Martinizing Convention or Martinizing Regional Meeting; costs associated with inbound marketing channels and providers (for example, Google, Facebook and Yelp); developing, implementing, and maintaining an electronic commerce Website and/or related strategies; administering regional and multi-regional marketing and advertising programs, including purchasing trade journal, direct mail, and other media advertising; and supporting public relations, market research, and other advertising, promotion, and marketing activities.

We will account for the Fund separately from our other funds and not use the Fund for any of our general operating expenses. However, we may use the Fund to pay the reasonable salaries and benefits of personnel who manage and administer the Fund, the Fund’s other administrative costs, travel expenses of personnel while they are on Fund business, meeting costs, overhead relating to Fund business, and other expenses that we incur in activities reasonably related to administering or directing the Fund and its programs, including, without limitation, conducting market research, public relations, preparing advertising, promotion, and marketing materials, and collecting and accounting for Fund contributions.

The Fund will not be our asset. Although the Fund is not a trust, we will hold all Fund contributions for the benefit of the contributors and use contributions only for the purposes described in this Subsection 9.A. We do not owe any fiduciary obligation to you for administering the Fund or any other reason. The Fund may spend in any fiscal year more or less than the total Fund contributions in that year, borrow from us or others (paying reasonable interest) to cover deficits, pay back outstanding principal amounts borrowed in prior years from us or third parties, or invest any surplus for future use. We will use all interest earned on Fund contributions to pay costs before using the Fund’s other assets.

We will prepare an annual, unaudited statement of Fund collections and expenses and give you a copy of the statement upon written request. We reserve the right, in our sole determination, to have the Fund audited at the Fund's expense by an independent certified public accountant. We may incorporate the Fund or operate it through a separate entity whenever we deem appropriate. The successor entity will have all of the rights and duties specified in this Subsection 9.A.

We intend the Fund to maximize recognition of the Marks and patronage of Martinizing Businesses. Although we will try to use the Fund to develop advertising and marketing materials and programs, and to place advertising and marketing, that will benefit all Martinizing Businesses, we need not ensure that Fund expenditures in or affecting any geographic area are proportionate or equivalent to Fund contributions by Martinizing Businesses operating in that geographic area or that any Martinizing Business benefits directly or in proportion to its Fund contribution from the development of advertising and marketing materials or the placement of advertising and marketing.

We have the right, but no obligation, to use collection agents and institute legal proceedings to collect Fund contributions at the Fund's expense. We also may forgive, waive, settle, and compromise all claims by or against the Fund. Except as expressly provided in this Subsection 9.A, we assume no direct or indirect liability or obligation to you for collecting amounts due to, maintaining, directing, or administering the Fund.

We may at any time defer or reduce contributions of a Martinizing Business franchisee and, upon thirty (30) days' prior written notice to you, reduce or suspend Fund contributions and operations for one or more periods of any length and terminate (and, if terminated, reinstate) the Fund. If we terminate the Fund, we will distribute all unspent monies to our franchisees, and to us and our affiliates, in proportion to their, and our, respective Fund contributions during the preceding twelve (12) month period.

B. **BY YOU.**

Following the Grand Opening Marketing Campaign that we provide in conjunction with your Store opening, and in addition to your Fund contribution obligations in Subsection 9.A above, you agree to spend, during each year of the Term, a minimum of two percent (2%) of your Business's Gross Sales to advertise and promote your Business (this may include the costs of yellow pages advertising) (the "**Local Advertising Requirement**"). Within thirty (30) days after the end of each year, you agree to send us, in the manner we prescribe, an accounting of your expenditures for local advertising and promotion during the preceding year.

Your local advertising and promotion must follow our guidelines. All advertising and promotional materials that you develop for your Business must contain notices of our Website's domain name in the manner we designate. You may not develop, maintain, or authorize any Website that mentions or describes you or your Business or displays any of the Marks without our prior written approval. You agree that your advertising, promotion, and marketing will be completely clear, factual, and not misleading and conform to both the highest standards of ethical advertising and marketing and the advertising and marketing policies that we prescribe at any time and from time to time.

Before you use them, you agree to send us or our designated agency for approval samples of all advertising, promotional, and marketing materials which we have not prepared or previously disapproved including, but not limited to, advertising, brochures, mats, tapes, press releases and interviews for publication in any media. If you do not receive written approval within thirty (30) days after we or our designated agency receives the materials, they are deemed to be disapproved. You may not use any advertising, promotional, or marketing materials that we have not approved or that we have (or were deemed) disapproved.

C. **SPECIAL PROGRAMS AND BENEFITS.**

From time to time, we may require you to participate in seasonal and special promotional programs, which may include seasonal and special mailings, marketing efforts, and promotions, in any medium that we deem appropriate (a “**Special Marketing**”). We may require you to pay for the cost of your Business to participate in such Special Programs, provided that any expenses you incur in connection with participation in a Special Program shall apply to your Local Advertising Requirement. The cost for you to participate in a Special Program may be more or less than the cost for other Martinizing Business franchisees. Special Program costs are payable in the same manner as the Royalty. We also may from time to time offer certain marketing benefits, some of which may require qualification. We will notify you in writing of any such benefits and any qualifications you may need to meet to receive them.

10. **RECORDS, REPORTS, AND FINANCIAL STATEMENTS.**

You agree to establish and maintain at your own expense a bookkeeping, accounting, and recordkeeping system conforming to the requirements and formats we prescribe at any time and from time to time. We may require you to use a Computer System to maintain certain sales data and other information and to report such information to us via a website or other means. You agree to give us in the manner and format that we prescribe at any time and from time to time:

- (a) on or before Monday of each week, a report on your Business’s Gross Sales during the preceding week;
- (b) within thirty (30) days after the end of each calendar quarter, the operating statements, financial statements, statistical reports, purchase records, and other information we request regarding you and your Business covering the previous calendar quarter and the fiscal year to date, and you must certify these statements are true and correct;
- (c) within ninety (90) days following the end of each fiscal year during the Term, annual profit and loss and source and use of funds statements and a balance sheet for your Business as of the end of the prior calendar year;
- (d) within thirty (30) days following your filing of tax returns for your Business, exact copies of federal and state income tax returns, sales tax returns, and any other forms, records, books, and other information we periodically require relating to your Business and the Franchise.

You agree to verify and sign each report and financial statement in the manner we prescribe. We may disclose data derived from these reports, although we will not without your consent (unless required by law) disclose your identity in any materials that we circulate publicly. Moreover, we may, as often as we deem appropriate (including on a daily basis), access the Computer System and retrieve all information relating to your Business's operation.

You agree to preserve and maintain all records in a secure location at your Store for at least five (5) years (including, but not limited to, sales checks, purchase orders, invoices, payroll records, customer lists, check stubs, sales tax records and returns, cash receipts and disbursement journals, and general ledgers). We may require you to have audited financial statements prepared annually during the Term.

11. INSPECTIONS AND AUDITS.

A. OUR RIGHT TO INSPECT.

To determine whether you and your Business are complying with this Agreement and all System Standards, we and our designated agents or representatives may at all times and without prior notice to you: (1) inspect your Store; (2) photograph your Store and observe and video your Store's operation for consecutive or intermittent periods we deem necessary; (3) remove samples of any products and supplies; (4) interview your Business's personnel and customers; and (5) inspect and copy any books, records, and documents relating to your Business's operation. You agree to cooperate with us fully. If we exercise any of these rights, we will not interfere unreasonably with your Business's operation. You acknowledge that any evaluation or inspection that we or our designated agents or representatives conduct is conducted in order to protect our interests in the System and Marks and is not intended to exercise, and does not constitute, in whole or in part, control over the day-to-day operation of your Business, and you agree to never contend otherwise.

B. OUR RIGHT TO AUDIT.

We may at any time during your business hours, and without prior notice to you, examine your (if you are an Entity) and your Business's business, bookkeeping, and accounting records, sales and income tax records and returns, and other records. You agree to cooperate fully with our representatives and independent accountants in any audit. If any audit discloses a failure by you to operate your Business in accordance with the System Standards, then we may require you to undertake additional training at your Store. We shall determine the duration of the training and the number of trainers in our sole discretion. You agree to pay us an amount equal to Four Hundred Dollars (\$400) per trainer per day plus all travel and living expenses which our trainers incur during such additional training. If any audit discloses an understatement of your Business's Gross Sales, you agree to immediately pay us the amount of the understatement, plus our service charges and interest (to be calculated as set forth in Subsection 3.F above) on the understated amounts from the date originally due until the date of payment. Furthermore, if an examination is necessary due to your failure to furnish reports, supporting records, or other information as required, or to furnish these items on a timely basis, or if our audit reveals an understatement of your Business's Gross Sales exceeding three percent (3%) of the amount that you actually reported to us for the period examined, you agree to reimburse us for the costs of the examination, including, without limitation,

the charges of attorneys and independent accountants and the travel expenses, room and board, and compensation of our employees. These remedies are in addition to our other remedies and rights under this Agreement and applicable law.

If we conduct an examination which reveals an understatement of your Business's Gross Sales exceeding five percent (5%) of the amount that you actually reported to us for any week within the period examined, or for the entire period of examination, you agree to immediately pay us the additional amount due as shown by the examination plus interest (to be calculated as set forth in Subsection 3.F above). You also agree to immediately reimburse us for the costs of an examination for the entire period of the examination, including, without limitation, the charges of attorneys and independent accountants and the travel expenses, room and board, and compensation of our employees. Such understatement shall be a material breach of this Agreement and, in addition to our other remedies and rights under this Agreement and applicable laws, we shall have the right to terminate this Agreement immediately upon notice to you, without opportunity to cure.

12. TRANSFER.

A. BY US.

You acknowledge that we maintain a staff to manage and operate the System and that staff members can change as employees come and go. You represent that you have not signed this Agreement in reliance on any particular shareholder, director, officer, member or employee remaining with us in that capacity. We may change our ownership or form and/or assign this Agreement or any interest therein and any other agreement to a third party without restriction or notice to you. After our assignment of this Agreement to a third party who expressly assumes the obligations under this Agreement, we no longer will have any performance or other obligations under this Agreement.

B. BY YOU.

You understand and acknowledge that the rights and duties this Agreement creates are personal to you (or, if you are an Entity, to your owners) and that we have granted you the Franchise in reliance upon our perceptions of your (or your owners') individual or collective character, skill, aptitude, attitude, business ability, and financial capacity. Accordingly, none of the following may be transferred without our prior written approval: (i) this Agreement (or any interest in this Agreement); (ii) your Business (or any right to receive all or a portion of your Business's profits or losses or capital appreciation related to your Business); (iii) all or substantially all of the assets of your Business; (iv) any ownership interest in you (regardless of its size); or (v) any ownership interest in any of your owners (if such owners are legal entities). A transfer of your Business's ownership, possession, or control, or substantially all of its assets, may be made only with a transfer of this Agreement. Any transfer without our approval is a breach of this Agreement and has no effect.

In this Agreement, the term "**transfer**" includes a voluntary, involuntary, direct, or indirect assignment, sale, gift, or other disposition. An assignment, sale, gift, or other disposition includes the following events:

- (a) transfer of ownership of capital stock, a partnership or membership interest, or another form of ownership interest;
- (b) merger or consolidation or issuance of additional securities or other forms of ownership interest;
- (c) any sale of a security convertible to an ownership interest;
- (d) transfer of an interest in you, this Agreement, your Business or all or substantially all of its assets, or your owners in a divorce, insolvency, or entity dissolution proceeding or otherwise by operation of law;
- (e) if you, one of your owners, or an owner of one of your owners dies, a transfer of an interest in you, this Agreement, your Business or all or substantially all of its assets, or your owner by will, declaration of or transfer in trust, or under the laws of intestate succession; or
- (f) pledge of this Agreement (to someone other than us) or of an ownership interest in you or your owners as security, foreclosure upon your Business, or your transfer, surrender, or loss of your Business's possession, control, or management. You may grant a security interest (including a purchase money security interest) in your Business's assets (not including this Agreement) to a lender that finances your acquisition, development, and/or operation of your Business without having to obtain our prior written approval as long as you give us thirty (30) days' prior written notice.

C. CONDITIONS FOR APPROVAL OF TRANSFER.

If you (and your owners) are fully complying with this Agreement, then, subject to the other provisions of this Section 12, we will approve a transfer that meets all of the requirements in this Subsection 12.C.

If you are an entity, your owners may transfer a non-controlling ownership interest in you or your owners (determined as of the date on which the proposed transfer will occur) if: (i) the proposed transferee and its direct and indirect owners (if the transferee is an Entity) are of good character and otherwise meet our then applicable standards for Martinizing Business franchisees (including no ownership interest in or performance of services for a Competitive Business); (ii) you give us prior written notice of the transfer at least forty-five (45) days before the proposed transfer, and later provide us final documentation of the consummated transfer; and (iii) you reimburse us, upon our demand at any time, for any costs we incur in connection with the proposed transfer (regardless of whether the proposed transfer actually transpires).

For any other proposed transfer (including a transfer of this Agreement, a transfer of a controlling ownership interest in you or one of your owners, or a transfer that is one of a series of transfers (regardless of the time period over which these transfers take place) which in the aggregate transfer this Agreement or a controlling ownership interest in you or one of your owners), all of the following conditions must be met before or concurrently with the effective date of the transfer:

(1) the transferee has sufficient business experience, aptitude, and financial resources to operate your Business;

(2) you have paid all Royalties, Fund and Cooperative Program contributions, and other amounts owed to us, our affiliates, and third party vendors; have submitted all required reports and statements; and have not violated any provision of this Agreement, the Lease, or any other agreement with us during both the sixty (60) day period before you requested our consent to the transfer and the period between your request and the effective date of the transfer;

(3) neither the transferee nor its owners (if the transferee is an Entity) or affiliates have an ownership interest (direct or indirect) in or perform services for a Competitive Business;

(4) the transferee (or its managing owner) satisfactorily completes our training program;

(5) your lessor consents in writing to the transfer of the Lease or sublease of the Premises to the transferee (or, if we are subleasing the Premises to you under a sublease, the master lessor consents in writing to the transfer of the sublease to the transferee and the transferee agrees in writing to assume your obligations under the sublease);

(6) the transferee shall (if the transfer is of this Agreement), or you shall (if the transfer is of a controlling ownership interest in you or one of your owners), sign our then current form of franchise agreement and related documents (including, without limitation, our then current form of Nondisclosure and Non-Competition Agreement, Nondisclosure Agreement and our then current form of Guaranty and Assumption of Obligations, if applicable), any and all of the provisions of which may differ materially from any and all of those contained in this Agreement, including the Royalty and the Fund and Cooperative Program contributions, provided, however, that the execution of the new franchise agreement will terminate this Agreement (except for your guarantees, the post-termination obligations under this Agreement, and all other rights and obligations that survive termination or expiration of this Agreement), and the term of the new franchise agreement signed will expire on the expiration of this Agreement, unless we and the transferee otherwise agree in writing;

(7) you pay us a transfer fee equal to Five Thousand dollars (\$5,000) ;

(8) you (and your transferring owners) sign a general release, in a form satisfactory to us, of any and all claims against us and our shareholders, officers, directors, members, employees, and agents;

(9) we have determined that the purchase price and payment terms will not adversely affect the transferee's operation of your Business;

(10) if you or your owners finance any part of the purchase price, you and/or your owners agree that all of the transferee's obligations under promissory notes, agreements, or security interests reserved in your Business are subordinate to the

transferee's obligation to pay Royalties, Fund contributions, and other amounts due to us, our affiliates, and third party vendors and otherwise to comply with this Agreement;

(11) (a) you have corrected any existing deficiencies of your Business of which we have notified you on a punchlist or in other communications, and/or (b) the transferee agrees (if the transfer is of this Agreement) to upgrade, remodel, expand and/or refurbish your Store and to add or replace services, vehicles, equipment, Operating Assets and/or Proprietary Products, in accordance with our then current requirements and specifications for Martinizing Stores within the time period we specify following the effective date of the transfer (we will advise the transferee before the effective date of the transfer of the specific actions that it must take and the time period within which such actions must be taken);

(12) you and your transferring owners (and your and your owners' spouses) will not, for two (2) years beginning on the transfer's effective date, engage in any of the activities proscribed in Subsection 15.D below; and

(13) you and your transferring owners will not directly or indirectly at any time or in any manner (except with respect to other Martinizing Businesses you own and operate) identify yourself or themselves or any business as a current or former Martinizing Business or as one of our franchisees; use any Mark, any colorable imitation of a Mark, or other indicia of a Martinizing Business in any manner or for any purpose; or utilize for any purpose any trade name, trade or service mark, or other commercial symbol that suggests or indicates a connection or association with us.

We may review all information regarding your Business that you give the transferee, correct any information that we believe is inaccurate, and give the transferee copies of any reports that you have given us or we have made regarding your Business. In addition, you agree to reimburse us, upon our demand at any time before or after the intended effective date of the proposed transfer, for any costs we incur in connection with any proposed transfer that is subject to the immediately preceding conditions (1) through (13), regardless of whether the proposed transfer actually transpires.

D. TRANSFER TO A WHOLLY-OWNED CORPORATION OR LIMITED LIABILITY COMPANY.

Despite Subsection 12.C above, if you are fully complying with this Agreement, you may transfer this Agreement to a corporation or limited liability company which conducts no business other than your Business and, if applicable, other Martinizing Businesses, in which you maintain management control, and of which you own and control one hundred percent (100%) of the equity and voting power of all issued and outstanding ownership interests, provided that all of your Business's assets are owned, and your Business's business is conducted, only by that single corporation or limited liability company. The corporation or limited liability company must expressly assume all of your obligations under this Agreement. Transfers of ownership interests in the corporation or limited liability company are subject to the conditions of Subsection 12.C above that otherwise apply to non-controlling transfers. You agree to remain personally liable

under this Agreement as if the transfer to the corporation or limited liability company did not occur, and to fully complete and execute Appendix A and B to this Agreement.

E. YOUR DEATH OR DISABILITY.

(1) **Transfer Upon Death or Disability.** Upon your or your Managing Owner's death or disability, your or the Managing Owner's executor, administrator, conservator, guardian, or other personal representative must transfer your interest in this Agreement, or the Managing Owner's ownership interest in you, to a third party (which may be your or the Managing Owner's heirs, beneficiaries, or devisees). That transfer must be completed within a reasonable time, not to exceed one hundred and eighty (180) days from the date of death or disability, and is subject to all of the terms and conditions in this Section 12. A failure to transfer your interest in this Agreement or the Managing Owner's ownership interest in you within this time period is a breach of this Agreement.

The term "**disability**" means a mental or physical disability, impairment, or condition that is reasonably expected to prevent or actually does prevent you or the Managing Owner from supervising your Business's management and operation.

(2) **Operation Upon Death or Disability.** Upon your or the Managing Owner's death or disability, your or the Managing Owner's executor, administrator, conservator, guardian, or other personal representative must within a reasonable time, not to exceed fifteen (15) days from the date of death or disability, appoint a manager. The manager must complete our standard training program at your expense. A new Managing Owner acceptable to us also must be appointed for your Business, and that new Managing Owner must complete our standard training program, within sixty (60) days after the date of death or disability.

If, in our judgment, your Business is not being managed properly any time after your or the Managing Owner's death or disability, we may, but need not, assume your Business's management (or appoint a third party to assume its management). All funds from your Business's operation while it is under our (or the third party's) management will be kept in a separate account, and all expenses will be charged to this account. We may charge you (in addition to the Royalty, Fund contributions, and other amounts due under this Agreement) Four Hundred Dollars (\$400) per day, plus our (or the third party's) direct out-of-pocket costs and expenses, if we (or a third party) assume your Business's management under this subparagraph. We (or a third party) have a duty to utilize only reasonable efforts and will not be liable to you or your owners for any debts, losses, or obligations your Business incurs, or to any of your creditors for any products, other assets, or services your Business purchases, while we (or a third party) manage it.

F. EFFECT OF CONSENT TO TRANSFER.

Our consent to a transfer of this Agreement and your Business, or any interest in you or your owners, is not a representation of the fairness of the terms of any contract between you and the transferee, a guarantee of your Business's or transferee's prospects of success, or a waiver of

any claims we have against you (or your owners) or of our right to demand the transferee's full compliance with this Agreement.

G. OUR RIGHT OF FIRST REFUSAL.

If you (or any of your owners) at any time determine to sell or transfer for consideration an interest in this Agreement and your Business, or an ownership interest in you (except to or among your current owners, which is not subject to this Subsection 12.G), in a transaction that otherwise would be allowed under Subsections 12.B and C above, you (or your owners) agree to obtain from a responsible and fully disclosed buyer, and send us, a true and complete copy of a bona fide, executed written offer (which may include a letter of intent) relating exclusively to an interest in you or in this Agreement and your Business. The offer must include details of the payment terms of the proposed sale and the sources and terms of any financing for the proposed purchase price. To be a valid, bona fide offer, the proposed purchase price must be in a dollar amount, and the proposed buyer must submit with its offer an earnest money deposit.

The right of first refusal process will not be triggered by a proposed transfer that would not be allowed under Subsections 12.B and C above. We may require you (or your owners) to send us copies of any materials or information sent to the proposed buyer or transferee regarding the possible transaction.

We may, by written notice delivered to you or your selling owner(s) within thirty (30) days after we receive both an exact copy of the offer and all other information we request, elect to purchase the interest offered for the price and on the terms and conditions contained in the offer, provided that:

(1) we may substitute cash for any form of payment proposed in the offer (such as ownership interests in a privately-held entity);

(2) our credit will be deemed equal to the credit of any proposed buyer (meaning that, if the proposed consideration includes promissory notes, we or our designee may provide promissory notes with the same terms as those offered by the proposed buyer);

(3) we will have an additional sixty (60) days to prepare for closing after notifying you of our election to purchase; and

(4) we must receive, and you and your owners agree to make, all customary representations and warranties given by the seller of the assets of a business or the ownership interests in a legal entity, as applicable, including, without limitation, representations and warranties regarding: (a) ownership and condition of and title to ownership interests and/or assets; (b) liens and encumbrances relating to ownership interests and/or assets; and (c) validity of contracts and the liabilities, contingent or otherwise, of the entity whose assets or ownership interests are being purchased.

If we exercise our right of first refusal, you and your selling owner(s) agree that, for two (2) years beginning on the closing date, you and they will be bound by the non-competition covenant

contained in Subsection 15.D below. We have the unrestricted right to assign this right of first refusal to a third party, who then will have the rights described in this Subsection 12.G.

If we do not exercise our right of first refusal, you or your owners may complete the sale to the proposed buyer on the original offer's terms, but only if we otherwise approve the transfer in accordance with, and you (and your owners) and the transferee comply with the conditions in, Subsections 12.B and C above. This means that, even if we do not exercise our right of first refusal (whether or not it is properly triggered as provided above), if the proposed transfer otherwise would not be allowed under Subsections 12.B and C above, you (or your owners) may not move forward with the transfer at all.

If you do not complete the sale to the proposed buyer within sixty (60) days after we notify you that we do not intend to exercise our right of first refusal, or if there is a material change in the terms of the sale (which you agree to tell us promptly), we or our designee will have an additional right of first refusal during the thirty (30) day period following either the expiration of the sixty (60) day period or our receipt of notice of the material change(s) in the sale's terms, either on the terms originally offered or the modified terms, at our or our designee's option.

13. EXPIRATION OF THIS AGREEMENT.

A. YOUR RIGHT TO ACQUIRE A SUCCESSOR FRANCHISE.

If you meet certain conditions, then you will have the option to acquire additional consecutive successor terms (each, a "**Renewal Term**"). The Renewal Term will be ten (10) years in duration. The qualifications and conditions for the Renewal Term are described below.

When this Agreement expires:

(1) if you (and each of your owners) have substantially complied with this Agreement during the Term; and

(2) if you (and each of your owners) are, both on the date you give us written notice of your election to acquire a successor franchise (as provided in Subsection 13.B below) and on the date on which the Renewal Term of the successor franchise would commence, in full compliance with this Agreement and all System Standards; and

(3) provided that (a) you maintain possession of and agree (regardless of cost) to remodel and/or expand your Store (provided, however, that it has been at least five (5) years since you last completed a substantial remodel), add or replace improvements, services, vehicles, equipment, Operating Assets and/or Proprietary Products, and otherwise modify your Business as we require to comply with System Standards then applicable for new Martinizing Businesses, or (b) at your option, you secure a substitute premises that we approve and you develop those premises according to System Standards then applicable for Martinizing Stores; and

(4) your Managing Owner, Store Manager, and other personnel we require complete any Refresher Training to our satisfaction,

then you have the option to acquire a Renewal Term of ten (10) years commencing immediately upon the expiration of this Agreement. For the Renewal Term, you agree to sign the form of franchise agreement we then use to grant franchises for Martinizing Businesses (modified as necessary to reflect the fact that it is for a successor franchise), which may contain provisions that differ materially from any and all of those contained in this Agreement (the “**Successor Franchise Agreement**”). You must pay us a renewal fee of twenty-five percent (25%) of the then current initial franchise fee we are charging new Martinizing Business franchisees upon signing the Successor Franchise Agreement in connection with your purchase of a successor Franchise for the Renewal Term.

If you (and each of your owners) are not, both on the date you give us written notice of your election to acquire a successor franchise and on the date on which the Renewal Term commences, in full compliance with this Agreement and all System Standards, then you acknowledge that we need not grant you a successor franchise, whether or not we had, or chose to exercise, the right to terminate this Agreement during the Term under Subsection 14.B

B. GRANT OF A SUCCESSOR FRANCHISE.

You agree to give us written notice of your election to acquire a successor franchise no less than ninety (90) days before this Agreement expires. We agree to give you written notice of our decision (“**Our Notice**”):

- (1) to grant you a successor franchise;
- (2) to grant you a successor franchise on the condition that you correct existing deficiencies in your operation of your Business; or
- (3) not to grant you a successor franchise based on our determination that you and your owners have not substantially complied with this Agreement during the Term or were not in full compliance with this Agreement and all System Standards on the date you gave us written notice of your election to acquire a successor franchise.

If applicable, Our Notice will:

- (a) describe the remodeling, expansion, improvements, and/or modifications required to bring your Business into compliance with then applicable System Standards for new Martinizing Businesses; and
- (b) state the actions you must take to correct operating deficiencies and the time period in which you must correct these deficiencies.

If we elect not to grant you a successor franchise, Our Notice will describe the reasons for our decision. If we elect to grant you a successor franchise, your right to acquire a successor franchise is subject to your full compliance with all of the terms and conditions of this Agreement through the date of its expiration, in addition to your compliance with the obligations described in Our Notice.

If Our Notice states that you must cure certain deficiencies of your Business or its operation as a condition to our granting you a successor franchise, we will give you written notice of our decision not to grant a successor franchise, based upon your failure to cure those deficiencies. If you fail to notify us of your election to acquire a successor franchise within the prescribed time period, we need not grant you a successor franchise.

C. **AGREEMENTS/RELEASES.**

If you satisfy all of the other conditions for a successor franchise, you and your owners agree to execute the Successor Franchise Agreement and any ancillary agreements we then customarily use in granting franchises for Martinizing Businesses (modified as necessary to reflect the fact that it is for a successor franchise), which may contain provisions that differ materially from any and all of those contained in this Agreement. You and your owners further agree to sign our current form of general release of any and all claims against us and our affiliates, shareholders, officers, directors, members, employees, agents, successors, and assigns. We will consider your or your owners' failure to sign these agreements and releases and to deliver them to us for acceptance and execution within thirty (30) days after their delivery to you to be an election by you not to acquire a successor franchise for the Renewal Term of ten (10) years.

14. **TERMINATION OF AGREEMENT.**

A. **BY YOU.**

If you and your owners are fully complying with this Agreement and we materially fail to comply with this Agreement and do not correct the failure within thirty (30) days after you deliver to us written notice of the material failure or, if we cannot correct the failure within thirty (30) days, do not give you within thirty (30) days after your notice reasonable evidence of our effort to correct the failure within a reasonable time (which may extend beyond that thirty (30) days), you may terminate this Agreement effective an additional thirty (30) days after you deliver to us written notice of termination. (The time period during which we may cure any alleged material failure to comply with this Agreement after your delivery of notice is called the "**Cure Period.**") However, if we send you written notice during the Cure Period indicating that either (1) we do not agree that we have materially failed to comply with this Agreement or (2) we have fully corrected the failure, then you may not terminate this Agreement. If you disagree with our position and still wish to terminate this Agreement, you must commence an arbitration proceeding seeking a declaration of your right to terminate this Agreement.

This Agreement will remain in full force and effect during the arbitration proceeding (unless we terminate it under Subsection 14.B below). If the arbitrator determines that we are materially failing to comply with this Agreement, or that we did not fully correct a material failure to comply, we will have an additional thirty (30) days following the arbitrator's ruling to correct the failure. If we fail to do so, then you may terminate this Agreement effective an additional thirty (30) days after you deliver to us written notice of termination.

Your termination of this Agreement other than according to this Subsection 14.A or by operation of law will be deemed a termination without cause and a breach of this Agreement. For any termination by you without cause, you will owe us a termination fee in the amount of thirty-

five thousand dollars (\$35,000), in addition to any other specific monetary damages or equitable relief set forth in this Agreement.

B. BY US.

We may terminate this Agreement, effective upon delivery of written notice of termination to you, if:

(1) you (or any of your owners) have made or make any material misrepresentation or omission in acquiring the Franchise or operating your Business;

(2) you do not locate, and submit for our approval a Lease or purchase document for, an acceptable site for the Premises within the time period prescribed in Subsection 2.B of this Agreement, or deliver a fully-signed copy of any signed Lease that includes our prescribed Lease Addendum within seven (7) days after their execution;

(3) you do not open your Business within the time period prescribed in Subsection 2.F of this Agreement;

(4) you (or your Managing Owner) and your Store Manager do not satisfactorily complete the Martinizing Training Program;

(5) you abandon or fail actively to operate your Business for three (3) or more consecutive business days, unless such abandonment or failure is for a purpose we approve or because of casualty or government order;

(6) you (or your owners) make or attempt to make any transfer in violation of Section 12;

(7) you (or any of your owners) are or have been convicted by a trial court of, or plead or have pleaded no contest to, a felony, crime or other offense involving moral turpitude, or any other crime, offense or any dishonest or unethical conduct which we reasonably believe adversely affects the System's reputation or the goodwill associated with the Marks;

(8) you fail to maintain the insurance we require and do not correct the failure within ten (10) days after we deliver written notice of that failure to you;

(9) you (or any person or entity who is party to a non-compete agreement) breach the non-compete agreement;

(10) you fail to obtain our consent for any circumstance this Agreement requires and do not correct this failure within ten (10) days after we deliver written notice of this failure to you;

(11) you make any representation or warranty on our behalf that has not been specifically authorized in writing by us;

(12) you lose the right to occupy the Premises and fail (a) to begin immediately to look for a substitute site or (b) to locate a substitute site, and to begin operating your Store from that substitute site, within the time period prescribed in Subsection 2.B of this Agreement;

(13) you (or any of your owners) knowingly make any unauthorized use or disclosure of any part of the Operations Manual or any other Confidential Information;

(14) you violate any health, safety, or sanitation law, ordinance, or regulation, or operate your Business in an unsafe manner, and do not begin to cure the violation immediately, and correct the violation within twenty-four (24) hours, after you receive notice from us or any other party;

(15) you interfere with our right to inspect your books, records or accounts, or your Business, or to observe or videotape its operation, as provided in Section 11;

(16) you fail to pay us (or our affiliates) any amounts due and you do not correct the failure within seven (7) days after we deliver written notice of that failure to you;

(17) you fail to pay when due any amounts owed to vendors or suppliers;

(18) you fail to pay when due any federal or state income, service, sales, or other taxes due on your Business's operation, unless you are in good faith contesting your liability for these taxes;

(19) you understate your Business's Gross Sales three (3) times or more during the Term or by more than five (5%) on any one occasion;

(20) you (or any of your owners) (a) fail on three (3) or more separate occasions within any twelve (12) consecutive month period to comply with this Agreement, whether or not we notify you of the failures, and, if we do notify you of the failures, whether or not you correct the failures after our delivery of notice to you; or (b) fail on two (2) or more separate occasions within any six (6) consecutive month period to comply with the same obligation under this Agreement, whether or not we notify you of the failures, and, if we do notify you of the failures, whether or not you correct the failures after our delivery of notice to you;

(21) you make an assignment for the benefit of creditors or admit in writing your insolvency or inability to pay your debts generally as they become due; you consent to the appointment of a receiver, trustee, or liquidator of all or the substantial part of your property; your Business is attached, seized, subjected to a writ or distress warrant, or levied upon, unless the attachment, seizure, writ, warrant, or levy is vacated within thirty (30) days; or any order appointing a receiver, trustee, or liquidator of you or your Business is not vacated within thirty (30) days following the order's entry;

(22) your or any of your owners fail to comply with Section 19 of this Agreement, or you or any of your owners' assets, property, or interests are blocked under any law, ordinance, or regulation relating to terrorist activities;

(23) you knowingly maintain false books or records, or submit any false reports to us;

(24) you (or any of your owners or affiliates) are in default or breach of the Lease and you do not correct the default or breach within the applicable cure period provided under the Lease, if any;

(25) you misuse or fail to follow our directions concerning use of the Marks, and you fail to correct such misuse or failure within ten (10) days after receiving written notice;

(26) we (or any of our owners or affiliates) terminate any other agreement between you (or any of your owners and affiliates) and us (or any of our owners or affiliates) due to your (or any of your owners' or affiliates') failure to comply with the terms of such agreement; and

(27) you (or any of your owners) fail to comply with any other provision of this Agreement or any System Standard and do not correct the failure within thirty (30) days after we deliver written notice of the failure to you.

C. OUR ALTERNATE REMEDIES UPON YOUR DEFAULT.

In addition to, and without limiting, our other rights and remedies under this Agreement, any other agreement or applicable law, upon the occurrence of any event giving rise to our right to terminate this Agreement under the preceding Subsection 14.B, we may instead elect, at our sole option and upon delivering providing you written notice, to take any or all of the following actions without terminating this Agreement:

(1) temporarily or permanently reduce the size of the Territory, in which case the restrictions on us or our affiliates under Section 1 above will not apply in any geographic area removed from the preceding territorial boundaries;

(2) temporarily remove information concerning your Business from any Website or extranet operated for the network of Martinizing Businesses, and/or restrict your or your Business's participation in other programs or benefits offered on or through any such Website or extranet;

(3) require you to engage a third party accounting firm we approve to conform to the bookkeeping, accounting, reporting and recordkeeping system requirements and formats we prescribe;

(4) require you to pay us Five Hundred Dollars (\$500) per week for each week the condition giving rise to our right to terminate continues to exist to help offset our increased administrative expenses associated with your failure to comply with the terms of this Agreement;

(5) suspend your and your Business's right to participate in any advertising, marketing, promotional, or public relations programs that we or the Fund provide, authorize, or administer; or

(6) assume, or appoint a third party to assume, management of your Business in the manner provided in Subsection 14.F below.

D. CROSS DEFAULT.

Any default or breach by you (or any of your owners), or your affiliate (or any of your owner's affiliates) of any other agreement with us or our affiliate will be considered an event of default under this Agreement, and any default or breach by you (or any of your owners) of this Agreement will be considered an event of default or breach by you under any and all agreements between us or our affiliate and you (or any of your owners), or your affiliate (or any of your owner's affiliates). If the nature of the default under any other agreement would have been considered an event of default under this Agreement, then we or our affiliate will have the right to terminate all other agreements between us or our affiliate and you (or any of your owners), or your affiliate (or any of your owner's affiliates) in accordance with the termination provisions of this Agreement.

E. FAILURE TO CURE MAY BE DEEMED TERMINATION BY YOU.

Your failure to cure timely any breach by you of this Agreement about which we have provided you notice (and opportunity to cure, if applicable) pursuant to Subsection 14.B above, including but not limited to your failure to pay overdue Royalties, Fund contributions, or any other amounts due and owing to us or our affiliates under this Agreement, may be irrevocably deemed a unilateral rejection and termination by you of this Agreement and all related agreements between you and us or our affiliates, even if we ultimately issue a formal notice of such termination, and you shall never contend or complain otherwise.

F. ASSUMPTION OF MANAGEMENT.

We have the right (but not the obligation), under the circumstances described below, to enter the Premises and assume your Business's management (or to appoint a third party to assume its management) for any period of time we deem appropriate. If we (or a third party) assume your Business's management under subparagraphs (1) and (2) below, you agree to pay us (in addition to the Royalty, Fund contributions, and other amounts due under this Agreement) Four Hundred Dollars (\$400) per day, plus our (or the third party's) direct out-of-pocket costs and expenses, if we (or a third party) assume your Business's management under this Subsection 14.F.

If we (or a third party) assume your Business's management, you acknowledge that we (or the third party) will have a duty to utilize only reasonable efforts and will not be liable to you or your owners for any debts, losses, or obligations your Business incurs, or to any of your creditors for any supplies, products, or other assets or services your Business purchases, while we (or the third party) manage it. If we (or a third party) assume your Business's management, you agree to assign to us your rights under the Lease.

We (or a third party) may assume your Business's management under the following circumstances: (1) if you abandon or fail actively to operate your Business; (2) if you fail to comply with any provision of this Agreement or any System Standard and do not cure the failure within the time period we specify in our notice to you; or (3) if this Agreement expires or is terminated and we are deciding whether to exercise our option to purchase your Business under Subsection 15.E below.

Any exercise of our rights under subparagraphs (1) or (2) above in this Subsection 14.F will not affect our right to terminate this Agreement under Subsection 14.B above.

15. OUR AND YOUR RIGHTS AND OBLIGATIONS UPON TERMINATION OR EXPIRATION OF THIS AGREEMENT.

A. PAYMENT OF AMOUNTS OWED TO US.

(1) Immediately upon termination or expiration of this Agreement, and on any later date that we determine the amounts due to us, you shall pay us all Royalties, Fund contributions, prorated Annual Fixed Fees, interest, and all other amounts owed to us (and our affiliates) which then are unpaid.

(2) If this Agreement is terminated before its Term expires pursuant to Subsections 14.B, 14.D, or 14.E above, then you acknowledge and confirm that we will suffer and incur substantial damages because this Agreement did not continue for the Term's full length. Accordingly, you agree to pay us for all damages, costs, expenses, attorneys' and experts' fees directly or indirectly related thereto, including, without limitation, lost Royalties, lost Fund contributions, lost Annual Fixed Fees, lost profits, loss of goodwill and damage to our Marks and reputation, lost opportunities, travel and personnel costs, expenses that we may incur in developing or finding another franchisee to develop a new Martinizing Business in the Territory, and any other lost payments or benefits we would have received for the balance of the Term after the effective date of termination (collectively, "**Brand Damages**"). You further acknowledge and agree that your obligation to pay Brand Damages resulting from early termination shall be in addition to (not in lieu of) your post-termination obligations to pay other amounts due as of the date of termination (as contemplated under the preceding Subsection (1) above) and to otherwise comply with the entirety of Section 15 hereof, and that the Brand Damages shall not be deemed a penalty for early termination but instead reasonable compensation to us for your failure to perform under this Agreement during the remainder of the Term.

(3) Your foregoing payment obligations arising under Subsections (1) and (2) above will give rise to, and remain until paid in full, a lien in our favor: (i) against any and all assets, property, furnishings, equipment, signs, fixtures and inventory owned by you or your Business at the time of termination or expiration; and (ii) against any payment obligation you may allege we have to you, any of your money we are holding, or any other amounts of yours which are otherwise in our possession on or after the effective date of termination or expiration. Our rights and your obligations under this

Subsection 15.A shall survive termination or expiration of this Agreement until they are satisfied or later expire by their terms.

B. MARKS.

When this Agreement expires or is terminated:

(1) you may not directly or indirectly at any time or in any manner (except with other Martinizing Businesses you own and operate) identify yourself or any business as a current or former Martinizing Business or as one of our current or former franchisees; use any Mark, any colorable imitation of a Mark, or other indicia of a Martinizing Business in any manner or for any purpose; or use for any purpose any trade name, trade or service mark, or other commercial symbol that indicates or suggests a connection or association with us;

(2) you agree to discontinue the use of any Website and social media used in connection with your Business or otherwise referring to the Marks or Martinizing Businesses.

(3) you agree, at your expense, to take the action required to cancel all fictitious or assumed name or equivalent registrations relating to your use of any Mark;

(4) you shall, at our option by notice to you within thirty (30) days from the date of termination or expiration, sell to us any or all of the equipment, interior and exterior signs, trade fixtures, furnishings, and other personal property used in connection with the FRANCHISE (hereinafter collectively "Equipment"), at its fair market value. Upon receipt of such notice, we will have the right of first refusal to purchase the Equipment from you at its fair market value, or the first option to negotiate said purchase upon mutually agreeable terms. If you owe a balance due on your purchase or financing of such Equipment, or if the same is otherwise subject to a lien or claim for any indebtedness, the amounts of such balance and/or indebtedness shall be deducted from the purchase price payable to you. All sums of money due to us by you may be offset against the purchase price payable to you. Nothing contained herein, however, shall be construed to entitle you to be released from liability for such unpaid balance or indebtedness, if any, in excess of the portion of the purchase price applied for payment of such debts;

(5) you agree to notify within five (5) days the telephone company, all telephone directory publishers and all online listings (e.g., Google and Yelp) of the termination or expiration of your right to use any telephone, facsimile, or other numbers, telephone directory listings and email addresses associated with any Mark; to authorize the transfer of these numbers and directory listings to us or at our direction; and/or to instruct the telephone company to forward all calls made to your numbers to numbers we specify. If you fail to do so, You hereby appoint us as your attorney-in-fact to do any act necessary in your name to effect the intent of this paragraph;;

(6) you agree to cease immediately all use of marketing and software programs, as well as all participation in pricing and discount programs, and no longer receive any other benefits available to our Martinizing Business franchisees, including the VIP program, pricing insurance and hazardous waste disposal programs, Martinizing software systems improvements and modifications, and any other programs or benefits available to our Martinizing Business franchisees;

(7) you agree to return the auto-address feature from the point of sale systems to us;

(8) you agree to take such necessary action to remove from the internet or social media all sites referring to your former Store, any of the Marks, and to either cancel or assign to us (as we require in our sole discretion) all rights to any domain names for any websites that reference your former Store or any of the Marks, including providing us with administrative rights and any login and password information;

(9) you agree to take such necessary action to complete any outstanding services for customers in accordance with System Standards, and otherwise handle any customer complaints;

(10) you shall, at our option by notice to you within thirty (30) days from the date of termination or expiration, assign to us any interest that you have in the Lease or any other Agreement related to the Business. If we do not elect to exercise our option to acquire the Lease, or to acquire the Business, you shall make such modifications or alterations to the premises immediately upon termination or expiration of this Agreement as may be necessary to distinguish the appearance of the premises from that of other franchises in the System, and shall make such specific additional changes thereto as we may require for that purpose. In the event that you fail or refuse to comply with the requirements of this Section 15, we shall have the right to enter upon the premises, without being guilty of trespass or any other tort, for the purpose of making such changes as may be required, at your expense, which you agree to pay upon demand;

(11) You shall pay to us all damages, costs, and expenses, including, but not limited to, reasonable investigation and attorneys' fees and other reasonable expenses and costs such as travel costs and payroll expenses for our employees, incurred in obtaining injunctive or other relief for the enforcement of any provisions of this Article 10;

(12) You shall continue to comply with Article 11 of this Agreement, for the period specified therein. If you begin to operate any other business wherever situated, you shall not use, in connection with such other business or the promotion thereof, any reproduction, counterfeit, copy or colorable imitation of any of our Marks or trade dress; and you shall not utilize any designation of origin or description or representation that falsely suggests or represents an association or connection with us, whether or not constituting unfair competition; and

(13) you agree to give us, within thirty (30) days after the expiration or termination of this Agreement, evidence satisfactory to us of your compliance with these obligations.

C. CONFIDENTIAL INFORMATION.

You agree that, when this Agreement expires or is terminated, you will immediately (1) cease using any of our Confidential Information (including computer software or similar technology and digital passwords and identifications that we have licensed to you or that otherwise are proprietary to us or the System) in any business or otherwise; (2) return to us all copies of the Operations Manual and any other confidential materials that we have provided you for your use during the Term; and (3) immediately deliver to us all training or other manuals furnished to you for your use during the Term (including the Operations Manual and any supplements to the Operations Manual), computer software and database material, customer lists, records and files, documents, instructions, display items, advertising and promotional material, any and all materials, signs and related items which bear our Marks or slogans and insignias and designs, advertising contracts, forms and other materials or property of ours, and any copies of them in your possession which relate to the operation of your Business. You may retain no copy or record of any of these items, except for your copy of this Agreement, any correspondence between the parties and any other documents which you reasonably need for compliance with any provision of law. You agree that the foregoing items, materials, customer lists, files, software and other similar items are at all times considered to be our property for all purposes.

D. COVENANT NOT TO COMPETE.

You acknowledge that you will receive specialized training and confidential and proprietary information regarding, among other things, our operational, sales, promotional, and marketing methods and techniques, and that this training and information will provide you with a competitive advantage. As a condition of providing you with this training and information and granting you the Franchised Business, we require the following covenants to protect our legitimate business interests and goodwill and the interests of our other Martinizing franchisees.

(1) Upon (a) our or your termination of this Agreement according to its terms and conditions, (b) your termination of this Agreement without cause, or (c) expiration of this Agreement (if we offer, but you elect not to acquire, a successor franchise, or if we do not offer you a successor franchise due to your failure to satisfy the conditions for a successor franchise set forth in Section 13), you and your owners agree that, for two (2) years beginning on the earlier of the effective date of termination or expiration of this Agreement, neither you nor any of your owners will:

(a) have any direct or indirect interest (e.g., through a spouse) as an owner (whether of record, beneficially, or otherwise), investor, partner, director, officer, employee, consultant, representative, or agent in any Competitive Business (as defined in Section 7 above) located or operating:

(i) at the Premises;

- (ii) within the Territory;
 - (iii) within a twenty-five (25) mile radius of the Territory; or
 - (iv) within twenty-five (25) miles of any other Martinizing Store in operation or under construction on the later of the effective date of the termination or expiration of this Agreement or the date on which all persons restricted by this Subsection 15.D begin to comply with this Subsection 15.D; or
- (b) divert or attempt to divert any business or customer of your former Business to a Competitive Business.

The restrictions above in this Subsection 15.D also apply after transfers, as provided in Subsection 12.C(13) above. If any person restricted by this Subsection 15.D refuses voluntarily to comply with these obligations, the two (2) year period for that person will commence with the entry of a court order enforcing this provision. The two (2) year period will be tolled, if applicable, for the period during which a restricted person is in breach of this Subsection 15.D and will resume when that person begins or resumes compliance. You and your owners expressly acknowledge that you possess skills and abilities of a general nature and have other opportunities for exploiting these skills. Consequently, our enforcing the covenants made in this Subsection 15.D will not deprive you of your personal goodwill or ability to earn a living.

The covenants contained in this Section 15 shall be construed as severable and independent. If all or any portion of a covenant in this Section 15 is held unreasonable or unenforceable by a court, arbitration panel, or other agency having valid jurisdiction in a decision to which we are a party, you agree to be bound by any lesser covenant included within the terms of such greater covenant that imposes the maximum duty permitted by law, as if the lesser covenant were separately stated in, and made a part of, this Section 15.

You acknowledge that we shall have the right to reduce the scope of any covenant set forth in this Section 15, or of any portion or portions thereof, without your consent, and you agree to comply forthwith with any covenant as modified. You agree that the existence of any claim that you may have against us shall not constitute a defense to our enforcement of the covenants in Section 15.

E. CONTINUING OBLIGATIONS.

All of our and your (and your owners') obligations which expressly or by their nature survive this Agreement's expiration or termination will continue in full force and effect subsequent to and notwithstanding its expiration or termination and until they are satisfied in full or by their nature expire.

16. RELATIONSHIP OF THE PARTIES/INDEMNIFICATION.

A. INDEPENDENT CONTRACTORS.

You and we understand and agree that this Agreement does not create a fiduciary relationship between you and us, that you and we are and will be independent contractors, and that nothing in this Agreement is intended to make either you or us a general or special agent, joint venturer, partner, or employee of the other for any purpose. You agree to identify yourself conspicuously in all dealings with customers, suppliers, public officials, Business personnel, and others as your Business's owner under a franchise we have granted and to place notices of independent ownership on the forms, business cards, stationery, advertising, and other materials we require at any time and from time to time.

None of your employees or other personnel will be considered to be our employees or personnel. Neither you nor any of your employees or personnel whose compensation you pay may in any way, directly or indirectly, expressly or by implication, be construed to be our employee or personnel for any purpose, most particularly with respect to any mandated or other insurance coverage, tax or contributions, or requirements pertaining to withholdings, levied or fixed by any city, state, provincial, or federal governmental agency. We will not have the power to hire or fire your employees or personnel. You expressly agree, and will never contend otherwise, that our authority under this Agreement to certify certain of your employees or personnel for qualification to perform certain functions for your Business does not directly or indirectly vest in us the power to hire, fire or control any such employee. You acknowledge and agree, and will never contend otherwise, that you alone will exercise day-to-day control over all operations, activities and elements of your Business and that under no circumstance shall we do so or be deemed to do so. You further acknowledge and agree, and will never contend otherwise, that the various requirements, restrictions, prohibitions, specifications and procedures of the System which you are required to comply with under this Agreement, whether set forth in the Operations Manual or otherwise, do not directly or indirectly constitute, suggest, infer or imply that we control any aspect or element of the day-to-day operations of your Business, which you alone control, but only constitute standards you must adhere to when exercising your control of the day-to-day operations of your Business.

B. NO LIABILITY FOR ACTS OF OTHER PARTY.

We and you may not make any express or implied agreements, warranties, guarantees, or representations, or incur any debt, in the name or on behalf of the other or represent that our respective relationship is other than franchisor and franchisee. We will not be obligated for any damages to any person or property directly or indirectly arising out of your Business's operation or the business you conduct under this Agreement.

C. TAXES.

We will have no liability for any sales, use, service, occupation, excise, gross receipts, income, property, or other taxes, whether levied upon you or your Business, due to the business you conduct (except for our income taxes). You are responsible for paying these taxes and must

reimburse us for any taxes that we must pay to any state taxing authority on account of either your operation or payments that you make to us.

D. INDEMNIFICATION.

You agree to indemnify, defend, and hold harmless us, our affiliates, and our and their respective affiliates, shareholders, members, managers, directors, partners, officers, employees, agents, successors, and assignees (the “**Indemnified Parties**”) against, and to reimburse any one or more of the Indemnified Parties for, all claims, obligations, and damages directly or indirectly arising out of your Business’s operation, employment matters in connection with your Business, the business you conduct under this Agreement, or your breach of this Agreement, including, without limitation, those alleged to be or found to have been caused by the Indemnified Party’s negligence, unless (and then only to the extent that) the claims, obligations, or damages are determined to be caused solely by our gross negligence or willful misconduct in a final, unappealable ruling issued by a court or arbitrator with competent jurisdiction. You agree to give us and the Indemnified Parties written notice of any action, suit, proceeding, claim, demand, inquiry or investigation that could be the basis for a claim for indemnification by any of the Indemnified Parties within three (3) days of your actual or constructive knowledge of it. The Indemnified Parties shall have the right, in their sole discretion to: (i) retain counsel of their own choosing to represent them with respect to any claim; and (ii) control the response thereto and the defense thereof, including the right to enter into settlements or take any other remedial, corrective, or other actions. You agree to give your full cooperation to the Indemnified Parties in assisting the Indemnified Parties with the defense of any such claim, and to reimburse the Indemnified Parties for all of their costs and expenses in defending any such claim, including court costs and reasonable attorneys’ fees, within ten (10) days of the date of each invoice delivered by the Indemnified Parties to you enumerating such costs, expenses and attorneys’ fees.

For purposes of this indemnification, “**claims**” include all obligations, damages (actual, consequential, or otherwise), and costs that any Indemnified Party reasonably incurs in defending any claim against it, including, without limitation, reasonable accountants’, arbitrators’, attorneys’, and expert witness fees, costs of investigation and proof of facts, court costs, travel and living expenses, and other expenses of litigation, arbitration, or alternative dispute resolution, regardless of whether litigation, arbitration, or alternative dispute resolution is commenced.

This indemnity will continue in full force and effect subsequent to and notwithstanding this Agreement’s expiration or termination. An Indemnified Party need not seek recovery from any insurer or other third party, or otherwise mitigate its or their losses and expenses, in order to maintain and recover from third parties fully a claim against you under this subparagraph. You agree that a failure to pursue a recovery or mitigate a loss will not reduce or alter the amounts that an Indemnified Party may recover from you under this subparagraph. Your or any of the other Indemnified Parties’ undertaking of defense and/or settlement will in no way diminish your obligation to indemnify us and the other Indemnified Parties and to hold us and any of the Indemnified Parties harmless.

17. ENFORCEMENT.

A. SEVERABILITY AND SUBSTITUTION OF VALID PROVISIONS.

Except as expressly provided to the contrary in this Agreement, each section, paragraph, term, and provision of this Agreement is severable, and if, for any reason, any part is held to be invalid or contrary to or in conflict with any applicable present or future law or regulation in a final, unappealable ruling issued by any court, agency, or tribunal with competent jurisdiction, that ruling will not impair the operation of, or otherwise affect, any other portions of this Agreement, which will continue to have full force and effect and bind the parties.

If any covenant which restricts competitive activity is deemed unenforceable by virtue of its scope in terms of area, business activity prohibited, and/or length of time, but would be enforceable if modified, you and we agree that the covenant will be enforced to the fullest extent permissible under the laws and public policies applied in the jurisdiction whose law determines the covenant's validity.

If any applicable and binding law or rule of any jurisdiction requires more notice than this Agreement requires of this Agreement's termination or of our refusal to enter into the Successor Franchise Agreement, or some other action that this Agreement does not require, or if, under any applicable and binding law or rule of any jurisdiction, any provision of this Agreement or any System Standard is invalid, unenforceable, or unlawful, the notice and/or other action required by the law or rule will be substituted for the comparable provisions of this Agreement, and we may modify the invalid or unenforceable provision or System Standard to the extent required to be valid and enforceable or delete the unlawful provision in its entirety. You agree to be bound by any promise or covenant imposing the maximum duty the law permits which is subsumed within any provision of this Agreement, as though it were separately articulated in and made a part of this Agreement.

B. WAIVER OF OBLIGATIONS.

We and you may by written instrument unilaterally waive or reduce any obligation of or restriction upon the other under this Agreement, effective upon delivery of written notice to the other or another effective date stated in the notice of waiver. Any waiver granted will be without prejudice to any other rights we or you have, will be subject to continuing review, and may be revoked at any time and for any reason effective upon delivery of ten (10) days' prior written notice.

We and you will not waive or impair any right, power, or option this Agreement reserves (including, without limitation, our right to demand exact compliance with every term, condition, and covenant or to declare any breach to be a default and to terminate this Agreement before its term expires) because of any custom or practice at variance with this Agreement's terms; our or your failure, refusal, or neglect to exercise any right under this Agreement or to insist upon the other's compliance with this Agreement, including, without limitation, any System Standard; our waiver of or failure to exercise any right, power, or option, whether of the same, similar, or different nature, with other Martinizing Businesses; the existence of franchise agreements for other Martinizing Businesses which contain provisions different from those contained in this

Agreement; or our acceptance of any payments due from you after any breach of this Agreement. No special or restrictive legend or endorsement on any check or similar item given to us will be a waiver, compromise, settlement, or accord and satisfaction. We are authorized to remove any legend or endorsement, which then will have no effect.

Neither we nor you will be liable for loss or damage or be in breach of this Agreement if our or your failure to perform our or your obligations results from: (1) compliance with the orders, requests, regulations, or recommendations of any federal, state, or municipal government; (2) acts of God; (3) fires, strikes, embargoes, war, acts of terrorism or similar events, or riot; or (4) any other similar event or cause. Any delay resulting from any of these causes will extend performance accordingly or excuse performance, in whole or in part, as may be reasonable, except that these causes will not excuse payments of amounts owed at the time of the occurrence or payment of Royalties or Fund [and Cooperative] contributions due afterward.

C. **COSTS AND ATTORNEYS' FEES.**

If we incur costs and expenses due to your failure to pay when due amounts owed to us, to submit when due any reports, information, or supporting records, or otherwise to comply with this Agreement, you agree, whether or not we initiate a formal legal proceeding, to reimburse us for all of the costs and expenses that we incur, including, without limitation, reasonable accounting, attorneys', arbitrators', and related fees.

D. **RIGHTS OF PARTIES ARE CUMULATIVE.**

Our and your rights under this Agreement are cumulative, and our or your exercise or enforcement of any right or remedy under this Agreement will not preclude our or your exercise or enforcement of any other right or remedy which we or you are entitled by law to enforce.

E. **ARBITRATION.**

We and you agree that all controversies, disputes, or claims between us and our affiliates, and our and their respective shareholders, officers, directors, agents, and/or employees, and you (and/or your owners, guarantors, affiliates, and/or employees) arising out of or related to:

- (1) this Agreement or any other agreement between you and us or your or our respective affiliates
- (2) our relationship with you;
- (3) the scope and validity of this Agreement or any other agreement between you and us or any provision of such agreements (including the validity and scope of the arbitration obligations under this Subsection 17.E, which the parties acknowledge is to be determined by an arbitrator and not a court); or
- (4) any System Standard;

must be submitted for binding arbitration, on demand of either party, to the American Arbitration Association. The arbitration proceedings will be conducted by one arbitrator and, except as this

Subsection 17.E otherwise provides, according to the then current commercial arbitration rules of the American Arbitration Association. All proceedings will be conducted at a suitable location chosen by the arbitrator in the city in which our then current principal business address is located (currently, Berkley, Michigan). All matters relating to arbitration will be governed by the Federal Arbitration Act (9 U.S.C. §§ 1 et seq.). Except as expressly provided otherwise in the remainder of this Section 17, judgment upon the arbitrator's award may be entered in any court of competent jurisdiction.

The arbitrator has the right to award or include in his or her award any relief which he or she deems proper, including, without limitation, money damages (with interest on unpaid amounts from the date due), specific performance, injunctive relief, and attorneys' fees and costs, provided that the arbitrator may not declare any Mark generic or otherwise invalid or, except as expressly provided in Subsection 17.H below, award any punitive or exemplary damages against either party (we and you hereby waiving to the fullest extent permitted by law, except as expressly provided in Subsection 17.H below, any right to or claim for any punitive or exemplary damages against the other). All aspects of the arbitration, including statements made and documents produced within the arbitration, will be confidential in nature and will not be admissible in any subsequent legal proceeding.

Except as expressly limited by Subsection 17.J below, we and you agree to be bound by the provisions of any limitation on the period of time in which claims must be brought under applicable law or this Agreement, whichever expires earlier. We and you further agree that, in any arbitration proceeding, each must submit or file any claim which would constitute a compulsory counterclaim (as defined by Rule 13 of the Federal Rules of Civil Procedure) within the same proceeding as the claim to which it relates. Any claim which is not submitted or filed as required is forever barred. The arbitrator may not consider any settlement discussions or offers that might have been made by either you or us. We reserve the right, but have no obligation, to advance your share of the costs of any arbitration proceeding in order for such arbitration proceeding to take place and by doing so will not be deemed to have waived or relinquished our right to seek the recovery of those costs in accordance with Subsection 17.C.

We and you agree that arbitration will be conducted on an individual, not a class-wide, basis and that an arbitration proceeding between us and our affiliates, and our and their respective shareholders, members, officers, directors, agents, and/or employees, and you (and/or your owners, guarantors, affiliates, and/or employees) may not be consolidated with any other arbitration proceeding between us and any other person. Notwithstanding the foregoing or anything to the contrary in this Subsection 17.E or Subsection 17.A, if any court or arbitrator determines that all or any part of the preceding sentence is unenforceable with respect to a dispute that otherwise would be subject to arbitration under this Subsection 17.E, then the parties agree that this arbitration clause shall not apply to that dispute and that such dispute will be resolved in a judicial proceeding in accordance with this Section 17 (excluding this Subsection 17.E).

Except as expressly provided otherwise in the remainder of this Section 17, despite our and your agreement to arbitrate, we and you each have the right in a proper case to seek temporary restraining orders and temporary or preliminary injunctive relief from a court of competent jurisdiction; provided, however, that we and you must contemporaneously submit our dispute for arbitration on the merits as provided in this Subsection 17.E.

The provisions of this Subsection 17.E are intended to benefit and bind certain third party non-signatories and will continue in full force and effect subsequent to and notwithstanding this Agreement's expiration or termination.

F. GOVERNING LAW.

ALL MATTERS RELATING TO ARBITRATION WILL BE GOVERNED BY THE FEDERAL ARBITRATION ACT (9 U.S.C. §§ 1 ET SEQ.). EXCEPT TO THE EXTENT GOVERNED BY THE FEDERAL ARBITRATION ACT, THE UNITED STATES TRADEMARK ACT OF 1946 (LANHAM ACT, 15 U.S.C. SECTIONS 1051 ET SEQ.), OR OTHER FEDERAL LAW, THIS AGREEMENT, THE FRANCHISE, AND ALL CLAIMS ARISING FROM THE RELATIONSHIP BETWEEN US AND YOU WILL BE GOVERNED BY THE LAWS OF THE STATE OF FLORIDA, WITHOUT REGARD TO ITS CONFLICT OF LAWS RULES, EXCEPT THAT ANY FLORIDA LAW REGULATING THE SALE OF FRANCHISES OR GOVERNING THE RELATIONSHIP OF A FRANCHISOR AND ITS FRANCHISEE WILL NOT APPLY UNLESS ITS JURISDICTIONAL REQUIREMENTS ARE MET INDEPENDENTLY WITHOUT REFERENCE TO THIS SUBSECTION 17.G.

G. CONSENT TO JURISDICTION.

SUBJECT TO SUBSECTIONS 17.F ABOVE AND THE PROVISIONS BELOW, YOU AND YOUR OWNERS AGREE THAT ALL ACTIONS ARISING UNDER THIS AGREEMENT OR OTHERWISE AS A RESULT OF THE RELATIONSHIP BETWEEN YOU AND US MUST BE COMMENCED IN THE STATE OR FEDERAL COURT OF COMPETENT JURISDICTION LOCATED CLOSEST TO OUR THEN CURRENT PRINCIPAL BUSINESS ADDRESS (CURRENTLY, NAPLES, FLORIDA), AND YOU (AND EACH OWNER) IRREVOCABLY SUBMIT TO THE JURISDICTION OF THOSE COURTS AND WAIVE ANY OBJECTION YOU (OR THE OWNER) MIGHT HAVE TO EITHER THE JURISDICTION OF OR VENUE IN THOSE COURTS. NONETHELESS, YOU AND YOUR OWNERS AGREE THAT WE MAY ENFORCE THIS AGREEMENT AND ANY ARBITRATION ORDERS AND AWARDS IN THE COURTS OF THE STATE OR STATES IN WHICH YOU ARE DOMICILED OR THE STORE IS LOCATED.

H. WAIVER OF PUNITIVE DAMAGES AND JURY TRIAL.

EXCEPT FOR YOUR OBLIGATION TO INDEMNIFY US FOR THIRD PARTY CLAIMS UNDER SUBSECTION 16.D. AND TO PAY US BRAND DAMAGES UNDER SUBSECTION 15.A, AND EXCEPT FOR PUNITIVE DAMAGES AVAILABLE TO EITHER PARTY UNDER FEDERAL LAW, WE AND YOU (AND YOUR OWNERS) WAIVE TO THE FULLEST EXTENT PERMITTED BY LAW ANY RIGHT TO OR CLAIM FOR ANY PUNITIVE, EXEMPLARY, OR CONSEQUENTIAL DAMAGES AGAINST THE OTHER AND AGREE THAT, IN THE EVENT OF A DISPUTE BETWEEN US AND YOU, THE PARTY MAKING A CLAIM WILL BE LIMITED TO EQUITABLE RELIEF AND TO RECOVERY OF ANY ACTUAL DAMAGES IT SUSTAINS. WE AND YOU IRREVOCABLY WAIVE TRIAL BY JURY IN ANY

ACTION, PROCEEDING, OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER OF US.

I. BINDING EFFECT.

This Agreement is binding upon us and you and our and your respective executors, administrators, heirs, beneficiaries, permitted assigns, and successors in interest. Subject to our right to modify the Operations Manual and System Standards, this Agreement may not be modified except by a written agreement signed by both our and your duly-authorized officers.

J. LIMITATIONS OF CLAIMS.

EXCEPT FOR CLAIMS ARISING FROM YOUR NON-PAYMENT OR UNDERPAYMENT OF AMOUNTS YOU OWE US, ANY AND ALL CLAIMS ARISING OUT OF OR RELATING TO THIS AGREEMENT OR OUR RELATIONSHIP WITH YOU WILL BE BARRED UNLESS A JUDICIAL OR ARBITRATION PROCEEDING IS COMMENCED WITHIN TWELVE (12) MONTHS FROM THE DATE ON WHICH THE PARTY ASSERTING THE CLAIM KNEW OR SHOULD HAVE KNOWN OF THE FACTS GIVING RISE TO THE CLAIMS.

K. CONSTRUCTION.

The preambles and exhibits are a part of this Agreement which, together with any addenda or riders signed at the same time as this Agreement, constitutes our and your entire agreement, and supersedes all prior and contemporaneous oral or written agreements and understandings between us and you relating to the subject matter of this Agreement. There are no other oral or written understandings or agreements between us and you, or oral or written representations by us, relating to the subject matter of this Agreement, the franchise relationship, or your Business (any understandings or agreements reached, or any representations made, before this Agreement are superseded by this Agreement). Notwithstanding the foregoing, nothing in this Agreement shall disclaim or require you to waive reliance on any representation made by us in our most recent franchise disclosure document (including exhibits and amendments) delivered to you or your representative.

Any policies that we adopt and implement at any time and from time to time to guide us in our decision-making are subject to change, are not a part of this Agreement, and are not binding on us.

Except as provided in Subsections 16.D and 17.E, nothing in this Agreement is intended or deemed to confer any rights or remedies upon any person or legal entity not a party to this Agreement.

Except where this Agreement expressly obligates us reasonably to approve or not unreasonably to withhold our approval of any of your actions or requests, we have the absolute right to refuse any request you make or to withhold our approval of any of your proposed, initiated, or completed actions that require our approval. The headings of the sections and paragraphs are for convenience only and do not define, limit, or construe the contents of these sections or paragraphs.

References in this Agreement to “we,” “us,” and “our,” with respect to all of our rights and all of your obligations to us under this Agreement, include any of our affiliates with whom you deal. The term “**affiliate**” means any person or entity directly or indirectly owned or controlled by, under common control with, or owning or controlling you or us. “**Control**” means the power to direct or cause the direction of management and policies. The words “**include**” and “**including**” are meant to be illustrative and not exhaustive and are deemed to be read in all cases as “**including, without limitation**” and/or “**including but not limited to.**”

If two or more persons are at any time the owners of the Franchise and your Business, whether as partners or joint venturers, their obligations and liabilities to us will be joint and several. References to “**owner**” mean any person holding a direct or indirect ownership interest (whether of record, beneficially, or otherwise) or voting rights in you (or a transferee of this Agreement and your Business or an ownership interest in you), including, without limitation, any person who has a direct or indirect interest in you (or a transferee), this Agreement, the Franchise, or your Business and any person who has any other legal or equitable interest, or the power to vest in himself or herself any legal or equitable interest, in their revenue, profits, rights, or assets.

References to a “**controlling ownership interest**” in you or one of your owners (if an Entity) mean the percent of the voting shares or other voting rights that results from dividing one hundred percent (100%) of the ownership interests by the number of owners. In the case of a proposed transfer of an ownership interest in you or one of your owners, the determination of whether a “**controlling ownership interest**” is involved must be made as of both immediately before and immediately after the proposed transfer to see if a “**controlling ownership interest**” will be transferred (because of the number of owners before the proposed transfer) or will be deemed to have been transferred (because of the number of owners after the proposed transfer).

“**Person**” means any natural person, corporation, limited liability company, general or limited partnership, unincorporated association, cooperative, or other legal or functional entity.

Unless otherwise specified, all references to a number of days shall mean calendar days and not business days.

The term “**Business**” includes all of the assets of your Business, including its revenue, your Store and the Lease.

The term “**employee**” includes all of your Business’s personnel, including all managers, administrators and other personnel, whether such person is classified as an employee of yours or an independent contractor.

This Agreement may be executed in multiple copies, each of which will be deemed an original.

18. NOTICES AND PAYMENTS.

All written notices, reports, and payments permitted or required to be delivered by this Agreement or the Operations Manual will be deemed to be delivered:

- (a) at the time delivered by hand;

(b) at the time delivered via computer transmission and, in the case of the Royalty, Fund contributions, and other amounts due, at the time we actually receive payment via the EDTA;

(c) one (1) business day after transmission by facsimile if the sender has confirmation of successful transmission;

(d) one (1) business day after being placed in the hands of a nationally recognized commercial courier service for next business day delivery; or

(e) three (3) business days after placement in the United States Mail by Registered or Certified Mail, Return Receipt Requested, postage prepaid.

Any notice to us must be sent to the address specified on the first page of this Agreement. We may change the address for notice by giving you notice of the new address(es). Any notice that we send to you may be sent only to the one (1) person identified on Appendix B, even if you have multiple owners, at the email or postal address specified on Appendix B. You may change the person and/or address for notice only by giving us thirty (30) days' prior notice by any of the means specified in subparagraphs (a) through (e) above.

Any required payment or report which we do not actually receive during regular business hours on the date due (or postmarked by postal authorities at least two (2) days before then) will be deemed delinquent.

19. COMPLIANCE WITH ANTI-TERRORISM LAWS.

You and your owners agree to comply, and to assist us to the fullest extent possible in our efforts to comply, with all applicable legislation, laws, regulations, rules, ordinances, administrative orders, decrees and policies of any court, arbiter, government, governmental agency, department, or similar organization that are in effect from time to time pertaining to: (a) the various anti-terrorism, economic sanctions, and anti-money laundering and narco-trafficking laws, regulations, orders, decrees and guidelines of the U.S. Department of the Treasury's Office of Foreign Assets Control ("OFAC"), (b) the USA PATRIOT Act (Title III of Pub. L. 107-56, signed into law October 26, 2001), as amended, (c) the provisions of United States Executive Order 13224, (d) the U.S. Prevention of Corruption Act 1988, (e) the U. S. Foreign Corrupt Practices Act, 15 U.S.C. Section 78dd-2, (e) relevant multilateral measures such as the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions and the UN Convention Against Corruption, (f) bribery and anti-corruption laws, (g) the laws against money laundering, and (h) the laws against facilitating or supporting persons who conspire to commit these and other crimes against any person or government. You immediately shall notify us in writing if a potential violation of any of the foregoing legislation, laws, regulations, rules, ordinances, administrative orders, decrees and/or policies has occurred or is suspected to have occurred. You immediately shall provide us with copies of any communication to or from any such agency, government, or commission that relates to or affects this Agreement, your Business, or the Marks. Any failure to comply with this Section by you or your owners, or any blocking of your or your owners' assets under any of such laws, legislation, regulations, orders, decrees and/or

policies shall constitute good cause for immediate termination of this Agreement, as provided in Subsection 14.B (20) above.

20. ELECTRONIC MAIL.

You acknowledge and agree that exchanging information with us by e-mail is efficient and desirable for day-to-day communications and that we and you may utilize e-mail for such communications. You authorize the transmission of e-mail by us and our employees, vendors, and affiliates (“**Official Senders**”) to you during the Term.

You further agree that: (a) Official Senders are authorized to send e-mails to those of your employees as you may occasionally authorize for the purpose of communicating with us; (b) you will cause your officers, directors, and employees to give their consent to Official Senders’ transmission of e-mails to them; (c) you will require such persons not to opt out or otherwise ask to no longer receive e-mails from Official Senders during the time that such person works for or is affiliated with you; and (d) you will not opt out or otherwise ask to no longer receive e-mails from Official Senders during the Term.

The consent given in this Section 20 shall not apply to the provision of notices by either party under this Agreement pursuant to Section 18 using e-mail unless the parties otherwise agree in a written document manually signed by both parties.

21. ELECTRONIC SIGNATURES.

The counterparts of this Agreement and all ancillary documents executed or delivered in connection with this Agreement may be executed and signed by electronic signature by any of the parties to this Agreement, and delivered by electronic or digital communications to any other party to this Agreement, and the receiving party may rely on the receipt of such document so executed and delivered by electronic or digital communications signed by electronic signature as if the original has been received. For the purposes of this Agreement, electronic signature means, without limitation, an electronic act or acknowledgement (e.g., clicking an “**I Accept**” or similar button), sound, symbol (digitized signature block), or process attached to or logically associated with a record and executed or adopted by a person with the intent to sign the record.

[Signatures on following page.]

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement on the dates noted below, to be effective as of the Effective Date.

Martinizing International, LLC, a Delaware limited liability company

FRANCHISEE

(IF YOU ARE TAKING THE FRANCHISE AS A CORPORATION, LIMITED LIABILITY COMPANY, OR PARTNERSHIP):

By: _____
Kevin A. DuBois, CEO

DATED*: _____
(*Effective Date of this Agreement)

[Print Name of Franchisee Entity]

By: _____
[signature of person signing on behalf of entity]

Title of Signator: _____

DATED: _____

(IF YOU ARE TAKING THE FRANCHISE INDIVIDUALLY AND NOT AS A LEGAL ENTITY):

[signature of individual franchisee]

Print Name: _____

DATED: _____

[signature of individual franchisee]

Print Name: _____

DATED: _____

APPENDIX A
TO THE MARTINIZING FRANCHISE AGREEMENT

GUARANTY AND ASSUMPTION OF OBLIGATIONS

This Guaranty and Assumption of Obligations is given on the date set forth above by the following persons:

In consideration of, and as an inducement to, the execution of the Franchise Agreement dated of even date herewith, between _____ (“Franchisee”) and Martinizing International, LLC (“Franchisor”) (the “Agreement”), each of the undersigned hereby personally and unconditionally:

Guarantees to Franchisor and its successors and assigns, for the term of the Agreement and thereafter as provided in the Agreement, that Franchisee will punctually pay and perform each and every undertaking, agreement and covenant set forth in the Agreement; and

Agrees to be personally bound by, and personally liable for the breach of, each and every provision in the Agreement, both monetary obligations and obligations to take or refrain from taking specific actions or to engage or refrain from engaging in specific activities.

Each of the undersigned consents and agrees that: His direct and immediate liability under this guaranty will be joint and several; he will render any payment or performance required under the Agreement upon demand if Franchisee fails or refuses punctually to do so; such liability will not be contingent or conditioned upon our pursuit of any remedies against Franchisee or any other person; and such liability will not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence which we 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 will in any way modify or amend this guaranty, which will be continuing and irrevocable during the term of the Agreement.

Each of the undersigned waives 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 undersigned’s execution of and performance under this guaranty.

Each of the undersigned pledges his/her interest in Franchisee, if any, to Franchisor to secure the payment of any direct or indirect, primary or secondary liability, jointly or severally, or any renewals thereof, of the undersigned to Franchisor, due or to become due, or that may hereafter be contracted, and to secure any judgment on any of the foregoing. Franchisor or any of its assignee may collect any part of said security by any lawful means. Any and all transfers of the Agreement shall not affect this pledge. Each of the undersigned agrees to execute any documents reasonably required by Franchisor to secure its interest herein pursuant to the Uniform Commercial Code, including, without limitation, standard form UCC-1.

IN WITNESS WHEREOF, each of the undersigned has affixed his signature on the date set forth above.

GUARANTOR(S):

NAME PRINTED:_____

NAME PRINTED:_____

APPENDIX B
TO THE MARTINIZING FRANCHISE AGREEMENT

LISTING OF OWNERSHIP INTERESTS

Effective Date: This Appendix B is current and complete
as of _____, 20__

You and Your Owners

1. **Form of Owner.** (Choose (a) or (b))

(a) **Individual Proprietorship.** List individual(s):

(b) **Corporation, Limited Liability Company, or Partnership.** (CIRCLE ONE) You were incorporated or formed on _____, under the laws of the State of _____. You have not conducted business under any name other than your corporate, limited liability company, or partnership name and _____. The following is a list of your directors, if applicable, and officers as of the effective date shown above:

Name of Each Director/Officer

Position(s) Held

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

2. **Owners.** The following list includes the full name of each person who is one of your owners (as defined in the Franchise Agreement), or an owner of one of your owners, and fully describes the nature of each owner's interest (attach additional pages if necessary).

Owner's Name

Percentage/Description of Interest

- (a) _____
- (b) _____
- (c) _____
- (d) _____

3. **Name and Address of Person to Receive Notice for Franchisee.**

- (a) Name: _____
- (b) Postal Address: _____

- (c) E-mail Address: _____

4. **Identification of Managing Owner.** Your Managing Owner as of the Effective Date is _____ (must be one of the individuals listed in paragraph 2 above). You may not change the Managing Owner without prior written approval.

[Signatures on following page.]

Martinizing International, LLC, a Delaware limited liability company

By: _____
Kevin A. DuBois

DATED*: _____
(*Effective Date of this Agreement)

FRANCHISEE

(IF YOU ARE TAKING THE FRANCHISE AS A CORPORATION, LIMITED LIABILITY COMPANY, OR PARTNERSHIP):

[Print Name of Franchisee Entity]

By: _____
[signature of person signing on behalf of entity]

Title of Signator: _____

DATED: _____

(IF YOU ARE TAKING THE FRANCHISE INDIVIDUALLY AND NOT AS A LEGAL ENTITY):

[signature of individual franchisee]

Print Name: _____

DATED: _____

[signature of individual franchisee]

Print Name: _____

DATED: _____

**APPENDIX C
TO THE MARTINIZING FRANCHISE AGREEMENT**

The Startup Supplies and Equipment Package for the FRANCHISE is described on the following page.

INSERT FRANCHISE-SPECIFIC LIST FOLLOWING THIS PAGE.

**APPENDIX C
STARTUP SUPPLIES AND EQUIPMENT PACKAGE
SATELLITE STORE**

In return for your payment to us of Fifty-Six Thousand Three Hundred Fifty-two and 00/100 dollars (\$56,352.00), you will receive the following Startup Supplies and Equipment Package, consisting generally of:

- Standard Interior and Exterior Signage Layout, Drawings, Town/ City Permitting, Fabrication and Installation \$5,000 Allowance
- Standard Single-user Touch Screen Computer System and Point-of-Sale Software
- Standard Counter Package consisting of one marking in counter and two call counters including delivery
 - Optional upgrade to counter package \$2,000.00 _____ (Initials)
- Standard Double-deck Clothing Conveyor including delivery and installation
- Standard Store Startup supplies and uniforms
- Store Layout and Design
- Standard Grand Opening Marketing Package
- Standard Retail Store Training Program

We and you agree that this payment is due and payable when you sign your lease for the Store. You understand and hereby acknowledge that you will most likely incur additional costs as stated in our Item 7 of the Disclosure Document.

Franchisor: MARTINIZING INTERNATIONAL, LLC

By: /s/ _____
Kevin A. DuBois, CEO

Dated: _____

Franchisee: _____ (corporate name)

By: /s/ _____

Dated: _____

Name Printed: _____

Title: _____

By: /s/ _____

Dated: _____

Name Printed: _____

Title: _____

**APPENDIX C
STARTUP SUPPLIES AND EQUIPMENT PACKAGE
PLANT STORE with SHIRT PROCESSING**

In return for your payment to us of Three Hundred Seventeen Thousand Seven Hundred Fifty-One and 00/100 dollars (\$317,751.00), you will receive the following Startup Supplies and Equipment Package, consisting generally of:

- Martinizing Dry Cleaning and Finishing machines and equipment
- Martinizing Shirt Processing and Finishing machines, equipment and supplies
- Standard Interior and Exterior Signage Layout, Drawings, Fabrication and Installation
\$8,000 Allowance
- SPOT Business Systems Double-user Touch Screen Computer System and Point-of-Sale Software
- Counter Package consisting of one marking in counter and two call counters
- Double-deck Clothing Conveyor
- Martinizing powered by Green Earth complete start up supplies package
- Martinizing Suggested Store Layout and Design
- Standard Grand Opening Marketing Package
- Standard Environmentally-Friendly Dry Cleaning Store Training Program
- Equipment Installation which includes the freight of equipment.

(Initials)

_____ An additional payment is due for optional pieces that would add larger capacity to the Plant for those owners opening multiple Satellite stores:
Dry Clean Machine upgrade to 60lb - \$9,960.58
Wetclean Machine upgrade to 65lb - \$3721.90
Dryer upgrade to 83lb - \$454.70
Shirt Press to Double Buck - \$13,700.00
Hothead Press - \$7,372.40

We and you agree that this payment is due and payable when you sign your lease for the Store. You understand and hereby acknowledge that you will most likely incur additional costs as stated in our Item 7 of the Disclosure Document.

Franchisor: MARTINIZING INTERNATIONAL, LLC

By: /s/ _____
Kevin A. DuBois, CEO

Dated: _____

Franchisee: _____ (corporate name)

By: /s/ _____

Dated: _____

Name Printed: _____

Title: _____

By: /s/ _____

Dated: _____

Name Printed: _____

Title: _____

**APPENDIX C
STARTUP SUPPLIES AND EQUIPMENT PACKAGE
Martinizing Delivers**

In return for your payment to us of Thirteen Thousand Eight Hundred dollars (\$13,800.00), you will receive the following Startup Supplies and Equipment Package, consisting generally of:

- Martinizing Delivers Start Up Supplies
- Martinizing Delivery Point of Sale System by SPOT business Systems
- Grand Opening Marketing – Martinizing Delivers
- Martinizing Delivers Training

We and you agree that this payment is due and payable when you sign your Franchise Agreement. You understand and hereby acknowledge that you will most likely incur additional costs as stated in our Item 7 of the Disclosure Document.

Franchisor: MARTINIZING INTERNATIONAL, LLC

By: /s/ _____
Kevin A. DuBois, CEO

Dated: _____

Franchisee: _____ (corporate name)

By: /s/ _____

Dated: _____

Name Printed: _____

Title: _____

By: /s/ _____

Dated: _____

Name Printed: _____

Title: _____

APPENDIX C
Conversion/Rebranding Package

In return for your payment to us of between Twelve Thousand dollars and Two Hundred Twenty-Three Thousand Nine Hundred dollars (\$12,000 - \$223,900), you will receive the following Startup Supplies and Equipment Package, consisting generally of:

- Standard Interior and Exterior Signage Layout, Drawings, Fabrication and Installation
\$8,000 Allowance
- SPOT Business Systems Double-user Touch Screen Computer System and Point-of-Sale Software
- Counter Package consisting of one marking in counter and two call counters (if necessary)
- Double-deck Clothing Conveyor
- Martinizing complete start up supplies package
- Martinizing Suggested Store Layout and Design
- Standard Grand Opening Marketing Package
- Standard Environmentally-Friendly Dry Cleaning Store Training Program
- Equipment Installation which includes the freight of equipment.

_____ - Total

We and you agree that this payment is due and payable when you sign your lease for the Store. You understand and hereby acknowledge that you will most likely incur additional costs as stated in our Item 7 of the Disclosure Document.

Franchisor: MARTINIZING INTERNATIONAL, LLC

By: /s/ _____
Kevin A. DuBois, CEO

Dated: _____

Franchisee: _____ (corporate name)

By: /s/ _____

Dated: _____

Name Printed: _____

Title: _____

By: /s/ _____

Dated: _____

Name Printed: _____

Title: _____

APPENDIX D
TO THE MARTINIZING FRANCHISE AGREEMENT

THE OPTION TO ASSUME LEASE FOR THE FRANCHISE IS DESCRIBED ON THE FOLLOWING
PAGE

Option to Assume Lease

1. If _____ ("Tenant") defaults under the Lease dated _____ ("Lease") by and between _____ ("Landlord") and Tenant for the premises located at _____ (the "Premises"), or if Martinizing International, LLC ("Franchisor") terminates Tenant's franchise agreement covering the Premises, or if the franchise agreement expires, Landlord and Tenant acknowledge and agree that Franchisor will have the option to assume the Lease pursuant to the terms below.

2. Landlord agrees to give Franchisor written notice if Landlord terminates the Lease as a result of Tenant's default under the Lease. Franchisor agrees to give written notice to Landlord if Franchisor terminates Tenant's franchise agreement and, in such notice, will request that Landlord provide Franchisor with a copy of the Lease and specify any of Tenant's defaults thereunder. All notices will be by nationally recognized overnight courier (with tracking capability).

3. Franchisor or its representative may, within 30 days from (i) receipt of notice from Landlord that Landlord has terminated the Lease due to a default by Tenant, or (ii) sending notice to Landlord that Franchisor has terminated Tenant's franchise agreement covering the Premises, notify Landlord of Franchisor's decision to assume the Lease. If Franchisor exercises its right to assume the Lease, (i) Landlord will deliver possession of the Premises to Franchisor; and (ii) Franchisor will, immediately upon such delivery, cure all of Tenant's monetary defaults under the Lease, begin curing all of Tenant's nonmonetary defaults under the Lease, and execute an agreement, in a form acceptable to Landlord, pursuant to which Franchisor agrees to assume all of Tenant's rights and obligations under the Lease, subject to the next paragraph.

4. If Franchisor exercises its right to assume the Lease pursuant to Paragraph 3 above, Landlord agrees that Franchisor (i) may, without Landlord's consent, sublet the Premises or assign the Lease to an approved franchisee of Franchisor provided Franchisor remains liable for the payment of rent and the performance of Tenant's duties under the Lease and provided further that, if assigned, the approved franchisee executes an agreement, in a form acceptable to Landlord, pursuant to which such approved franchisee agrees to assume all of the Tenant's obligations under the Lease; (ii) may assign, without recourse, its rights under the Lease upon receiving Landlord's prior written consent, which consent shall not be unreasonably withheld; (iii) will not be subject to any provision of the Lease that requires Tenant to continuously operate a business in the Premises during any period that the Premises is closed for remodeling or while Franchisor is seeking to obtain and train a new franchisee, provided however, that such period of closure will not exceed 45 days in each instance; and (iv) may, if it subleases the Premises to a franchisee as provided above, retain all rent or other consideration payable to Franchisor under such sublease.

5. If Franchisor exercises its right to assume the Lease pursuant to Paragraph 3 above, within 10 days after written demand, Tenant agrees to assign all of its right, title, and interest in the Lease to Franchisor and, if Tenant does not do so, Tenant appoints Franchisor as its agent to execute all documents that may be necessary for Franchisor to take assignment of the Lease. Notwithstanding anything to the contrary contained herein, Tenant shall remain liable to Landlord for all of its obligations under the Lease and to Franchisor for all amounts that Franchisor pays to Landlord to cure Tenant's defaults under the Lease, including interest, reasonable collection costs, and deidentification costs (the parties acknowledging that Franchisor may enter the Premises, upon prior notice to Landlord, to deidentify the Premises). Upon notice to Landlord, Franchisor may assign this Option and its rights and obligations hereunder to any affiliate, subsidiary, or parent of Franchisor, provided such entity agrees to assume such rights and obligations in a form acceptable to Landlord. This Option may be signed in any number of counterparts by facsimile or otherwise, each of which shall be deemed an original, but all of which shall constitute one and the same instrument. A facsimile signature may be used for any purpose in lieu of an original signature.

LANDLORD

TENANT

**FRANCHISOR
MARTINIZING
INTERNATIONAL LLC**

By: _____
Its: _____

By: _____
Its: _____

By: Kevin A. DuBois

Its: CEO

, individually

, individually

EXHIBIT E
TO THE MARTINIZING FRANCHISE AGREEMENT
ELECTRONIC TRANSFER AUTHORIZATION FORM

ELECTRONIC PAYMENT AUTHORIZATION AGREEMENT
(ACH CREDITS AND DEBITS)

ELECTRONIC FUNDS TRANSFER (EFT) AUTHORIZATION FORM

This electronic funds transfer authorization (“EFT Authorization”) is entered into in accordance with the terms of the franchise agreement(s) (individually and collectively, the “Franchise Agreement”) between **Martinizing International, LLC** (“Franchisor”) a Delaware limited liability company, and _____ (individually, or collectively if more than one, “Principal Owner”) and _____ (“Franchisee Entity”, if applicable) under which Franchisor granted Franchisee the right to own and operate one or more franchised businesses (the “Franchised Business”). In this EFT Authorization, if a Franchisee Entity is applicable, Franchisee Entity together with the Principal Owner, shall be referred to as “Franchisee”, but if no Franchisee Entity is applicable, the term Franchisee shall solely refer to Principal Owner.

I hereby acknowledge and agree that I am a principal owner under the Franchise Agreement, and, if applicable, hereby represent and warrant that I am an owner and authorized representative of the Franchisee Entity, and hereby authorize Franchisor (or any affiliate of Franchisor) to debit (or credit in the event of any duplicate or erroneous entries or in the event Franchisor wishes to provide payment to Franchisee that has come to be in Franchisor’s (or any affiliate of Franchisor’s) possession or is owed to Franchisee by Franchisor (or any affiliate of Franchisor’s)) my, or the Franchisee Entity’s bank account, as applicable (as set forth below) at any time during the initial term or any successor term of the Franchise Agreement for any of the fees set forth and described in the Franchise Agreement, any exhibits and addenda thereto, or any other agreement Franchisee has entered into with Franchisor or any of affiliate of Franchisor. Such fees shall include any and all fees and costs incurred on account of and in connection with the Franchise Agreement and/or the operation of the Franchised Business including by way of example only, royalty fees, annual fees, licensing fees, locker fees, any promissory note payment due to the Franchisor (of its affiliate, if applicable), late payment fees, regional meetings, marketing materials, the call center, regional and/or national account programs, the direct mail campaign, assistance and any convention or regional meeting, as applicable under the terms of your Franchise Agreement.

Bank/Financial Institution Information

Name of Financial Institution	
Financial Institution Address	
Account Number	
ABA Routing Number	

PLEASE ATTACH A COPY OF A VOIDED CHECK TO THIS EFT AUTHORIZATION AND SUBMIT SAME TO LAURIE VON MINDEN VIA EMAIL AT: ACCOUNTING@CLEANFRANCHISEBRANDS.COM OR VIA FAX AT: (781) 829-9546.

Franchisee: _____ (corporate name)

By: /s/ _____

Dated: _____

Name Printed: _____

Title: _____

By: /s/ _____

Dated: _____

Name Printed: _____

Title: _____

Exhibit B Financial Statements

Martinizing International, LLC

Balance Sheet As of August 31, 2021

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
1000 Fifth Third - Operating	266,866.39
Total Bank Accounts	\$266,866.39
Accounts Receivable	
1100 Accounts Receivable	473,640.78
1150 AR Allowance	-54,129.47
Total Accounts Receivable	\$419,511.31
Other Current Assets	
1190 Accounts Receivable Other	-2,342.52
1330 Inventory - Supplies	2,456.27
1340 Inventory - Lockers	26,060.87
1499 Undeposited Funds	12,443.05
Total Other Current Assets	\$38,617.67
Total Current Assets	\$724,995.37
Fixed Assets	
1560 Website	4,000.00
Total Fixed Assets	\$4,000.00
Other Assets	
1900 Due from (to) Clean Franchise Brands Inc.	170,744.64
1920 Due from (to) Next Step Franchising LLC	200.00
1930 Due from (to) Clean Franchise Brands LLC	-523,135.35
Total Other Assets	\$ -352,190.71
TOTAL ASSETS	\$376,804.66
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 Accounts Payable	53,582.17
Total Accounts Payable	\$53,582.17
Other Current Liabilities	
2235 Marketing Accounts - Franchisees	188,788.93
Total Other Current Liabilities	\$188,788.93
Total Current Liabilities	\$242,371.10
Total Liabilities	\$242,371.10
Equity	
3800 Retained Earnings	
Net Income	134,433.56
Total Equity	\$134,433.56
TOTAL LIABILITIES AND EQUITY	\$376,804.66

Martinizing International, LLC

Profit and Loss
April - August, 2021

	TOTAL
Income	
4420 Equipment Fees - Plant	6,261.94
4470 Equipment Fees - Delivery	794.16
4700 Royalties	493,154.18
4710 Grandfather - Royalty Fees	50,486.41
4720 Annual Fees - Royalty	3,000.00
Total 4700 Royalties	546,640.59
4800 SPOT Fee Revenue	98,859.15
4820 Tech Fee Revenue	-24.00
Total Income	\$652,531.84
Cost of Goods Sold	
5200 Fran Dev - Svc Fee CFBI	22,761.65
5400 Cost of Equipment	2,232.66
5420 Equipment Freight In	1,407.51
5800 Tech - SPOT fees	80,173.55
Total Cost of Goods Sold	\$106,575.37
GROSS PROFIT	\$545,956.47
Expenses	
6800 Ops - Svc Fee CFBI	105,345.71
7800 Tech - Svc Fee CFBI	25,341.79
8230 G&A - Postage & Couriers	553.09
8340 G&A - Other Professional Fees	0.00
8600 G&A - Credit Card & Bank Fees	1,710.38
8800 G&A - Svc Fee CFBI	112,108.10
Total Expenses	\$245,059.07
NET OPERATING INCOME	\$300,897.40
Other Income	
8900 Ad Fund Income	72,873.50
8910 Ad Fund Expenses	-24,932.38
Total Other Income	\$47,941.12
Other Expenses	
9200 Interest & Late Fee Income	-17.53
9300 Foreign Currency Gain / Loss	1,318.17
9800 Transaction Expenses	213,104.32
Total Other Expenses	\$214,404.96
NET OTHER INCOME	\$ -166,463.84
NET INCOME	\$134,433.56

Exhibit C List of State Agencies & Agents for Service of Process

California California Commissioner of Business Oversight
320 West 4th Street, Suite 750
Los Angeles, California 90013-2344
213-576-7500
Toll Free 866-275-2677

Connecticut Connecticut Banking Commissioner
260 Constitution Plaza
Hartford, Connecticut 06103
860-240-8230
800-831-7225

Florida Florida Department of Agriculture & Consumer Services
Bob Crawford, Commissioner
Post Office Box 6700
Tallahassee, Florida 32314-6700
904-488-3022

Hawaii Hawaii Commissioner of Securities
Department of Commerce and Consumer Affairs
Business Registration
335 Merchant Street, Room 203
Honolulu, Hawaii 96813
808-586-2727

Illinois Illinois Attorney General
500 South Second Street
Springfield, Illinois 62706
217-782-4465

Indiana ***Agent for Service of Process:*** Indiana Secretary of State
201 State House
Indianapolis, Indiana 46204
317-232-6681

Indiana State Administrator
Indiana Securities Commissioner
302 West Washington Street, Room E-111
Indianapolis, Indiana 46204
317-232-6685

Kentucky Kentucky Attorney General
Post Office Box 2000
1024 Capital Center Drive
Frankfort, Kentucky 40601-8204
502-696-5300

Maine Securities Administrator
Bureau of Banking
Securities Division
State House Station
Augusta, Maine 04333
207-624-8551

Maryland ***Agent for Service of Process::***
Maryland Securities Commissioner
200 Saint Paul Place
Baltimore, Maryland 21202-2020
410-576-6360

State Authority:
Office of the Attorney General
Securities Division
200 St. Paul Place
Baltimore, MD 21202

Massachusetts Massachusetts Secretary of the Commonwealth
Corporations Division
One Ashburton Place, 17th Floor
Boston, MA 02108
617-727-9640

Michigan Michigan Department of Commerce, Corporations and Securities Bureau
670 Law Building
Lansing, Michigan 48913
517-373-7117

Minnesota Minnesota Commissioner of Commerce
85 Seventh Place,
Suite 280
Saint Paul, Minnesota 55101-2198
651-539-1600

Nebraska Nebraska Department of Banking and Finance
The Atrium, Suite 311
1200 North Main Street
Post Office Box 95006
Lincoln, Nebraska 68509-5006
402-471-2171

New Hampshire New Hampshire Secretary of State
Corporations Division
107 North Main Street
Concord, NH 03301
603-271-3244

New York

State Agency:

Secretary of State of the State of New York
99 Washington Avenue
Albany, New York 12231
518-474-4750

New York State Administrator

The New York Department of Law
Investor Protection Bureau
28 Liberty Street, 21st Floor
New York, New York 10005
212-416-8236

North Carolina

Secretary of State
Legislative Office Building, Room 404
300 North Salisbury Street
Raleigh, North Carolina 27611
919-733-4201

North Dakota

North Dakota Securities Commissioner
600 East Boulevard
5th Floor
Bismarck, North Dakota 58505
701-224-4712

Rhode Island

Director of Rhode Island Department of Business Regulation
233 Richmond Street
Suite 232
Providence, Rhode Island 02903-4232
401-277-3048

South Carolina

Secretary of State
Post Office Box 11350
Columbia, South Carolina 29211
803-734-1087

South Dakota

Division of Insurance Securities Regulation
124 South Euclid, Ste. 104
Pierre, SD57501
605-773-3563

Texas

Texas State Administrator

Secretary of State
Statutory Document Section
Post Office Box 13563
Austin, Texas 78711-3563
512-475-1769

Utah

Director, Department of Commerce
Division of Consumer Protection
160 East 300 South
Post Office Box 45804
Salt Lake City, Utah
84145-0804
801-530-6601

Virginia

State Agency:

Clerk of the State Corporation Commission
1300 East Main Street, 1st Floor
Richmond, Virginia 23219
804-371-9733

Virginia Administrator

Division of Securities and Retail Franchising
1300 East Main Street
9th Floor
Richmond, Virginia 23219
804-371-9051

Washington

Washington Department of Financial Institutions
Post Office Box 9033
Olympia, Washington
98507-9033
206-902-8760

Wisconsin

Wisconsin Commissioner of Securities
111 West Wilson Street
Post Office Box 1768
Madison, Wisconsin 53701
608-266-1365

Exhibit D State Addenda and Riders

DISCLOSURE DOCUMENT ADDENDUM – CALIFORNIA

(Applies only to California franchises)

Risk Factors:

REGISTRATION OF THIS FRANCHISE WITH THE STATE DOES NOT MEAN THAT THE STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS OFFERING CIRCULAR. IF YOU LEARN THAT ANYTHING IN THIS OFFERING CIRCULAR IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION, D.C. 20580 AND THE COMMISSIONER OF CORPORATIONS, 320 W. 4th STREET, SUITE 750, LOS ANGELES, CA 90013.

Neither the franchisor, nor any person or franchise broker in Item 2 of this Offering Circular is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.S.A 78a et seq., suspending or expelling such person from membership in such association or exchange.

You must sign a general release if you renew or transfer your franchise. 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 200010 voids a waiver of our rights under the Franchise Relations Act (Business and Professions code 2000000 through 20043).

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 offering circular.

Additional Disclosures per Rule 310.114 (c):

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

The franchise agreement provides for termination upon bankruptcy. This provision may not be enforceable under the federal bankruptcy law (11 U.S.C.A. Section 101 and following).

The franchise agreement contains a covenant not to compete, which extends beyond the termination of the franchise. This provision may not be enforceable under

California law. The franchise agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

The franchise agreement requires binding arbitration. The arbitration will occur at Tampa, Florida with the costs being borne by the losing party. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside of the State of California.

The franchise agreement requires application of the laws of Florida. This provision may not be enforceable under California law.

Section 31125 of the Franchise Investment Law requires us to give to you a disclosure document approved by the Commissioner of Corporations before we ask you to consider a material modification of your franchise agreement.

Our web URL is www.martinizingfranchise.com.

OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT at www.dbo.ca.gov.

ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT PURSUANT TO
THE HAWAII FRANCHISE INVESTMENT LAW

(Applies only to Hawaii franchises)

These franchises will be/have been filed under the Franchise Investment Law of the State of Hawaii. Filing does not constitute approval, recommendation or endorsement by the Director of Commerce and Consumer Affairs or a finding by the Director of Commerce and Consumer Affairs that the information provided herein is true, complete and not misleading.

The Franchise Investment Law makes it unlawful to offer or sell any franchise in this state without first providing to the prospective franchisee, or subfranchisor, at least seven (7) days prior to the execution by the prospective franchisee of any binding franchise or other agreement, or at least seven days prior to the payment of any consideration by the franchisee, or subfranchisor, whichever occurs first, a copy of the Disclosure Document, together with a copy of all proposed agreements relating to the sale of the franchise.

This Disclosure Document contains a summary only of certain material provisions of the franchise agreement. The contract or agreement should be referred to for a statement of all rights, conditions, restrictions and obligations of both the franchisor and the franchisee.

No release language set forth in the franchise agreement shall relieve us or any other person, directly or indirectly, from liability imposed by laws concerning franchising in the State of Hawaii.

Registered agent in the state authorized to receive service of process:

Hawaii Commissioner of Securities
Department of Commerce and Consumer Affairs
Business Registration
335 Merchant Street, Room 203
Honolulu, Hawaii 96813
808-586-2727

**ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT PURSUANT TO
THE INDIANA FRANCHISE DISCLOSURE LAW AND THE INDIANA DECEPTIVE
FRANCHISE PRACTICES ACT**

(Applies only to Indiana franchises)

Notwithstanding anything to the contrary set forth in the Disclosure Document of Franchise Agreement, the following provisions shall supersede and apply to all franchises offered and sold in the State of Indiana:

1. The laws of the State of Indiana supersede any provisions of the Franchise Agreement, the other agreements or Florida law if such provisions are in conflict with Indiana law.
2. The prohibition by Indiana Code §23-2-2.7-1(7) against unilateral termination of the franchise without good cause or in bad faith, good cause being defined therein as material breach of the Franchise Agreement, shall supersede the provisions of the Franchise Agreement in the State of Indiana to the extent they may be inconsistent with such prohibition.
3. Liquidated damages and termination penalties are prohibited by law in the State of Indiana and, therefore, the Disclosure Document and the Franchise Agreement are amended by the deletion of all references to liquidated damages and termination penalties and the addition of the following language to the original language that appears therein:

“Notwithstanding any such termination, and in addition to the obligations of the Franchisee as otherwise provided, or in the event of termination or cancellation of the Franchise Agreement under any of the other provisions therein, the Franchisee nevertheless shall be, continue and remain liable to Franchisor for any and all damages which Franchisor has sustained or may sustain by reason of such default or defaults and the breach of the Franchise Agreement on the part of the Franchisee for the unexpired Term of the Franchise Agreement.

At the time of such termination of the Franchise Agreement, the Franchisee covenants to pay to Franchisor within ten (10) days after demand as compensation all damages, losses, costs and expenses (including reasonable attorney’s fees) incurred by Franchisor, and/or amounts which would otherwise be payable thereunder but for such termination for and during the remainder of the unexpired Term of the Franchise Agreement. This Agreement does not constitute a waiver of the Franchisee’s right to a trial on any of the above matters.”

4. No release language set forth in the Disclosure Document or Franchise Agreement shall relieve Franchisor or any other person, directly or indirectly, from liability imposed by the laws concerning franchising of the State of Indiana.
5. The Franchise Agreement is amended to provide that such agreement will be construed in accordance with the laws of the State of Indiana.

**ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT PURSUANT
TO
THE INDIANA FRANCHISE DISCLOSURE LAW AND THE INDIANA
DECEPTIVE FRANCHISE PRACTICES ACT
Continued**

6. Any provision in the Franchise Agreement which designates jurisdiction or venue, or requires the Franchisee to agree to jurisdiction or venue, in a forum outside of Indiana, is deleted from any Franchise Agreement issued in the State of Indiana.

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Addendum concurrently with the execution of the Franchise Agreement this _____ day of _____, 20____.

MARTINIZING INTERNATIONAL, LLC
FRANCHISOR

FRANCHISEE (Print Name)

By: _____
Kevin A. DuBois

By: _____

Title: CEO

Title: _____

DISCLOSURE DOCUMENT ADDENDUM – ILLINOIS

(Applies only to Illinois franchises)

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

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

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

Your rights upon termination and non-renewal of a franchise agreement are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

FRANCHISE AGREEMENT RIDER – ILLINOIS

Notwithstanding anything to the contrary set forth in the Franchise Agreement to which this Rider is attached, the following terms and conditions shall control:

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

Section 13.13 and 13.14 are hereby amended to provide that jurisdiction and venue must be in a forum within the State of Illinois, subject, however, to the arbitration provisions of the Agreement set forth in Section 13.12, which provide for arbitration outside of Illinois

Section 13.15 is hereby amended to provide 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 (the "Act") or any other law of the State of Illinois is void. This section shall not prevent any person from entering into a settlement agreement or executing a general release regarding a potential or actual lawsuit filed under any of the provisions of the Act, nor shall it prevent the arbitration of any claim purchase to the provisions of Title 9 of the United States Code.

Section 13.17 is hereby amended by replacing the section with the following: Any and all claims arising out of or relating to this Agreement or our relationship with you will be barred unless a judicial or arbitration proceeding is commenced within the earlier of three (3) years after the act or transaction constituting the violation upon which it is based, the expiration of one (1) year after the franchisee becomes aware of the facts or circumstances reasonably indicating that he may have a claim for relief in respect to conduct governed by the Act, or ninety (90) days after delivery to the franchisee of a written notice disclosing the violation, whichever shall first expire. No cause of action barred under existing law on the effective date of the Act shall be revived by this Act. Every cause of action under the Act survives the death of any person who might have been a plaintiff or defendant.

Your rights upon termination and non-renewal of a franchise agreement are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Rider concurrently with the execution of the Franchise Agreement this _____ day of _____, 20____.

MARTINIZING INTERNATIONAL, LLC
FRANCHISOR

FRANCHISEE (Print Name)

By: _____

By: _____

Kevin A. DuBois

Title: CEO

Title: _____

DISCLOSURE DOCUMENT ADDENDUM – MARYLAND

(Applies only to Maryland franchises)

Item 17 is hereby amended as follows:

- a) A Franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.
- b) Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the Franchise.

FRANCHISE AGREEMENT RIDER – MARYLAND

A Franchisee may bring a lawsuit 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.

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

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Rider concurrently with the execution of the Franchise Agreement this _____ day of _____, 20____.

MARTINIZING INTERNATIONAL, LLC
FRANCHISOR

FRANCHISEE (Print Name)

By: _____
Kevin A. DuBois
Title: CEO

By: _____
Title: _____

DISCLOSURE DOCUMENT ADDENDUM - MICHIGAN

(Applies only to Michigan franchises)

The State of Michigan prohibits certain unfair provisions that are sometimes in franchise documents. If any of the following provisions are in these franchise documents, the provisions are void and cannot be enforced against you.

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

- (a) A prohibition on the right of a franchisee to join an association of franchisees.
- (b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.
- (c) A provision that permits a franchisor to terminate a franchise before 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 franchise business are not subject to compensation. This subsection applies only if (i) the term of the franchise is less than 5 years; and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise.
- (e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.
- (f) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration to conduct arbitration at a location outside this state.
- (g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but it 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.

DISCLOSURE DOCUMENT ADDENDUM – MICHIGAN

Continued

(iv) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.

(h) A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (C).

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

If the franchisor's most recent financial statements are unaudited and show a net worth of less than \$100,000.00, the franchisor shall, at the request of a franchisee, arrange for the escrow of initial investment and other funds paid by the franchisee or subfranchisor 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 fact that there is a notice of this Disclosure Document on file with the Attorney General does not constitute approval, recommendation, or endorsement by the Attorney General.

Any questions regarding the notice should be directed to:

State of Michigan
Consumer Protection Division
Attention: Franchise
670 Law Building
Lansing, Michigan 48913
Telephone Number: (517) 373-3800

ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT AND
AMENDMENT TO FRANCHISE AGREEMENT
PURSUANT TO THE MINNESOTA FRANCHISE INVESTMENT LAW

(Applies only to Minnesota franchisees)

Notwithstanding anything to the contrary set forth in the Disclosure Document and/or Franchise Agreement, as applicable, the following provisions shall supersede and apply to all franchises offered and sold in the State of Minnesota:

1. The following language shall be added to the Disclosure Document and the Franchise Agreement:

“The Minnesota Department of Commerce requires the Franchisor to indemnify Minnesota franchisees against liability to third parties resulting from claims by third parties that the Franchisee’s use of the tradename infringes trademark rights of the third party. Franchisor indemnifies Franchisee against the consequences of Franchisee’s use of the tradename in accordance with the requirements of the license, and, as a condition to indemnification, Franchisee must provide notice to Franchisor of any such claims within ten (10) days and tender the defense of the claim to Franchisor. If Franchisor accepts the tender of defense, Franchisor has the right to manage the defense of the claim including the right to compromise, settle, or otherwise resolve the claim, and to determine whether to appeal a final determination of the claim.”

2. The Disclosure Document and Franchise Agreement are amended as follows:

“With respect to franchises governed by Minnesota law, Franchisor will comply with Minn.Stat.Sec. 80C.14, Subds 3, 4 and 5, which require, except in certain specific cases, that a Franchisee be given ninety (90) day notice of termination (with sixty (60) days to cure) and one hundred eighty (180) day notice for non-renewal of the Franchise Agreement.”

3. No release language set forth in the Franchise Agreement shall relieve Franchisor or any other person, directly or indirectly, from liability imposed by the laws concerning franchising of the State of Minnesota.
4. Liquidated damages and termination penalties are prohibited by law in the State of Minnesota and, therefore, the Franchise Agreement is amended by the addition of the following language to the original language that appears therein:

“Notwithstanding any such termination, and in addition to the obligations of the Franchisee as otherwise provided, or in the event the termination or cancellation of the Franchise Agreement under any of the other provisions therein, the Franchisee nevertheless shall be, continue and remain liable to Franchisor for any and all damages which Franchisor has sustained or may sustain by reason of such default or defaults and the breach of the Franchise Agreement on the part of the Franchisee for the unexpired term of the Franchise Agreement.

At the time of such termination of the Franchise Agreement, the Franchisee covenants to pay to Franchisor within ten (10) days after demand as compensation for all damages, losses, costs and expenses (including reasonable attorney’s fees) incurred by Franchisor, and/or amounts which would otherwise be payable thereunder but for such termination for and during the remainder of the unexpired Operating Term of the Franchise Agreement. This does not constitute a waiver of the Franchisee’s right to a trial on any of the above matters.”

ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT AND
AMENDMENT TO FRANCHISE AGREEMENT
PURSUANT TO THE MINNESOTA FRANCHISE INVESTMENT LAW
Continued

5. Item 17 of the Disclosure Document is amended to add the following and the following language will appear at the end of any Franchise Agreement issued in the State of Minnesota:

“Pursuant to Minnesota Statutes, Chapter 80C and Minn. Rule Part 2860-4400J, this Section shall not in any way abrogate or reduce any rights of the Franchisee as provided for in the Minnesota Statutes Chapter 80C.”

6. The Disclosure Document and the Franchise Agreement are amended as follows:

“Nothing contained herein shall limit Franchisee’s rights to submit matters to the jurisdiction of the courts of Minnesota to the full extent required by Minn. Rule 2860-4400J.”

7. The Franchisee cannot consent to the Franchisor obtaining injunctive relief. The Franchisor may seek injunctive relief. See Minn. Rule 2860.4400J. Also, a court will determine if a bond is required.
8. Any limitations of claims set forth in the Franchise Agreement must comply with Minnesota Statutes, Section 80C.17, Subd 5.

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Minnesota Amendment concurrently with the execution of the Franchise Agreement this _____ day of _____, 20____.

MARTINIZING INTERNATIONAL, LLC
FRANCHISOR

FRANCHISEE (Print Name)

By: _____
Kevin A. DuBois

By: _____

Title: CEO

Title: _____

DISCLOSURE DOCUMENT ADDENDUM – NEW YORK

(Applies only to New York franchisees)

1. 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 C 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, INVESTOR PROTECTION BUREAU, 28 LIBERTY STREET, 21ST FLOOR, NEW YORK, NY 10005. 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. The following is added at the end of Item 3:

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

- A. No such party has any 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 ten-year period immediately preceding the application for registration, has been convicted of or has 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 any currently effective injunctive or restrictive order or decree relating to 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 Exchange Act of 1934, suspending or expelling such persons from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including without limitation, actions affecting a license as a real estate broker or sales agent.

3. The following is added to the end of Item 4: During the ten-year period immediately before the date of this Franchise Disclosure Document, neither the Franchisor, its affiliate, its predecessor, officers or general partner has (a) filed as a 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 one (1) year after the officer or general partner of Franchisor held this position in the company or partnership.

4. The following is added to the end of Item 5: The initial franchise fee constitutes part of our general operating funds and will be used as such in our discretion.
5. 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 full 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.

6. 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.

7. 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.

8. The following is added to the end of the “Summary” section 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.

FRANCHISE AGREEMENT RIDER – NEW YORK

Notwithstanding anything to the contrary set forth in the Franchise Agreement to which this Rider is attached, the following terms and conditions shall control:

1. All rights enjoyed by Franchisee and any causes of action arising in its 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, Section 687.4 and 687.5 be satisfied.
2. You may terminate the Agreement on any grounds available by law.
3. With regard to Franchisor's right of assignment set forth in Article 9.1, 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 this Agreement.
4. The choice of law provision in Article 13.13 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.

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Rider concurrently with the execution of the Franchise Agreement this _____ day of _____, 20____.

MARTINIZING INTERNATIONAL, LLC
FRANCHISOR

FRANCHISEE (Print Name)

By: _____

By: _____

Kevin A. DuBois

Title: CEO

Title: _____

**DISCLOSURE DOCUMENT ADDENDUM
and
FRANCHISE AGREEMENT RIDER
NORTH DAKOTA**

(Applies only to North Dakota franchisees)

Notwithstanding anything to the contrary set forth in the Disclosure Document, the following provisions shall supersede and apply to all franchises offered and sold in the State of North Dakota:

1. Liquidated damages and termination penalties are prohibited by law in the State of North Dakota: If a Franchise is so terminated, and in addition to the obligations of the Franchisee as otherwise provided herein, Franchisor shall retain the full amount of any fees heretofore paid to Franchisor and Franchisee shall continue to remain liable to Franchisor for any and all damages which Franchisor has sustained or may sustain by reason of such default or defaults and the breach of the Franchise Agreement on the part of the Franchisee for the unexpired term of the Franchise Agreement.
2. The laws of the State of North Dakota supersede any provisions of the Franchise Agreement, the other agreements or Florida law if such provisions are in conflict with North Dakota law.
3. Any provision of the Franchise Agreement which designates jurisdiction or venue, or requires Franchisee to agree to jurisdiction or venue, in a forum outside of North Dakota, is deleted from any Franchise Agreement issued in the State of North Dakota.
4. The laws of the State of North Dakota do not allow for the following statement and they are therefore deleted from any Franchise Agreement issued in the State of North Dakota:
 - a. A general release to be signed upon renewal; and
 - b. The requirement that franchisees consent to termination or liquidated damages, a waiver of trial by jury, a waiver of exemplary and punitive damages, and/or to a limitation of claims within one (1) year.
5. The Disclosure Document and Franchise Agreement are amended adding the following statement to each:

“Covenants not to compete, such as those mentioned herein, are generally considered unenforceable in the State of North Dakota.”

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Addendum and Rider concurrently with the execution of the Franchise Agreement this _____ day of _____, 20_____.

MARTINIZING INTERNATIONAL, LLC
FRANCHISOR

FRANCHISEE (Print Name)

By: _____
Kevin A. DuBois

By: _____

Title: CEO

Title: _____

FRANCHISE AGREEMENT RIDER – RHODE ISLAND

(Applies only to Rhode Island franchises)

Notwithstanding anything to the contrary set forth in the Franchise Agreement to which this Rider is attached, the following terms and conditions shall control:

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 above language has been included in this Offering Circular as a condition to registration. Franchisor and the Franchisee do not agree with the above language and believe that each of the provisions of the Franchise Agreement, including all choice of law provisions, is fully enforceable. Franchisor and the Franchisee intend to fully enforce all of the provisions of the Franchise Agreement and all other documents signed by them, including but not limited to, all venue, choice-of-law, arbitration provisions and other dispute avoidance and resolution provisions and to rely on federal pre-emption under the Federal Arbitration Act.

MARTINIZING INTERNATIONAL, LLC
FRANCHISOR

By: _____
Kevin A. DuBois
Title: CEO

FRANCHISEE (Print Name)

By: _____
Title: _____

**DISCLOSURE DOCUMENT ADDENDUM
and
FRANCHISE AGREEMENT RIDER
SOUTH DAKOTA**

(Applies only to South Dakota franchisees)

To the extent this Addendum is inconsistent with any terms or conditions of the Franchise Agreement or exhibits or attachments thereto, or the Disclosure Document, the following provisions shall supersede and apply to all franchises offered and sold in the State of South Dakota:

1. Liquidated damages and termination penalties are prohibited by law in the State of North Dakota: If a Franchise is so terminated, and in addition to the obligations of the Franchisee as otherwise provided herein, Franchisor shall retain the full amount of any fees heretofore paid to Franchisor and Franchisee shall continue to remain liable to Franchisor for any and all damages which Franchisor has sustained or may sustain by reason of such default or defaults and the breach of the Franchise Agreement on the part of the Franchisee for the unexpired term of the Franchise Agreement.

At the time of such termination of the Franchise Agreement, the Franchisee covenants to pay to Franchisor within ten (10) days after demand as compensation all damages, losses, costs and expenses (including reasonable attorney's fees) incurred by Franchisor, and/or amounts which would otherwise be payable thereunder but for such termination for and during the remainder of the unexpired term of the Franchise Agreement.

2. Franchise registration, employment, covenants not to compete and other matters of local concern will be governed by the laws of the State of South Dakota. As to contractual and other matters, the Franchise Agreement will be and remains subject to the construction, enforcement and interpretation of the laws of Florida. Any provision in the Franchise Agreement which designates jurisdiction or venue, or requires Franchisee to agree to jurisdiction or venue, in a forum outside of South Dakota, is deleted from any Franchise Agreement issued in the State of South Dakota.
3. No release language set forth in the Franchise Agreement shall relieve Franchisor or any other person, directly or indirectly, from liability imposed by the laws concerning franchising of the State of South Dakota.
4. Termination provisions covering breach of the Franchise Agreement, failure to meet performance and quality standards, and failure to make royalty payments contained in the Franchise Agreement shall afford Franchisee thirty (30) days written notice with an opportunity to cure said default prior to termination.
5. REGISTRATION OF THIS FRANCHISE DOES NOT CONSTITUTE APPROVAL OR RECOMMENDATION OF THE FRANCHISE BY THE DIRECTOR.

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Addendum and Rider concurrently with the execution of the Franchise Agreement this _____ day of _____, 20 ____.

MARTINIZING INTERNATIONAL, LLC
FRANCHISOR

FRANCHISEE (Print Name)

By: _____
Kevin A. DuBois

By: _____

Title: CEO

Title: _____

FRANCHISE AGREEMENT ADDENDUM - WASHINGTON

(Applies only to Washington franchises)

The State of Washington has a statute, RCW 19.100.180 which 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 areas of termination and renewal of your franchise.

In any arbitration involving a franchise purchased in Washington, the arbitration site shall be either in the State of Washington, or in a place mutually agreed upon at the time of the arbitration, or as determined by the arbitrator.

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW shall prevail.

A release or waiver of rights executed by a franchisee shall not include rights under the Washington Franchise Investment Protection 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.

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

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Addendum and Rider concurrently with the execution of the Franchise Agreement this _____ day of _____, 20____.

MARTINIZING INTERNATIONAL, LLC
FRANCHISOR

FRANCHISEE (Print Name)

By: _____
Kevin A. DuBois

By: _____

Title: CEO

Title: _____

DISCLOSURE DOCUMENT ADDENDUM – WISCONSIN

(Applies only to Wisconsin franchises)

Franchise Registrations are governed in Wisconsin by the Wisconsin Franchise Investment Law, Wis. Stat. Ch. 553, and the Wisconsin Administrative Code, DFI-Sec Chapters 31-36.

The Wisconsin Fair Dealership Law, Wis. Stat. Ch. 135 applies to most, if not all, franchise agreements and prohibits the termination, cancellation, non-renewal or the substantial change of the competitive circumstances of a dealership agreement without good cause. It further provides that ninety (90) days prior written notice of a proposed termination, etc. must be given to the dealer. The dealer has sixty (60) days to cure the deficiency and if the deficiency is cured, the notice is void. Section 17 of this Franchise Disclosure Document and the corresponding section of the franchise should state that the Wisconsin Fair Dealership Law supersedes any provisions contained in the franchise or license agreement that are inconsistent with that Law.

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Addendum and Rider concurrently with the execution of the Franchise Agreement this _____ day of _____, 20____.

MARTINIZING INTERNATIONAL, LLC
FRANCHISOR

FRANCHISEE (Print Name)

By: _____
Kevin A. DuBois
Title: CEO

By: _____
Title: _____

Exhibit E Operations Manual Table of Contents

MASTER TABLE OF CONTENTS – Operations Manual

SECTION 1 WELCOME

1.1 WELCOME

I.	MANUAL PURPOSE AND LIMITATIONS	2
A.	MANUAL DISCLAIMER	2
B.	GENDER STATEMENT	2
C.	MANUAL ORGANIZATION	2
D.	STATEMENT OF CONFIDENTIALITY	3
E.	MANUAL REVISIONS.....	4
F.	SAMPLE NOTICE OF POLICY/PROCEDURE CHANGE	5
G.	SUBMITTING SUGGESTIONS TO THE FRANCHISOR	6
II.	LETTER FROM THE FRANCHISOR	7
III.	MARTINIZING SYSTEM.....	8
A.	OUR MISSION	8
B.	OUR PHILOSOPHY	8
1.	THE CUSTOMER ALWAYS COMES FIRST.	8
2.	WE SURPASS CUSTOMER EXPECTATIONS.....	8
3.	TOP QUALITY WORK ALWAYS BEATS LOW-PRICED COMPETITION.	8
4.	PROBLEMS ARE OPPORTUNITIES IN DISGUISE.	8
5.	IF WE DON'T TAKE CARE OF OUR CUSTOMERS, SOMEBODY ELSE WILL.	9

1.2 RIGHT START

I.	SINGLE UNIT FRANCHISE START-UP CHECKLIST OF TASKS	6
A.	PRIOR TO SIGNING A LEASE	6
1.	SELECT A SITE	6
2.	REVIEW THE LEASE	6
3.	HIRE AN ATTORNEY	6
4.	CHECK LOCAL CODES	7
5.	ARCHITECT/GENERAL CONTRACTOR	7
6.	ACCOUNTANT	7
7.	FINANCING.....	7
8.	INSURANCE	7
9.	INSTALLERS	7
10.	RIGGING AND STORAGE	8
11.	SIGNAGE	8
B.	NEGOTIATING THE LEASE.....	9
C.	AFTER THE LEASE IS SIGNED.....	10
1.	NOTE: PRE-SHAKEDOWN CHECKLIST	11
2.	NOTE: PRE-TRAINING CHECKLIST.....	11
D.	STEP ONE.....	11
1.	NOTIFY MARTINIZING WHEN LEASE IS SIGNED	11
2.	ARRANGE TENANT IMPROVEMENTS	11
E.	STEP TWO.....	12
1.	ORDER EQUIPMENT	12
2.	FINANCING AND EQUIPMENT.....	12
3.	INSURANCE AND ACCOUNTING	12
F.	STEP THREE	12
1.	SECURE UTILITIES (A DEPOSIT MAY BE REQUIRED)	12
2.	REALITY CHECK ON SPACE	12
3.	CHOOSE AN INSTALLER.....	13
G.	STEP FOUR.....	14

	1.	ORDER WINDOW GRAPHICS.....	14
	2.	INFORM EQUIPMENT INSTALLER OF TENTATIVE DELIVERY DATE.....	14
	3.	TRAINING AT MARTINIZING CORPORATE OFFICES.....	14
H.		STEP FIVE.....	14
	1.	APPLY FOR NECESSARY LICENSES AND/OR PERMITS:.....	14
	2.	FORWARD ALL EXTERIOR SIGNAGE BIDS TO MARTINIZING FOR APPROVAL.....	14
I.		STEP SIX.....	14
	1.	BEGIN LEASEHOLD IMPROVEMENTS.....	14
J.		STEP SEVEN.....	16
	1.	ORDER EPA, OSHA AND LABOR LAW POSTERS AND MATERIALS.....	16
	2.	SEND MARKETING DEPOSIT.....	16
K.		STEP EIGHT.....	16
	1.	MARTINIZING TRAINING.....	16
	2.	LEASEHOLD IMPROVEMENTS; USE NEW STORE CHECKLIST.....	16
L.		STEP NINE.....	16
	1.	REVIEW USING THE LEASEHOLD& INSTALLATION CHECKLIST AND NEW STORE CHECKLIST 16	
	2.	REVIEW TASKS/EQUIPMENT PAYMENT.....	17
	3.	HANG "COMING SOON" BANNER.....	17
	4.	EQUIPMENT SHIPPED.....	17
	5.	CREATE PRICE LIST.....	17
	6.	INTERVIEW AND HIRE EMPLOYEES.....	17
M.		STEP TEN.....	17
	1.	PREPARE FOR RECEIPT OF EQUIPMENT SHIPMENT.....	17
	2.	CONTINUE INTERVIEWING AND HIRING PROCEDURES.....	18
	3.	ARRANGE FOR PRINTING OF YOUR MARKETING MATERIALS.....	18
	4.	REFER TO THE MARKETING MANUAL RECEIVED IN TRAINING, INCLUDING:.....	18
N.		STEP ELEVEN.....	18
	1.	INSTALLATION OF EQUIPMENT BEGINS.....	18
	2.	LOCAL PURCHASES TO BE MADE.....	18
	3.	FIND LOCAL "WHOLESALERS".....	18
O.		STEP TWELVE.....	18
	1.	CREATE AN EMPLOYEE SCHEDULE.....	18
	2.	VERIFY PRE-SHAKEDOWN CHECKLIST BY PHONE TO MARTINIZING.....	19
	3.	FAX OCCUPANCY PERMIT TO MARTINIZING TO "TRIGGER" SHAKEDOWN.....	19
P.		STEP THIRTEEN.....	19
	1.	PLANT SHAKEDOWN.....	19
	2.	ORDER EMPLOYEES' UNIFORMS, NAME BADGES & STORE BUSINESS HOURS SIGN.....	19
	3.	THE PRE-TRAINING CHECKLIST "TRIGGERS" YOUR ON-SITE TRAINING.....	19
Q.		STEP FOURTEEN.....	20
	1.	PLANT'S "SOFT OPENING".....	20
R.		SUPPLIES.....	20
	1.	GENERAL CLEANING SUPPLIES.....	20
	2.	GENERAL RESTROOM SUPPLIES.....	21
	3.	GENERAL MAINTENANCE SUPPLIES AND EQUIPMENT.....	21
S.		TOOLS.....	22
T.		FURNITURE, FIXTURES AND EQUIPMENT.....	22
U.		OFFICE SUPPLIES, FORMS AND FIXTURES.....	23
V.		SUPPLIES FOR REPAIRS AND SEWING, PACKAGING AND COMMUNICATION, AND PRESSING.....	24
W.		OTHER MISCELLANEOUS ITEMS.....	25
X.		CHEMICAL AND OTHER CLEANING SUPPLIES.....	25

III.	SITE SELECTION: FINDING THE RIGHT SITE	26
A.	TEAM EFFORT	26
B.	CRITICAL FACTORS	26
1.	DEMOGRAPHICS	26
2.	PHYSICAL CHARACTERISTICS OF A LOCATION	26
3.	COMPETITION	27
4.	OTHER CONSIDERATIONS	27
C.	THE PROCESS.....	29
1.	SEARCH AREA.....	29
2.	SITE LOCATOR SELECTION.....	29
3.	SITE TOUR	29
4.	NEW LOCATION EVALUATION REPORT.....	30
5.	LEASE NEGOTIATION.....	30
6.	LEASE RECEIVED.....	30
7.	ESTIMATE OF TENANT IMPROVEMENT COSTS	30
8.	EXECUTION OF THE LEASE	31
D.	GLOSSARY.....	31
E.	SAMPLE PROFIT AND LOSS STATEMENT	33
III.	LEASEHOLD IMPROVEMENTS: SITE PACKAGE OVERVIEW.....	34
A.	NEW LOCATION EVALUATION.....	34
B.	SITE PRESENTATION FORM	39
C.	SITE ACCEPTANCE FORM.....	49
D.	CASH FLOW PROJECTION	54
E.	LEASE CONSIDERATIONS.....	56
F.	ADDENDUM TO LEASE	59
G.	DEMOGRAPHICS.....	61
IV.	LEASEHOLD IMPROVEMENTS: IMPROVEMENT SPECIFICATIONS.....	62
A.	OVERVIEW.....	62
B.	SUMMARY	62
1.	PLANT SIZE	62
2.	BOILER ROOM SIZE	63
3.	RESTROOM	63
4.	OFFICE.....	63
5.	ALTERATIONS.....	63
6.	FLOORING	63
7.	FLOOR DRAINS	64
C.	VENTILATION.....	64
1.	BOILER ROOM.....	64
2.	PLANT.....	65
3.	EMPLOYEE COMFORT SUGGESTIONS	65
D.	UTILITIES.....	65
1.	GAS	65
2.	WATER	66
3.	ELECTRIC	66
E.	CEILING HEIGHT	67
1.	LOBBY.....	67
2.	PRODUCTION AREA	67
3.	MARK-IN BIN OPENING.....	67
F.	DOORS	67
1.	BOILER ROOM DOOR	67

	2.	REAR DOOR.....	68
	3.	FRONT LOBBY DOOR.....	68
G.		LIGHTING.....	68
H.		EQUIPMENT VENTS.....	69
I.		STATE AND LOCAL BUILDING CODE.....	70
J.		ARCHITECT.....	70
K.		SUMMARY.....	71
	1.	REQUIREMENTS.....	71
	2.	LOBBY DECOR.....	72
	3.	WALL COLOR SPECIFICATIONS.....	72
	4.	FLOOR COLOR.....	72
	5.	ACCESSORIES.....	72
	6.	PICK-UP STORE SIGNAGE.....	75
L.		WINDOW GRAPHICS.....	76
V.		LEASEHOLD IMPROVEMENTS: BUILDING LAYOUT REQUESTS.....	77
	A.	BUILDING LAYOUT.....	77
		1. HOW TO MEASURE BUILDING FOR LAYOUT DRAWING REQUEST.....	77
	B.	LAYOUT EXAMPLE.....	78
VI.		LEASEHOLD IMPROVEMENTS: "REALITY CHECKING" THIS SITE.....	80
	A.	REALITY CHECK.....	80
		1. REVIEWING THE PRELIMINARY PLAN DRAWING.....	80
		2. WHAT TO CHECK.....	80
		3. SUMMARY.....	81
VII.		INSTALLATION CONTRACT.....	82
VIII.		LEASEHOLD IMPROVEMENTS: INSTALLATION SPECIFICATIONS.....	83
	A.	BOILER ROOM.....	84
	B.	FULTON BOILER.....	85
	C.	RETURN TANK.....	86
	D.	BLOW DOWN TANK.....	87
	E.	AIR COMPRESSOR.....	87
	F.	PLANT – DRY CLEANING.....	87
	G.	CONVEYOR.....	90
	H.	VACUUM PUMP.....	90
	I.	DRY CLEANING MACHINE.....	91
	J.	SPOTTING BOARD.....	92
	K.	PRESSES.....	93
	L.	PANTS TOPPER.....	94
	M.	FORM FINISHER.....	94
	N.	TRIPLE PUFF.....	94
	O.	SINGLE PUFF.....	94
	P.	CHILLER UNIT.....	95
	Q.	PLANT - LAUNDRY.....	96
		1. WASHER EXTRACTOR.....	97
		2. SHIRT UNIT - UNIPRESS.....	98
		3. COMMERCIAL DRYER.....	98
IX.		PRE-SHAKEDOWN AND PRE-TRAINING CHECKLIST.....	100
	A.	PRE-SHAKEDOWN CHECKLIST.....	100
	B.	PRE-TRAINING CHECKLIST.....	103
1.3 BUSINESS OPERATIONS			
I.		BUSINESS MANAGEMENT.....	2
	A.	EXPENSE CONTROL – KNOW YOUR NUMBERS.....	2

1.	DETERMINE THE COST OF THE FIXED EXPENSES (ANNUALIZED)	2
2.	DETERMINE THE COST OF THE VARIABLE EXPENSES (ANNUALIZED)	3
3.	REPORT GENERATION	4
B.	ACCOUNTING TIPS	6
C.	TAXES	6
1.	PAYING TAXES	7
2.	FEDERAL TAXES	8
3.	STATE TAXES	10
4.	COUNTY OR LOCAL TAXES	10
1.4 HUMAN RESOURCES		
I.	YOUR EMPLOYEES	1
A.	PROTECTING THE BRAND	1
1.	CONFIDENTIALITY OF PROPRIETARY INFORMATION	1
2.	CUSTOMER SERVICE STANDARDS	2
3.	BRAND STANDARDS FOR APPEARANCE	2
B.	YOUR PERSONNEL MANUAL	3
1.	STAFF RECRUITMENT, HIRING AND RETENTION	3
2.	JOB DESCRIPTIONS	8
3.	EMPLOYEE HANDBOOK SECTIONS TO CONSIDER	9
4.	SUGGESTED EMPLOYEE FORMS TO CREATE	10
5.	RECORDKEEPING FOR COMPLIANCE	11
SECTION 2 OPERATIONS		
2.1 FRONT COUNTER – TECHNIQUES AND PROCEDURES		
I.	STORE OPERATIONS: CUSTOMER SERVICE	2
A.	CUSTOMER RELATIONS STARTS AT THE FRONT COUNTER	2
1.	FRONT COUNTER PHILOSOPHY	2
2.	THE GREETING	3
3.	APPEARANCE	3
4.	EMPOWER YOUR STAFF WITH KNOWLEDGE	3
5.	POSITIVE ATTITUDE/DESIRE TO HELP	4
B.	BENEFITS OF EXCEEDING CUSTOMER EXPECTATIONS	4
C.	TRACKING RELATIONSHIPS	5
2.2 MARTINIZING LOT SYSTEM		
I.	THE MARTINIZING MARK-IN SYSTEM	2
A.	QUANTITY AND COLOR	2
1.	QUANTITY:	2
2.	COLOR:	2
B.	LOT SIZE	3
1.	EQUIPMENT YOU WILL NEED	4
C.	MARKING-IN WITH THE LOT SYSTEM	4
1.	EQUIPMENT YOU WILL NEED	5
2.	PROCEDURES FOR MARKING-IN	6
D.	TAG SYSTEM	12
1.	SINGLE TAGS	12
2.	STRIP LOT TAGS	12
2.3 SPOT REMOVAL		
I.	SPOTTING	2
A.	ORIGIN OF STAINS	2
B.	CHEMISTRY	2
1.	WET SIDE STAINS	3

	2.	DRY SIDE STAINS	4
	3.	OTHER TYPE STAINS	5
C.		EQUIPMENT:	6
	1.	SPOTTING BOARD	6
	2.	SPOTTING TOOLS	7
D.		SPOTTING CHEMICALS	9
	1.	CHEMICAL TABLE	9
	2.	PROCEDURES	9
2.4 SHIRTS - LAUNDRY			
I.		SHIRT LAUNDRY	2
	A.	SHIRTS	2
	1.	DROP-OFF PROCEDURES.....	2
	2.	MARK-IN	3
	3.	SORTING	3
	4.	CLEANING AND SPOTTING	4
	5.	PRESSING	5
	6.	QUALITY TIPS	7
2.5 FINISHING			
I.		FINISHING PROCEDURES	3
	A.	FINISHING DEFINED.....	3
	B.	STAFFING YOUR FIRST PLANT	3
	1.	ELEMENTS OF FINISHING PROCESS	4
	C.	EQUIPMENT SUMMARY	6
	1.	SPECIALIZED FINISHING ASSISTANTS	6
	2.	ACCESSORIES	7
	D.	FINISHING TOOLS	7
	1.	ADJUSTABLE CHAIN	7
	2.	BRUSHES	7
	3.	FOAM HAND PAD.....	7
	4.	IRON REST COVER	7
	5.	TEFLON SHOE.....	7
	6.	WATER SPRAY GUNS.....	8
	7.	SPRAY SIZING	8
	8.	PILL SHAVER.....	8
	9.	LINT ROLLERS	8
	10.	PILL REMOVERS	8
	11.	LINT BRUSH.....	8
	E.	LAYOUT	8
	1.	UTILITY STATION	8
	2.	PANTS STATION	9
	F.	WORKFLOW DESIGN	9
	G.	TECHNIQUES AND FINISHING PROCEDURES	9
	1.	PANTS UNIT	9
	2.	UTILITY UNIT	12
	H.	COAT FINISHING.....	13
	1.	STEAM AIR FINISHER (SAF)	13
	2.	SEVEN LAY PRESS	14
	I.	SILK FINISHING	16
	1.	SLEEVES.....	16
	2.	COLLAR.....	16
	3.	BODICE	17

4.	SKIRT	17
5.	DECORATION	17
J.	FINISHING TEXTILES	17
K.	FINISHING DO'S & DON'TS	18
1.	DON'TS.....	18
2.	DO'S	18
L.	JOB BREAKDOWN.....	19
1.	PRODUCTION STANDARDS	19
2.	PANTS	21
3.	COATS	22
4.	SKIRT	23
5.	BLOUSE	24
2.6 INSPECTION AND QUALITY CONTROL		
I.	INSPECTION AND QUALITY CONTROL PROCEDURES.....	2
A.	WHY? WHO? WHERE? WHEN? WHAT? AND HOW?.....	2
1.	WHY?	2
2.	WHO?.....	3
3.	WHERE?	3
4.	WHEN?.....	3
5.	WHAT?	4
6.	HOW?.....	4
B.	FLAWS	5
1.	UNIVERSAL FLAWS.....	5
2.	GARMENT SPECIFIC FLAWS.....	5
C.	TOOLS	7
2.7 ASSEMBLY, PACKAGING AND FILING		
I.	ASSEMBLY, PACKAGING, AND FILING PROCEDURE.....	3
A.	ASSEMBLY BAY AREA	3
1.	CONFIGURATIONS.....	3
B.	CURRENT LOT SIDE.....	4
1.	LABEL THE SLOTS	4
C.	PLACE THE INVOICES.....	4
1.	INVOICES WITH JUST ONE ITEM	4
2.	COMPLETE CURRENT LOT - INVOICES WITH MULTIPLE ITEMS.....	4
3.	PARTIAL CURRENT LOT - INVOICES WITH MULTIPLE ITEMS	5
4.	LOT CONTROL	5
5.	HOW TO ASSEMBLE	5
6.	PLACING THE INVOICES	6
II.	MANAGEMENT	9
A.	PRODUCTION TIME	9
B.	STRAGGLER CONTROL.....	9
III.	PACKAGING	10
A.	FINAL CHECK	10
B.	HOW TO PACKAGE	10
1.	PACKAGING CART	10
2.	QUALITY PACKAGING STEPS	11
3.	PACKAGING GUIDELINES	12
4.	ENHANCEMENTS.....	13
5.	PACKAGING PAYS.....	13
IV.	FILING	14
A.	FILING PROCEDURE	14

V.	PICK-UP	15
A.	PROCEDURE	15
B.	WHAT TO DO IF...	15
1.	NO LOCATION NUMBER.....	15
2.	THE LOCATION NUMBER WAS NOT ENTERED	16
3.	SCREEN SHOWS ORDER PICKED UP	16
C.	PROBLEM PREVENTION	16
2.8 HANDLING CUSTOMER COMPLAINTS		
I.	CUSTOMER SATISFACTION	4
A.	THE FUNDAMENTALS OF CUSTOMER SATISFACTION	4
1.	“IT’S ALL ABOUT THEM”	4
2.	NEW CUSTOMERS.....	6
3.	COMMUNICATIONS	7
4.	LISTEN	9
5.	WE ARE ALL ABOUT TIME	10
6.	SERVICE RECOVERY	11
7.	AGGRESSIVE CUSTOMERS.....	12
8.	EDUCATION – A DEFENSIVE STRATEGY.....	14
B.	WHAT’S A CUSTOMER REALLY WORTH?.....	15
II.	THE PLAN	16
A.	TOOLS	16
1.	TRACKING RELATIONSHIPS	16
2.	CUSTOMER COMPLAINT FORM	17
3.	WRITING	18
4.	PHONE	18
5.	SURVEY	26
6.	HANDLING CUSTOMER COMPLAINTS.....	26
7.	PROMPT HANDLING OF ISSUES WITH A GARMENT.....	27
8.	VOICEMAIL.....	29
9.	COMMUNICATION NOTES	29
10.	COMPLAINT MANAGEMENT.....	44
2.9 INDUSTRY KNOWLEDGE		
I.	FABRIC WEAVE	4
A.	WOVEN	4
1.	PLAIN WEAVE.....	4
2.	TWILL WEAVE	4
3.	SATIN WEAVE.....	5
4.	PILE WEAVE.....	5
B.	KNITS	5
C.	NON-WOVEN.....	5
1.	FELTING.....	5
2.	BONDING	6
D.	LACE	6
II.	DYES	7
A.	CLASSES	7
1.	DIRECT DYES	7
2.	INDIRECT DYES	7
3.	VAT DYES.....	7
4.	INGRAIN DYES	7
B.	STAGES	7
1.	SOLUTION DYED.....	7

	2.	FIBER DYED	7
	3.	YARN DYED	8
	4.	PIECE DYED	8
C.	TYPES		8
	1.	FAST DYES	8
	2.	FUGITIVE DYES	8
D.	COMPOSITION.....		8
	1.	SOLUTION	8
	2.	PIGMENT.....	8
E.	TYPES		8
	1.	DIRECT.....	9
	2.	DISCHARGE	9
	3.	SCREEN.....	9
	4.	WARP	9
	5.	PIGMENT.....	9
	6.	METALLIC	9
	7.	FLOCK.....	9
F.	FINISHES		9
	1.	SERVICEABILITY	10
	2.	COMFORT	10
	3.	TEXTURE.....	10
	4.	AESTHETIC DESIGN	10
	5.	BRIGHTNESS.....	11
	6.	BIOLOGICAL RESISTANCE	11
	G.	PROBLEMS	11
III.	SOLVENTS		12
A.	SOLVENTS' PROPERTIES		12
	1.	FUNCTIONS	12
	2.	ISSUES	13
B.	ADDITIONS		13
	1.	DETERGENTS.....	13
	2.	SIZING	16
	3.	WATER	17
	4.	HUMIDITY	17
C.	SOLVENT MAINTENANCE		21
	1.	CLASSES OF IMPURITIES.....	21
	2.	REMOVAL.....	22
D.	MAINTAINING HIGH STANDARDS		27
	1.	MACHINERY	27
	2.	SOLVENT CONDITION.....	27
	3.	OPERATIONAL FACTORS	27
IV.	GLOSSARY OF INDUSTRY TERMS		28

SECTION 3 MARKETING

3.1 MARKETING

I.	INTRODUCTION	2
A.	MARTINIZING IS A LIFESTYLE BRAND	2
B.	BRAND MANUAL	2
C.	NEW STORE GRAND OPENING	2
D.	WEBSITE	3
E.	ONLINE MARKETING	3

F.	LOCAL BROADCAST MEDIA ADVERTISING	4
G.	PUBLIC RELATIONS.....	4
H.	SERVICE SPECIFIC MARKETING.....	5
I.	NEW MOVER CAMPAIGN	5
J.	TARGETED DIRECT MAIL.....	5
3.2 BRAND STANDARDS GUIDE		
I.	BRAND MANUAL	2
A.	PURPOSE	2
B.	MISSION STATEMENT.....	2
C.	VISUAL IDENTITY - LOGO.....	3
D.	VISUAL IDENTITY - COLORS	4
E.	VISUAL IDENTITY – FONTS.....	5
1.	PRINT	5
F.	VISUAL IDENTITY – APPAREL.....	6
G.	VISUAL IDENTITY – MERCHANDISE	7
H.	VISUAL IDENTITY – ORDER MATERIAL	8
I.	VISUAL IDENTITY – VEHICLES	9
J.	STORE ENVIRONMENT – INTERIOR AND EXTERIOR	10
K.	VISUAL IDENTITY – STATIONERY	11
L.	GOVERNANCE	12
SECTION 4 SUBURBAN AND COMMERCIAL PICK UP AND DELIVERY		
4.1 SUBURBAN PICK UP AND DELIVERY		
I.	SUBURBAN PICKUP AND DELIVERY PROCEDURES.....	2
A.	ROUTE DEVELOPMENT.....	2
1.	MAKING THE KIT	4
B.	THE WEEKDAY ROUTE DEVELOPMENT PROCESS.....	7
C.	THE WEEKEND/KNOCKING ROUTE DEVELOPMENT PROCESS.....	9
D.	AT THE DOOR SCRIPTS	11
1.	SCENARIO ONE: MEET THE NEW CUSTOMER	11
2.	SCENARIO TWO: SIGN UP	11
3.	SCENARIO THREE: STILL THINKING ABOUT IT	13
4.	SCENARIO FOUR: UNDECIDED	13
E.	CONDOMINIUMS/TOWNHOMES UPSCALE.....	14
F.	LUXURY APARTMENT COMPLEXES.....	14
G.	TARGETING NEW MOVE-INS	15
1.	NEW MOVER LISTS ON ZILLOW.COM	15
H.	THE ROUTE DRIVER AS A ROUTE DEVELOPER.....	19
I.	“GET IN” WITH REAL ESTATE AGENTS AND RESIDENTIAL BUILDERS	19
J.	SPONSOR HOMEOWNERS’ ASSOCIATION MEETINGS.....	19
4.2. COMMERCIAL PICK-UP AND DELIVERY		
I.	COMMERCIAL PICK UP AND DELIVERY PROCEDURES	3
A.	IMAGE – EVERYTHING MATTERS	3
1.	TANGIBLES	3
2.	INTANGIBLES.....	3
B.	PROSPECTIVE CUSTOMERS	4
C.	MARKETING PLAN – OFFICE TO OFFICE	5
1.	FIRST VISIT: LEAVE INTRODUCTORY INFORMATION.....	6
2.	SECOND VISIT: MEETING WITH THE PROSPECT	8
3.	STEP 3: PATIENCE AND PERSISTENCE	11
D.	SETTING APPOINTMENTS.....	11
1.	GET A NAME	11

2.	MAKE CONNECTIONS.....	12
3.	YOUR SALES PRESENTATION.....	12
E.	BUILDING THE CUSTOMER BASE.....	17
1.	SITE(S) FOR SERVICE LOCATION(S).....	17
2.	INITIAL MARKETING: GETTING THE WORD OUT.....	18
3.	ONGOING, LONG-TERM MARKETING.....	19
F.	REFERRALS.....	20
1.	SETTING UP YOUR REFERRAL SYSTEM.....	20
2.	ASKING FOR REFERRALS.....	21
3.	FOLLOWING UP ON REFERRALS.....	22
4.	MAINTAINING THE SYSTEM.....	22
G.	NETWORKING.....	23
1.	ASSOCIATIONS OR CLUBS.....	23
2.	VENDORS.....	24
3.	FRIENDS.....	24
4.	THE SPECIFICS OF NETWORKING.....	25
H.	NETWORKING MISTAKES AND SOLUTIONS!.....	25
1.	MISTAKE NO. 1 - FOCUS ON YOU.....	25
2.	SOLUTION NO. 1 - FOCUS ON THE OTHER PERSON.....	25
3.	MISTAKE NO. 2 - LOOKING FOR "LIVE ONES.".....	25
4.	SOLUTION NO. 2 - THE CREATION OF REFERRALS.....	25
5.	MISTAKE NO. 3 - LACK OF FOLLOW-UP.....	26
6.	SOLUTION NO. 3- TRACK YOUR CONTACTS AND PROMPTLY FOLLOW UP.....	26

4.3 VAN OPERATIONS

I.	PLANNING.....	2
A.	FINANCIAL CONSIDERATIONS.....	2
1.	INSURANCE.....	3
2.	MULTIPLE VAN EXPANSION.....	3
B.	VEHICLE STANDARDS.....	4
C.	VAN MAINTENANCE.....	5
D.	VAN OPERATIONS DURING HOLIDAYS AND VACATIONS.....	6
1.	HOLIDAYS.....	6
2.	VACATIONS.....	6
E.	DRIVER REQUIREMENTS.....	6
1.	DRIVER REQUIREMENTS.....	7
F.	PERSONNEL CONSIDERATIONS.....	7
1.	EMPLOYEE STAFFING.....	7
2.	TRAINING AND CROSS TRAINING.....	8
3.	COMMUNICATION WITH YOUR STORE/PLANT PERSONNEL.....	8
4.	CONTINGENCY PLANNING.....	9
G.	TRAINING.....	10
1.	SERVICE REPRESENTATIVE.....	10
2.	SALES AGENT/MARKETER/MARKETER.....	12

SECTION 5 LOCKERS AND ON DEMAND

5.1 LOCKERS AND ON DEMAND INTRODUCTION

I.	INTRODUCTION.....	2
A.	ORDER FORM.....	3
B.	ON-BOARDING FORM DIRECTIONS.....	4
C.	SALES PROCESS.....	5
1.	OBTAINING LEADS.....	5
2.	SCHEDULE A MEETING.....	5

3.	SALES CALL SCRIPT	6
4.	EMAIL SCRIPT	7
5.	THE IN-PERSON MEETING.....	7
6.	CRITERIA FOR QUALIFICATION.....	8
7.	OBJECTIONS	8
8.	BIZZIE MARKETING PLAN	8
D.	RESIDENTIAL PROPERTIES PROFILE SHEET	9
E.	COMMERCIAL PROPERTIES PROFILE SHEET	11
F.	BUILDING LAUNCHES	13
1.	GRAND OPENING ANNOUNCEMENT	13
2.	GET YOUR MATERIALS READY	13
3.	COMMERCIAL PROPERTY LAUNCH:	13
4.	RESIDENTIAL PROPERTY LAUNCH:	14
5.	EVENT CHECKLIST:	15
6.	LAUNCH DAY.....	16
5.2 LOCKER ASSEMBLY AND INSTALLATION		
I.	PARTS INVENTORY.....	2
II.	ASSEMBLY DIRECTIONS	4
III.	LOCKER INSTALLATION.....	14
A.	TOOL KIT.....	14
IV.	LOCKER INSTALLATION DIRECTIONS	15
V.	LOCK INSTRUCTIONS	17
A.	LED INDICATORS	17
B.	MASTER CODE.....	18
C.	TROUBLE SHOOTING.....	19
5.3 LOCKER PICK UP AND DELIVERY		
I.	DRYVER APP INSTALLATION	3
A.	DRYV PLATFORM.....	3
1.	CONSUMER INTERFACE	3
2.	CLEANER INTERFACE.....	3
3.	DRIVER'S APPLICATION	3
4.	LOCKER LOCATIONS	9
5.	PICK-UP LOCKER ORDERS.....	13
6.	DELIVER LOCKER ORDERS	16
5.4 USING THE DRYVER APP FOR ON-DEMAND		

**Exhibit F Form of Confidentiality, Non-Disclosure, and Non-Competition
Agreement for Prospective Franchisees**

NONDISCLOSURE AND NON-COMPETITION AGREEMENT

THIS NONDISCLOSURE AND NON-COMPETITION AGREEMENT (this “Agreement”) is made as of the ____ day of _____, 202 __, is executed by _____ (“**Individual**,” “**me**,” or “**I**”) for the benefit of Martinizing International, LLC, a Delaware limited liability company (“**Company**”), and for _____, a/an _____ (“**Franchisee**”).

Franchisee is a franchisee of Company pursuant to a franchise agreement entered into by those parties concerning a business operating, or to be operated, under the “Martinizing” name from a store located at _____ (the “**Franchise Agreement**”). The franchised business Company authorizes Franchisee to operate under the Franchise Agreement is known as the “**Business**,” which Business is one among all businesses that Company owns, operates, or franchises under the “Martinizing” name. I agree that, unless otherwise specified, all capitalized terms in this Agreement have those meanings ascribed to them in the Franchise Agreement.

I agree that during the term of my employment by, ownership participation in, association with or service to Franchisee, or at any time thereafter, I will not communicate, divulge or use for the benefit of any other person, persons, partnership, proprietorship, association, corporation or entity, Company’s proprietary and confidential information relating to the development and operation of Martinizing Businesses, including but not limited to the following concerning Martinizing Businesses: (1) site selection criteria and layouts, designs and other plans and specifications for Martinizing Stores; (2) training and operations materials and manuals; (3) methods, formats, specifications, standards, systems, procedures, sales and marketing techniques, knowledge, and experience used in developing and operating Martinizing Businesses; (4) marketing, promotional and advertising research and programs for Martinizing Businesses; (5) knowledge of specifications for and suppliers of Operating Assets and other services, products and supplies, including supplier pricing and related terms; (6) any computer software or similar technology which is proprietary to Company or the System, including, without limitation, digital passwords and identifications and any source code of, and data, reports, and other printed materials generated by, the software or similar technology; (7) knowledge of the operating results and financial performance of Martinizing Businesses; (8) graphic designs and related intellectual property; (9) customer solicitation, communication and retention programs, along with data and information used or generated in connection with those programs; (10) all data and other information generated by, or used in, the operation of your Business, including customer names, addresses, phone numbers, pricing and other information supplied by any customer (such as credit card information or personal information), and any other information contained at any time and from time to time in the Computer System or that visitors to your Business’s Store provide to the Website for the network of Martinizing Businesses; (11) future business plans relating to Martinizing Businesses and the Martinizing franchise opportunity, including expansion and development plans; and (12) any other information that Company reasonably designates as confidential or proprietary (collectively, all information referenced above, including examples (1) through (12), is known as the “**Confidential Information**”).

Furthermore, any and all information, knowledge, know-how, techniques and information which the entities mentioned above (or their officers) designate as confidential is considered, and hereby acknowledged by me, to be Confidential Information for the purposes of this Agreement, except information which I can demonstrate came to my attention before disclosure or which had become or becomes a part of the public domain through publication or communication by others (unless the publication or communication violates a similar confidentiality agreement), but in no event through any act of mine.

I specifically understand that, without limitation, all the above items, concepts, and/or examples contained in the preceding paragraph constitute Confidential Information of Company, and I will not divert any business to competitors of Franchisee and/or Company. I will at no time copy, duplicate, record or otherwise reproduce any of the Confidential Information or material containing it, in whole or in part, store them in a computer retrieval or database, nor otherwise make them available to any unauthorized person.

I further agree that, during the term of my employment/service/association or ownership participation, I will not, directly or indirectly, engage or participate in any Competitive Business (defined below in this paragraph), any of which such prohibited behavior I understand and hereby explicitly acknowledge would or could be injurious to, or (in Company's sole judgment) have an adverse effect upon, Company's protectable interests in the Confidential Information, the "Martinizing" trademark or related Marks, or the goodwill and/or reputation of Martinizing Businesses generally. I agree that I am prohibited from engaging in any Competitive Business as a proprietor, partner, investor, shareholder, director, officer, employee, principal, agent, advisor, or consultant. For purposes of this Agreement, a "Competitive Business" means any business that: (i) provides dry cleaning and/or laundry services; or (ii) grants franchises or licenses to others to operate the type of business specified in the preceding subparagraph (i) (other than a Martinizing Business operated under a franchise agreement with Company). Despite the foregoing definition of a Competitive Business, nothing under this Agreement or the Franchise Agreement will prevent Individual from owning for investment purposes less than two percent (2%) of a Competitive Business whose stock or other forms of ownership interest are publicly traded on a recognized United States stock exchange, and so long as neither Individual nor Franchisee controls the company in question.

Upon the expiration or other termination for any reason of my employment, association, service or ownership participation, I agree:

- (i) to return immediately to Company or Franchisee, as the case may be, all Confidential Information, and any material(s) containing a subset thereof, in my possession that was utilized, or to which I had access, during my employment, association, service or ownership participation;
- (ii) not to divert or attempt to divert, for a period of two (2) years starting on the earlier of the effective date of termination or expiration of my employment/service/association or ownership participation, any business or customer the Business serviced to a Competitive Business; and
- (iii) for a period of two (2) years, starting on the earlier of the effective date of termination or expiration of my employment/service/association or ownership participation, to refrain from directly or indirectly (such as through any one or more of my spouse, legally-recognized domestic partner, parents, children or sibling(s) (collectively, "Immediate Family")) owning a legal or beneficial interest in, or rendering services or giving advice to: (a) any Competitive Business operating at the Premises, within the Territory or within a twenty-five (25)-mile radius of the Territory; (b) any Competitive Business operating within a radius of twenty-five (25) miles of the Territory of any other Martinizing Business in operation or preparing to commence operations on the later of the effective date of termination or expiration of my employment/service/association/ownership participation; or (c) any entity which grants franchises, licenses or other interests to others to operate any Competitive Business.

I acknowledge and understand that the provisions of this Agreement, including my representations, covenants, and warranties (as applicable) given hereunder, are necessary and integral to this Agreement and to Company's and Franchisee's interests under the Franchise Agreement, and are intended to:

- (i) preclude not only direct competition, but also all forms of indirect competition, such as consultation for Competitive Businesses, service as an independent contractor for Competitive Businesses, or any assistance or transmission of information of any kind which would be of any material assistance to a competitor;
- (ii) bind any person or entity having any legal or beneficial interest in me, or traceable to, down or through me, including (without limitation) any of member of my Immediate Family, any direct or indirect beneficiary, any partner (general or limited) or proprietor of mine, and any other such related person or entity, regardless of how many levels or tiers there may be between any such described person or entity and me; and
- (iii) identify for me, toward the goal of preserving through this Agreement, Company's protectable legal interests in the System, customers of Martinizing Businesses, the Confidential Information, and the goodwill associated with the Marks.

I also expressly acknowledge my possession of skills and abilities of a general nature, and the opportunity for exploiting such skills in other ways than the operation or involvement in the activities of a Martinizing Business or a Competitive Business, so that enforcement of my covenants made in this Agreement will not deprive me of my personal goodwill or ability to earn a living after the effective date of expiration or termination of my relationship with Franchisee, your Business, or Martinizing Businesses generally. If I fail or refuse to abide by any of my foregoing obligations or promises made under this Agreement, and Company or Franchisee obtains enforcement in a judicial or arbitration proceeding, then my obligations and responsibilities specified under the breached covenant will be tolled during the period(s) of time that the covenant is breached and/or Company or Franchisee seeks to enforce it, and will continue for two (2) years starting from the effective date of the order enforcing the covenant.

I acknowledge that violation of the covenants not to compete contained in this Agreement would result in immediate and irreparable injury to Company and Franchisee, for which no adequate remedy at law will be available. Accordingly, I hereby consent to the entry of an injunction procured by Company or Franchisee (or both), in any appropriate jurisdiction and venue (notwithstanding other references to resolution of actions exclusively in Company's home prohibiting any conduct by me in violation of the terms of those covenants not to compete and/or restrictions on the use of Confidential Information under this Agreement. I expressly agree that it may conclusively be presumed in any legal action that any violation of the terms of these covenants not to compete was accomplished by and through my unlawful utilization of Company's Confidential Information. Further, I expressly agree that any claims I may have against Company will not constitute a defense to Company's enforcement of the covenants not to compete under this Agreement. I further agree to pay all costs and expenses (including reasonable attorneys' and experts' fees) incurred by Company in connection with the enforcement of those covenants not to compete set forth in this Agreement.

If all, or any portion of, this covenant not to use Confidential Information and not to compete is held unreasonable, void, vague or illegal by any court or agency having valid jurisdiction in an unappealed final decision to which Franchisee and/or Company is a party, the court or agency will be empowered to revise and/or construe the covenant to fall within permissible legal limits, and should not invalidate the entire covenant. I expressly agree to be bound by any lesser covenant subsumed within the terms of this Agreement as if the resulting covenant were separately stated in and made a part of this Agreement.

I agree that this Agreement and all relations and disputes between myself on the one hand, and Franchisee or Company on the other hand, whether sounding in contract, tort, or otherwise, are to be exclusively construed in accordance with and/or governed by (as applicable) the law of the State of Michigan without recourse to Michigan (or any other) choice of law or conflicts of law principles. If, however, any provision

of this Agreement would not be enforceable under the laws of Michigan state, and if your Business is located outside of Michigan state and the provision would be enforceable under the laws of the state in which your Business is located, then the provision (and only that provision) will be interpreted and construed under the laws of that state. Nothing in this Agreement is intended to invoke the application of any franchise, business opportunity, antitrust, "implied covenant", unfair competition, fiduciary or any other doctrine of law of the State of Michigan or any other state, which would not otherwise apply.

I further agree that any litigation arising out of or related to this Agreement, any breach of this Agreement, and any and all relations and/or disputes between myself on the one hand, and Franchisee or Company on the other hand, whether sounding in contract, tort, or otherwise, will be instituted exclusively in the U.S. District Court sitting nearest to Company's corporate headquarters (currently, Berkley, Michigan). I agree that any dispute as to the aforementioned venue will be submitted to and resolved exclusively by such aforementioned court. Nonetheless, I agree that Franchisee or Company may enforce this Agreement and any awards in the courts of the state or states in which I am domiciled or your Business is located.

I IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY ME, FRANCHISEE OR COMPANY. I hereby waive and covenant never to assert or claim that said venue is for any reason improper, inconvenient, prejudicial or otherwise inappropriate (including, without limitation, any claim under the judicial doctrine of forum non conveniens).

IN WITNESS WHEREOF, Franchisee has hereunto caused this Agreement to be executed by its duly authorized officer, and Individual has executed this Agreement, as of the day and year first written above.

ATTESTED TO BY FRANCHISEE:

INDIVIDUAL:

a/an _____

(Print Name)

By: _____

(Name of Franchisee's Officer)

Signed: _____

(Signature)

(Signature of Franchisee's Officer)

(Date)

(Date)

**WITNESS TO INDIVIDUAL'S
SIGNATURE:**

(Print Witness Name)

(Signature of Witness)

(Date)

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 registered, on file or exempt from registration, as of the Effective Date stated below:

<u>State</u>	<u>Effective Date</u>
California	Pending
Hawaii	
Illinois	Pending
Indiana	Pending
Maryland	Pending
Michigan	Pending
Minnesota	Pending
New York	Pending
North Dakota	Pending
Rhode Island	Pending
South Dakota	Pending
Utah	Pending
Virginia	Pending
Washington	Pending
Wisconsin	Pending

This document is registered, on file or exempt from registration in the following states having franchise registration and disclosure laws, with the following effective dates. These states do not require renewal or re-registration once effective:

Connecticut	Registered as of
Kentucky	Registered as of
Nebraska	Registered as of
Texas	Registered as of

RECEIPT

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

If Martinizing International, LLC offers you a franchise, it must provide this disclosure document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale, or sooner if required by applicable state law.

State law requires a franchisor to provide the franchise 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.

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

The following person/people offered this franchise for sale to you:

Name _____

Principal business address _____

Telephone number _____

The issuance date of this disclosure document is: October 15, 2021.

A state-specific effective date may also apply. State Effective Date: _____

The name and address of the franchisor's registered agent authorized to receive service of process is set forth in Exhibit C.

I received a disclosure document dated October 15, 2021, that included the following Exhibits:

- A. FRANCHISE AGREEMENT
- B. FINANCIAL STATEMENTS
- C. AGENTS FOR SERVICE OF PROCESS (STATE AGENCIES)
- D. STATE ADDENDA
- E. TABLE OF CONTENTS, OPERATIONS MANUAL

Date _____ Prospective Franchisee:/s/ _____

Printed Name: _____

Address: _____ City/State: _____ Zip: _____

PROSPECTIVE FRANCHISEE'S COPY

RECEIPT

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

If Martinizing International, LLC offers you a franchise, it must provide this disclosure document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale, or sooner if required by applicable state law.

State law requires a franchisor to provide the franchise 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.

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

The following person(s) offered this franchise for sale to you:

Name _____
Principal business address _____
Telephone number _____

The issuance date of this disclosure document is: October 15, 2021.

A state-specific effective date may also apply. State Effective Date: _____

The name and address of the franchisor's registered agent authorized to receive service of process is set forth in Exhibit C.

I received a disclosure document dated October 15, 2021, that included the following Exhibits:

- A. FRANCHISE AGREEMENT
- B. FINANCIAL STATEMENTS
- C. AGENTS FOR SERVICE OF PROCESS (STATE AGENCIES)
- D. STATE ADDENDA
- E. TABLE OF CONTENTS, OPERATIONS MANUAL

Date _____ Prospective Franchisee:/s/ _____

Printed Name: _____

Address: _____ City/State: _____ Zip: _____

FRANCHISOR'S COPY

Please immediately sign and date both of the receipts set forth on this and the preceding page. Return this page (marked "FRANCHISOR'S COPY" at the bottom) to our corporate offices at 962 Washington Street, Hanover, MA 02339. Fax 781-829-9546.