# FRANCHISE DISCLOSURE DOCUMENT

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(an Ohio corporation)
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A TRUBLUE HOME SERVICE ALLY franchise provides residential maintenance, modifications and repair, yard services, and senior home safety consulting services.

The total investment necessary to begin operation of a TruBlue franchise is from $73,050 to $99,400. This includes $54,900 that must be paid to the franchisor or an affiliate. If the population of your territory is greater than 200,000, you must pay an additional $500 for all or part of every 1,000 people over 200,000.

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive this disclosure document at least 14 calendar days before you sign a binding agreement or make any payment in connection with the proposed franchise sale. **Note, however, that no government 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, DC 20580. You can also visit the FTC's home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising.

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

*Issuance Date of Franchise Disclosure Document*: April 13, 2026, as amended September 1, 2026

## How to Use This Franchise Disclosure Document

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

| | **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 Exhibits L and M. |
| **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?** | Exhibit K 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 TruBlue 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 TruBlue franchisee?** | Exhibits L and M list 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 I.

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 Resolutions.** The franchise agreement requires you to resolve disputes with the franchisor by arbitration and/or litigation only in Ohio. Out-of-state arbitration or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to arbitrate or litigate with the franchisor in Ohio than in your own state.

2. **Mandatory Minimum Payments.** You must make minimum royalty, advertising, and other payments, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.

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.

## THE FOLLOWING PROVISIONS APPLY ONLY TO TRANSACTIONS GOVERNED BY THE MICHIGAN FRANCHISE INVESTMENT LAW

**The State of Michigan prohibits certain unfair provisions that are sometimes in franchise documents. If any of the following provisions are in these franchise documents, the provisions are void and cannot be enforced against you.**

(a) A prohibition on the right of a franchisee to join an association of franchisees.

(b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.

(c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.

(d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) The term of the franchise is less than 5 years and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise.

(e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.

(f) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.

(g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:

(i) The failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards.

(ii) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.

(iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.

(iv) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.

(h) A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c).

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

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

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

**Any questions regarding the notice of this offering on file with the attorney general should be directed to the Department of Attorney General, Consumer Protection Division, 670 Law Building, 525 West Ottawa Street, Lansing, Michigan 48933 (517) 373-7117.**

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EXHIBITS

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B Additional Territory Rider
C Power of Attorney
D Personal Guaranty
E Nondisclosure and Noncompetition Agreement
F Form of General Release
G Franchisee Acknowledgment Statement
H Assignment Agreement
I Agents for Service of Process
J State Franchise Regulators
K Financial Statements
L Franchisee List
M Franchisees Who Have Left the System
N Table of Contents of Operations Manual
O State-Specific Disclosures/Riders
P Addendum
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## ITEM 1. THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS AND AFFILIATES

In order to make this disclosure document easier to understand, "TBFS", "TruBlue", "TruBlue Home Service Ally", or "we" means the franchisor, T.B. Franchising Systems, Inc. The terms "TBFS", "TruBlue," "TruBlue Home Service Ally", and "we" do not include T.B. Franchising Systems, Inc.'s officers, directors, or shareholders. "You" means the person, corporation, limited liability company, or other entity that buys the franchise. If the franchise is purchased by a corporation, limited liability company, or other entity, certain provisions of the franchise agreement will also apply to the owners and will be noted.

TBFS is an Ohio corporation that was incorporated on May 2, 2011. Our principal business address is 4755 Lake Forest Drive, Suite 100, Cincinnati, Ohio, 45242. We do business under our name, T.B. FRANCHISING SYSTEMS, INC., and under our trade names, TRUBLUE and TRUBLUE HOME SERVICE ALLY. Our agents for service of process are listed in Exhibit I. We do not have any parents or predecessors.

**Our Business Activities and the Franchises to be Offered.** We offer franchises to operate businesses that offer residential and commercial property management services under the business name TRUBLUE and TRUBLUE HOME SERVICE ALLY. As a TruBlue franchisee, you will offer residential and commercial maintenance and repair, yard care, snow removal, and senior home safety modifications. You will offer these services to all property owners. We anticipate that your primary market will be busy, affluent professionals, seniors, individuals recuperating from injury or illness, and individuals with disabilities that hinder them from doing these tasks themselves. You will market your services through direct mail and Internet advertising targeted to potential consumers of your services, and through personal solicitation of referral sources such as nursing homes, in-home healthcare and senior care providers, senior centers, senior advocacy organizations, senior care and healthcare agencies, temples, churches and mosques, financial planners, real estate agents, home owners' and condominium owners' associations, and certain other retail businesses and charitable organizations. You will compete with businesses that offer handyman, specialty contractors (such as painters and carpenters), and other businesses similar to your TruBlue franchise in the same geographic area, including those that may be franchised by other national franchise companies.

TruBlue franchisees distinguish themselves from their competitors by building brand recognition within their local communities. You must be prepared to follow all of our standards and specifications for the quality of the services you will provide, customer relations, vehicles, and employee uniforms.

We will train you to operate your TruBlue franchise. Prior experience in construction or building trades is not required. The role of a TruBlue franchisee is not to perform the services themselves, but to lead and manage the daily operations of the franchised business. The services will be performed by your employees and/or contractors. You may operate the franchised business from an office in your home or from leased office space. Initially, you will use refurbished, used, client-provided, and/or rented equipment and supplies when performing services.

We were formed solely for the purpose of selling and supporting maintenance, repair, yard service, and senior consulting and fall prevention service franchises. We have offered franchises

of this type since 2011. We have never operated a TruBlue franchise. We have never offered franchises in any other business or engaged in other business activities.

**Industry Regulations.** Each state, county, or municipality may have different licensing requirements for performing building repair services. We are aware of the following states that may require a license for performing some types of building repairs: Arizona, Florida, California, Illinois, Maryland, Massachusetts, Minnesota, Nevada, New Jersey, Oregon, Utah, Virginia, Washington, and certain counties in Florida. We are aware that California has a "tool wage" law, which permits an employer to require an employee to provide their own tools or equipment, but only if the employee is paid at least twice the minimum wage. There may be other states, counties, or municipalities that also require a license or have similar laws. In addition, local building permits may be required for certain home improvements. You will be responsible for investigating and complying with any such laws that may apply in your territory. You will also be responsible for complying with employment, workers' compensation, insurance, corporate, tax, and similar laws and regulations, as well as any federal, state, or local laws of a more general nature, that may affect the operation of your franchised business. You should thoroughly investigate all of these laws and requirements before purchasing a TruBlue franchise.

**Parents or Predecessors.** We do not have any parents or predecessors.

**Affiliates.** We have the following affiliates:

1. F.C. Franchising Systems, Inc. ("Fresh Coat") offers franchises to operate painting businesses under the trade name FRESH COAT. Fresh Coat has offered franchises of this type since January 2005. Fresh Coat franchisees offer painting and wallpapering services to the general public, particularly homeowners, through direct mail advertising and through referral sources such as real estate agents. As of December 31, 2025, Fresh Coat had 182 franchises. Fresh Coat has not offered franchises for us or for anyone other than itself and has not and does not offer franchises in any other line of business. Fresh Coat's principal business address is 4755 Lake Forest Drive, Suite 100, Cincinnati, Ohio 45242.

2. Pet Wants Franchise System, LLC ("Pet Wants") offers franchises to operate a business that sells pet food and supplies at a retail location and/or by home delivery services under the trade name PET WANTS. Pet Wants has offered franchises of this type since April 2015. Pet Wants franchisees offer products to dog and cat owners through advertising in various media and through referral sources. As of December 31, 2025, Pet Wants had 182 franchises. Pet Wants has not offered franchises for us or for anyone other than itself and has not and does not offer franchises in any other line of business. Pet Want's principal business address is 4755 Lake Forest Drive, Suite 100, Cincinnati, Ohio 45242.

TBFS was formed to sell and support home and property management service franchises. We have offered TruBlue franchises since June 2011. We have never offered franchises in any other business or engaged in other business activities. Except as disclosed above, we do not have any parents, predecessors, or any affiliates that offer franchises or provide products or services to franchisees.

TBFS has never operated a TruBlue franchise. A company named Tri-State Home Services, Inc., which was owned by the same individuals who founded TBFS, operated a TruBlue franchise from September 2011 through 2014.

ITEM 2. BUSINESS EXPERIENCE

President, Director: Sean Fitzgerald

Sean has been President of TruBlue since November 2019.

Vice President of Operations: Nick Wilson

Nick has been Vice President of Operations for TruBlue since June 2024. From April 2018 through June 2024, he served as Chief Revenue Officer of Legion Logistics in Newport, Kentucky.

Vice President of Franchise Development: Melissa Young

Melissa has been with TruBlue since September 2019, serving initially as a sales director. She became our Senior Director of Franchise Development in April 2024 and then Vice President of Franchise Development in October 2024.

Vice President of Brand Development: Peter Eberly

Peter has been Vice President of Brand Development for TruBlue and its affiliates Fresh Coat, and Pet Wants since August 2023. He was Vice President of Brand Development for our former affiliates, G.C. Franchising Systems, Inc. from August 2023 through March 2026 and C.T. Franchising Systems, Inc. from August 2023 through May 2026, both in Cincinnati, Ohio. Prior to this, he served as Senior Director of Marketing for Aeroseal in Miamisburg, Ohio from April 2021 through May 2023. From October 2020 through April 2021, Peter was Senior Director of Marketing for LexisNexis in Miamisburg, Ohio.

Director of Marketing: Kaley Marroquin

Kaley has been our Director of Marketing since September 2025. She was Digital Marketing Manager and then Strategic Marketing Manager for Strategic Franchising Systems in Cincinnati, Ohio from November 2021 through September 2025. From December 2019 through July 2021, Kaley was Marketing Manager for Maddox and Rose Market Place in Louisville, Kentucky.

Chief Financial Officer: Peter McKnight

Pete has been Chief Financial Officer for TruBlue and its affiliates Fresh Coat and Pet Wants since October 2020. He was Chief Financial Officer of our former affiliates G.C. Franchising Systems, Inc. from October 2020 through March 2026 and C.T. Franchising Systems, Inc. from October 2020 through May 2026, both in Cincinnati, Ohio.

Director: Daniel Murphy

Dan has been a member of our Board of Directors since May 2011. He has been a member of the Board of Directors for our affiliate Fresh Coat since January 2012 and a Director of our affiliate Pet Wants since March 2024. He was a member of the Board of Directors of our former affiliates, G.C. Franchising Systems, Inc. in Cincinnati, Ohio from December 2002 through March 2026 and C.T. Franchising Systems, Inc. from January 2021 through May 2026, both in Cincinnati, Ohio. Dan has been chief executive officer of Strategic Franchising in Cincinnati, Ohio since March 2024.

General Counsel, Vice President, Secretary, Director: Jeff Siehl

Jeff has been our General Counsel and Secretary since May 2011, our Vice President since February 2018, and a member of our Board of Directors since January 2025. He has been the General Counsel and Secretary of our affiliate Fresh Coat since September 2007, of Pet Wants since August 2015, has been Vice President of these affiliates since February 2018 and a Director since January 2025. He also served in these capacities for our former affiliates, G.C. Franchising Systems, Inc. from September 2007 through March 2026 and C.T. Franchising Systems, Inc. from September 2007 through May 2026.

ITEM 3. LITIGATION

*Commonwealth of Virginia v. F.C. Franchising Systems, Inc.*; Case No. SEC-2020-00036. Our affiliate, F.C. Franchising Systems, Inc. dba Fresh Coat ("FCFSI"), entered into a Settlement Order with the Virginia State Corporation Commission's Division of Securities and Retail Franchising on March 3, 2021. The Division alleged that FCFSI's 2012 and 2013 disclosure documents did not disclose a material fact concerning one of its officers in violation of the Virginia Retail Franchising Act. After investigation, FCFSI discovered that an officer failed to inform it of a personal bankruptcy filed during the course of his employment and, as a result, the officer's personal bankruptcy was not disclosed. FCFSI agreed to offer to refund the initial franchise fees of three purchasers, offer a refund and rescission of the franchise agreement to another owner, and pay the Division $8,000 in costs/penalties. The three franchise purchasers accepted the refund offers; the franchise owner declined the rescission offer and continued to operate its Fresh Coat franchise.

*Commissioner of Financial Protection and Innovation v. C.T. Franchising Systems, Inc.; F.C. Franchising Systems, Inc; G.C. Franchising Systems, Inc.; T.B. Franchising Systems, Inc.; Pet Wants Franchise System, LLC*. We and our affiliates entered into a Consent Order with the California Commissioner of Financial Protection and Innovation on July 20, 2021 resulting from an officer/director's failure to inform us of a 2012 personal bankruptcy filing. We acknowledged that the personal bankruptcy was not disclosed in certain disclosure documents between 2012 and October 2016. Pursuant to the Consent Order, we agreed to comply with the Corporations Code.

*Commissioner of Financial Protection and Innovation v. C.T. Franchising Systems, Inc.; F.C. Franchising Systems, Inc; G.C. Franchising Systems, Inc.; T.B. Franchising Systems, Inc.; Pet Wants Franchise System, LLC*. We and our affiliates entered into a Consent Order with the California Commissioner of Financial Protection and Innovation on December 13, 2021 acknowledging that the certified public accountant that audited our financial statements was not registered as a public accounting firm in Ohio as required by Ohio accounting regulations. Although we were unaware of the CPA's oversight, we paid an administrative penalty of $5,000 and agreed to comply with the Corporations Code. We obtained reimbursement from the CPA.

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

ITEM 4. BANKRUPTCY

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

ITEM 5. INITIAL FEES

You must pay an initial franchise fee[1] when you sign the franchise agreement. The franchise fee for a territory with a population between 175,000 and 200,000 is $54,900. If the population of your territory exceeds 200,000, you must pay an additional $500 for all or part of every 1,000 people over 200,000.

You can reserve a specific franchise territory for up to 30 days by paying a non-refundable $5,000 deposit and sending us a signed Remittance Form. The payment will be applied toward your initial franchise fee. The required deposit to reserve a second territory is $10,000.

For the first 24 months after you purchase your first TruBlue franchise, you may be eligible to purchase an additional TruBlue franchise at a 10% discount on the then-current initial franchise. We may cancel or modify this discount policy at any time.

We participate in the International Franchise Association's Veterans Transition Franchise Initiative ("VetFran Program"). The VetFran Program encourages franchise ownership by offering financial incentives to honorably discharged veterans of the U.S. Armed Forces. We offer up to a 10% discount from the initial franchise fee to veterans who meet the requirements of the VetFran program.

You may receive only one discount or referral fee on the purchase of any given franchise. The minimum territory size has a population of 175,000. Except for the discounts described above, the minimum franchise fee is $54,900. We currently intend to impose each initial franchise fee uniformly except for the discounts described above. Each initial fee is fully earned when paid and is not refundable.

We reserve the right to require you to purchase from our National Branding Fund up to $1,000 in pre-opening marketing materials and advertising to promote the business as part of your Grand Opening Promotions, but do not do so as of the issuance date of this disclosure document.

We presently offer a rebate program called "The Winners' Circle" for new TruBlue owners that meet our qualifications and that achieve certain revenue goals. For qualifying owners, we will rebate $10,000 of the franchise fee they paid if they attain cumulative gross revenues of at least $900,000 during the two-year period after the Commencement Date; we will rebate an additional $10,000 of the franchise fee if they received the first rebate and attain cumulative gross revenues of at least $1,500,000 during the three-year period after the Commencement Date; we will rebate an additional $10,000 of the franchise fee if they received the first two rebates and attain cumulative gross revenues of at least $2,250,000 during the first four-year period after the Commencement Date; and we will rebate the remainder of the franchise fee they paid if they received the first three rebates and attain cumulative gross revenues of at least $3,000,000 during the five-year period after the Commencement Date. The "Commencement Date" is the first day of the month following the month in which the training program for new owners is completed. If the owner fails to achieve any one of these revenue goals then he or she will not be eligible to receive any additional rebate. To be eligible for any rebate, the owner must strictly and timely comply with all obligations to us, including timely reporting all gross revenues and paying all royalties and fees required by the franchise agreement, must have attended all franchise system

[1] All dollar figures are in U.S. currency.

national conferences and regional conferences and required on-site training centers, must sign a general release, and must have strictly complied with all other material terms and conditions of each agreement and instrument between us. NOTE: The revenue goals above are not to be construed as projections or estimates of actual or potential earnings, sales, or revenues. We make no representation that you or any other TruBlue owner has or will be able to achieve any of the revenue goals required to receive a rebate under this program. We reserve the right to cancel or modify this rebate program at any time, but owners who have already been accepted into The Winners' Circle will be permitted to complete the program.

Your franchise agreement does not give you any option, right of first refusal, or similar right to acquire additional franchises.

## ITEM 6. OTHER FEES

**OTHER FEES**

| Type of Fee | Amount | Due Date | Remarks |
|---|---|---|---|
| Royalty – Note 1 | 6% of Gross Revenues; $500 monthly minimum for 12 months; $1,000 monthly minimum thereafter | 5th day of each month – Note 1 | Paid on Gross Revenues for the preceding month – Note 2 |
| National Branding Fee – Note 3 | Greater of 2% of Gross Revenues or $500 per month | 5th day of each month | See Item 11 for an explanation of the National Branding Fees |
| Local Cooperative Advertising | Currently not applicable. Up to 3% of your Gross Revenues unless a majority of the cooperative members agree on a higher contribution – Note 4 | Monthly | If an advertising cooperative is established or operating in your area, you must contribute. |
| Transfer Fee – Note 1 | Greater of $15,000 or 10% of purchase price, plus our legal and administrative costs | Before you consummate the transfer | Payable when you sell your franchise to cover, among other things, the expenses of training the franchise purchaser; no Transfer Fee is payable for transfers to a company you form for the convenience of ownership. |
| Lead Referral Fee | $10,000 | Upon a transfer of your franchise to a buyer who was already listed in our sales database at the time you and the buyer began discussing a sale | Intended to partially reimburse us for our costs in developing leads who then purchase from an existing owner |
| Electronic Copies of Marketing Materials | Variable | Upon order by you | Should you request electronic copies of marketing materials you will need to reimburse the national branding fund for its costs in creating the materials |

**OTHER FEES**

| Type of Fee | Amount | Due Date | Remarks |
|---|---|---|---|
| Technology Fee – Note 5 | $195 | Monthly | You must pay a fee for technology/proprietary software that we license or make available to you for use in the operation of the business |
| Certified Aging-in-Place Certification | $1,000 | Within 1 year after opening | You must participate in training to obtain Certified Aging-in-Place (CAPS) certification. Presently, the certification may be obtained through a virtual training program provided by the National Association of Home Builders |
| Franchisee Meetings | Currently $350 per person | Prior to attending meeting | We may hold regional and/or national meetings with our support personnel and franchisees |
| Branded Work Vehicle (Truck or Van) | $2,500 - $40,000 | Within 1 year after opening | You must obtain an appropriate work vehicle with TruBlue branded wrapping. You may do this through a preferred vendor or on your own |
| Late Fee – Note 6 | Greater of $100 or 10% of payment. $100 for late reports. $50 for ACH or checks returned for insufficient funds. | On demand | You must pay a late fee on any payment or reports that we receive late. Reports are currently required to be submitted monthly and due the 5th day of the following month |
| Interest – Note 7 | 18% -- Note 8 | On demand | In addition to the late fee above, any payments more than 30 days late accrue interest at the rate of 18% per year. |
| Customer Refunds – Note 9 | Amount of expense advanced plus 18% interest | On demand | Payable if we determine that your customer is entitled to a refund. |
| Audit Fee – Note 1 | Cost of audit plus 18% interest on under-payment – Note 8 | On demand | Payable only if audit is prompted by your failure to maintain or submit records or if audit shows an understatement of 3% or more for any month. |
| Territory Amendment Fee | $1,500 | Prior to amending Territory | If we allow you to amend your franchise territory, you must pay a fee to compensate us for our costs |
| Sales/Use Taxes – Note 10 | Variable | Payable with your Royalty or National Branding Fee payments | You must pay any state or local sales or use taxes, if any, assessed on the Royalties, National Branding Fees, or other amounts you pay us. |
| Reimbursement – Note 1 | Amount of expense advanced plus 18% interest | On demand | You must reimburse us if we pay your expenses when you fail to so do, such as rent, taxes, customer refunds, or other liabilities. |
| Legal Expenses – Note 1 | Amount of expense advanced plus 18% interest | On demand | You must pay any legal expenses we incur, including attorney fees, to enforce your franchise agreement. |
| Indemnification – Note 1 | Amount of expense advanced plus 18% interest | On demand | You must reimburse us if we are held liable for claims arising from your business. |

Notes:

1. Imposed by and payable to TruBlue. All fees are non-refundable. We currently intend to impose all fees uniformly except as otherwise stated in this Item 6. You must pay a monthly Royalty equal to the greater of 6% of actual Gross Revenues from the prior month or the Minimum Royalty. The Minimum Royalty is $500 a month for 12 months and then $1,000 a month thereafter. You are not required to pay the Minimum Royalty until the fifth day of the second month following the month in which you complete the initial training program. We will extend the Minimum Royalty start date for an additional month if you comply with System Standards for opening your business (including completing a business plan and recommended marketing activities), sign a general release, and are in full compliance with the Franchise Agreement.

2. "Gross Revenues" means all income on a cash basis less all refunds and discounts to customers and any sales or excise taxes. Gross Revenues includes all revenue from the sale of any and all goods or services whatsoever under, using, or in connection with our trademarks regardless of whether such goods or services are typically provided by TruBlue Home Ally franchise owners. If you consult with a potential client regarding home safety consulting services and then also provide, for example, plumbing services to that client, then revenue derived from providing the plumbing services is Gross Revenue subject to Royalty.

3. Payable to the TruBlue National Branding Fund. We may, in our sole discretion, modify initial Minimum Royalty and/or National Branding Fund payment obligations if federal, state or local regulations or statutes cause a delay in the issuance of any necessary licensures. You are not required to pay the National Branding Fee until the fifth day of the second month following the month in which you complete the initial training program. We will extend the National Branding Fee start date for an additional month if you comply with System Standards for opening your business (including completing a business plan and recommended marketing activities), sign a general release, and are in full compliance with the Franchise Agreement. We reserve the to increase the National Branding Fund in the future, but not by more than 20% per each year in which the franchise agreement has been in effect.

4. Either we or the advertising cooperative will determine the amount of your monthly cooperative advertising contribution, but it cannot exceed 3% of your Gross Revenues unless a majority of the cooperative members agree on a higher contribution. Each member of an advertising cooperative, regardless of whether it is franchisee owned or franchisor owned, will have one vote for each franchise they own. Each franchised business operated by TBFS or an affiliate of TBFS in an area in which an advertising cooperative has been established, if any, will contribute to the cooperative on the same basis as other members of that cooperative. If any franchisor owned outlets were to have controlling voting power, the minimum fee imposed could be $0 and the maximum imposed would not exceed 3% of Gross Revenues unless a majority of the cooperative members agree on a higher contribution. As of the date of this disclosure document, we have not established any advertising cooperatives. See Item 11 under the subheading "Advertising Cooperatives" for a more detailed explanation.

5. You must pay us a Technology Fee (presently $195 a month) for a website, email account, proprietary software and other technology that we may license or otherwise make available to you during the term of the franchise agreement. In the year ending December 31, 2025, we received technology fees totaling $184,400, or about 4.2% of our total revenues of $4,385,383. The amount of the Technology Fee is subject to change upon reasonable notice but will not be increased by more than 20% per each year in which the franchise agreement

has been in effect in addition to increases due to additional or different software and technology tools being added and price increases from third-party vendors. In our discretion, we may require you to purchase some or all of the technology tools directly from a third-party supplier.

6. Late fees on royalty payments and required reports are payable to TruBlue. Late fees on national branding fee payments are payable to the National Branding Fund and will be charged in addition to late royalty payments.
7. Interest on royalty payments and late sales reports is payable to TruBlue. Interest on national branding fee payments is payable to the National Branding Fund.
8. Interest accrues from the date payment was due.
9. You must use your best efforts to fairly resolve customer disputes. We may, in order to protect the goodwill of the system, issue a refund on your behalf to an unsatisfied customer. If we do so, then the refund will be issued from our own funds and sent directly to the customer. You must reimburse us within 10 days after you receive notice of such refund issued by us on your behalf.
10. The royalties, national branding fees, or other fees you pay us may be entirely or partially subject to state or local sales or use tax, depending upon the law in your state. If we are required to pay these taxes in your state, you must add the tax to your royalty or national branding fee payment.

ITEM 7. ESTIMATED INITIAL INVESTMENT

**YOUR ESTIMATED INITIAL INVESTMENT**

| Type of Expenditure | Amount | Method of Payment | When Due | To Whom Payment is to be Made |
|---|---|---|---|---|
| Initial Franchise Fee (Note 1) | $54,900 | See Note 1 | Upon signing of franchise agreement | TruBlue |
| Furniture and Office Equipment | $500 – 1,000 | As Incurred | Before opening | Suppliers |
| Tools and Equipment (Note 2) | $1,000 – 3,000 | As incurred | Before opening | Suppliers |
| Computer System (Note 3) | $1,500 – 4,000 | As Incurred | Before opening | Suppliers/TruBlue |
| Travel and living expenses while training (Note 4) | $1,250 – 2,500 | As Incurred | Before or at time of training | Hotel, airline, restaurants, employees |
| Initial Telephones, Call Center Answering Service, Bank and Other Deposits (Note 5) | $500 – 1,000 | As Incurred | Before opening | Suppliers |
| Grand Opening Promotion (Note 6) | $3,000 – 4,000 | As Incurred | 1-2 months before opening | National branding fund and/or various suppliers |
| Real Estate and Improvements | See Note 7 | See Note 7 | See Note 7 | See Note 7 |

**YOUR ESTIMATED INITIAL INVESTMENT**

| Type of Expenditure | Amount | Method of Payment | When Due | To Whom Payment is to be Made |
|---|---|---|---|---|
| Licenses (Note 8). Senior Home Safety Certification | $400 – $1,000 | As incurred | Before opening | State and/or local licensing authorities/Age Safe America |
| Limited Liability Entity (Note 9) | $500 – 1,000 | As incurred | Before opening | Attorney or business entity formation service |
| Insurance (Note 10) | $1,500 – 5,000 | See Note 10 | Before effective date of policy | Insurance Company |
| Additional Funds - 3 months (Note 11) | $8,000 – 20,000 | As Incurred | As expenses are incurred | Employees, tax authorities, suppliers, etc. |
| Vehicle (Note 13) | $0 – 2,000 | As Incurred | Before opening | Suppliers |
| Total (Note 12) | $73,050 – $99,400 | (Does not include real estate costs) | | |

Notes to Tables:

1. Initial Franchise Fee. The initial franchise fee for a territory with a population between 175,000 and 200,000 is $54,900. If the population of your territory exceeds 200,000, you must pay an additional $500 for all or part of every 1,000 people over 200,000.

2. Tools and Equipment. You may purchase tools and equipment such as ladders, mowers, a trailer and hand tools from any approved supplier. Initially, we strongly recommend that you use refurbished, used, client-provided, and/or rented equipment and supplies when performing services. As your business expands over time, your required tools and equipment will increase. The disclosed range of $1,000 to $3,000 is an initial investment. A list of approved suppliers and of the tools and equipment you will need to operate your TruBlue franchise are listed in the operations manual.

3. Computer System. The cost of the computer equipment and software you will need to operate your franchise will depend upon the manufacturer, the operating features, whether the equipment is new or used, and whether you purchase, rent or lease it. See Item 11 of this disclosure document for the specifications of the equipment.

4. Expenses While Training. We do not charge an additional fee for the initial training, but you must pay the expenses of travel, lodging, food, wages, and workers' compensation for you and your employees during the training program. These expenses will range from $1,250 to $2,500, depending upon the distance and method of travel and the availability and quality of your hotel accommodations and living expenses during the training program.

5. Deposits. You are required to maintain at least 1 dedicated telephone line for incoming calls from clients that will be answered by a live person or go to a central call center. The central call center line may be provided by a vendor designated by us. You may use only this central call center number in your advertising, stationery, and business cards. All calls to the central call center will be answered by a live person and, if appropriate, will be re-routed to a second, local telephone line that you must maintain. Your local telephone service provider will typically require a normally refundable deposit for commercial service. You must maintain a separate checking account to be used only for your TruBlue franchise, and your bank will

require a nominal ($50 - $100) initial deposit when you open the account. Some states also require a deposit for workers' compensation coverage.

6. Grand Opening Promotion. Before you open your TruBlue franchise, you must spend at least $3,000, as directed by us, towards a Grand Opening Promotion. This will include marketing materials and advertising to promote the business. You may wish to spend more than $3,000 on pre-opening materials, depending upon the size of your market, the marketing techniques you use, and the cost of advertising in your market, but you must provide us with receipts confirming that you spent the required minimum amount. No part of the pre-opening promotion expenses will be refundable. You will purchase the advertising from various print and electronic media, primarily direct mail companies in your market and online coupon companies. You may purchase marketing materials, such as brochures, mailers and promotional items bearing our logo and trademark, from our National Branding Fund (see Item 11 for an explanation of our National Branding Fund), or you may purchase them from any approved supplier.

7. Real Estate and Improvements. You may operate your franchise from an office in your home if permitted by local zoning laws, so the chart above does not include any expenses for purchasing or renting office space or improvements. You may also operate your franchise from rented office or warehouse space in a commercial or light industrial area. You can anticipate requiring no more than 150 square feet for an office and a 100 square foot storage bay. Based upon a combined range of $9.60 to $24.00 per square foot, you should expect to pay $2,400 to $6,000 per year for rent. It is difficult to estimate lease acquisition costs because of the wide variation in these costs from one location to another. Lease costs will vary based upon square footage, cost per square foot and required maintenance costs. These estimates do not include real estate taxes. The terms of your lease will depend on the size, location, condition and desirability of the premises. Rent payments may or may not include site preparation and build-out costs, which will depend on the arrangements that you negotiate with your landlord. You should not require significant, or perhaps any, build-out or improvements. You should expect the landlord to require the first month's rent and a security deposit equal to one month's rent. Amounts paid as rent are typically not refundable, but a security deposit may be refunded.

8. Licenses. We are aware of the following states that require a license for performing some types of building repairs: Arizona, Florida, California, Illinois, Maryland, Massachusetts, Minnesota, Nevada, New Jersey, Oregon, Utah, Virginia, Washington, and certain counties in Florida. There may be other states, counties, or municipalities that also require a license. You will be responsible for investigating and complying with the licensing requirements that apply in your territory. The cost will vary from one locality to another. Senior Home Safety Certification: As part of your initial training, you or your managing operator will be required to complete and obtain the Senior Home Safety Certification by Age Safe America prior to opening your franchise. The certification course is online and can be completed remotely.

9. Limited Liability Entity. You are required to form a limited liability entity, such as a corporation or limited liability company, to operate your TruBlue franchise. Although we recommend that you hire an experienced business attorney, you may use any attorney or incorporation service to form your limited liability entity.

10. Insurance. You must obtain and maintain the types and amounts of insurance coverage described in Item 8 under the heading "Insurance." We must be named as an additional insured on these policies. We estimate that the average total annual cost for the required insurance coverage will be between $1,500 and $5,000. The premium is typically due prior to

the effective date of the coverage unless your insurance company offers monthly or quarterly payment terms. Insurance costs will vary depending upon the location and size of your office, the number of employees and other factors, and may change from time to time due to changes in insurance rates. You must also maintain workers' compensation coverage and any other insurance that may be required by law in your territory. The cost for worker's compensation coverage and other insurance is not included in the above chart.

11. Additional Funds. You should have approximately $8,000 to $20,000 of additional funds for such items as payroll expenses, advertising, initial supplies, operating expenses, and similar items during the initial phase of your business, approximately 3 months. In formulating the amount required for additional funds, we relied upon the experience of our executives in franchising other service businesses. These figures are estimates and we cannot guarantee that you will not have additional expenses starting the business. You may also incur expenses for business license fees, legal fees, accounting fees, and local permits and operating authorizations necessary to start your business. These fees may vary considerably from one area to another.

12. Total. The total figures listed in the above charts do not include compensation for your time or labor. Neither do the total figures take into account any finance charges, interest, debt service, or other costs which you may incur to finance all or any portion of your investment. In addition to the initial investment itemized in the above charts, you must have additional monies available, whether in cash or through a line of credit, or have other assets that you can liquidate or against which you can borrow, to cover your personal living expenses and any operating losses sustained during the initial phase of the business. You may need a vehicle for each employee, but it is anticipated that you and your employees will use their own vehicles. You should review these figures carefully with a business advisor before making any decision to purchase the franchise.

13. Vehicle. You will need a vehicle to move from site to site and to speak with clients and potential clients. It is anticipated and recommended that you and your employees will use their own vehicles. If necessary, we anticipate that you can lease a vehicle for $600 a month or less. Having a suitable vehicle may be a requirement of employment for your employees. Vehicles may need to be outfitted to accommodate ladders and tools. Vehicles that are used to service homes may need to be capable of pulling a trailer. These expenses are included in the range stated in the Item 7 table above.

14. All expenditures are non-refundable unless specifically noted otherwise.

## ITEM 8. RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

**System Standards.** During the term of the franchise agreement, you must develop, maintain and operate your TruBlue franchise in full compliance with all TruBlue system standards, as stated in our confidential Operations Manual. We may periodically change our standards at our sole discretion.

**Data Management Reporting Program.** To operate your TruBlue franchise, you will be required to use a designated data management reporting software program. You may obtain this from our approved supplier. In the future, you may be required to purchase or lease other proprietary software from us, an affiliate of ours, or a third party designated by us. All data and customer data is owned by us and can be used by for any reason not otherwise prohibited by agreement.

**Optional Marketing Items from the TruBlue National Branding Fund.** You may (but are not required to) purchase marketing materials, apparel, and specialty items (such as pens, key chains, etc.) bearing our trademarks and logo from the TruBlue National Branding Fund. The national branding fund will make these items available to you through a designated fulfillment company. The national branding fund may derive revenue from the sale of these items to franchisees, but did not have any such revenue in 2025.

Except as disclosed above, neither we nor any persons affiliated with us will derive revenue or other material consideration from your required purchases or leases, are the only approved supplier of any goods or services, or are suppliers of items related to establishing or operating a TruBlue business. No officer of ours has either a direct or indirect ownership interest in any other supplier.

**Purchases and Leases from Third Parties.**

We do not require you to purchase any items related to establishing or operating a TruBlue business from us, our affiliate, or from any particular designated supplier. However, we require that any marketing materials, business cards, business stationery, equipment, tools, call center services, and insurance that you purchase be purchased from a supplier that we have approved. A list of approved suppliers for these items is included in the operations manual that you will receive when you sign the franchise agreement.

Suppliers other than those identified in the operations manual may be approved by sending us a written request for approval by and a sample of the supplier's product. If we are satisfied with the quality of the supplier's product, we will approve the supplier. We will typically notify you of our approval or disapproval within 30 days after we receive the sample. We do not charge a fee for approving suppliers. We may revoke approval of an approved supplier by providing written notice to you at any time if the quality of the product does not continue to meet our system standards.

Goods and services other than marketing materials, business cards, business stationery, call center services, and insurance may be purchased from any supplier without having to first obtain our approval. We will provide you with a list of suggested suppliers for computer hardware and software, equipment, and tools, but you may obtain these items from any supplier.

We formulate and modify our specifications and standards for goods and services based upon our research of the optimal goods and services you will need to operate your TruBlue franchise, our investigation of the available suppliers for each item, and our general business experience. The specifications and standards are issued to you through our training program, operations manual, and our intranet website. "Goods and services" means those goods and services that you will use in the course of operating your business. Specifically, this includes marketing materials, business cards, business stationery, equipment, tools, call center services, insurance, computer hardware and software, telephone lines, and service vehicles.

**Computer Hardware and Software.** To operate your TruBlue franchise, you will need a computer system and certain required computer programs. Specifications for the computer system are listed in Item 11 of this disclosure document.

**Telephone Lines.** You must have a telephone line for incoming calls from clients that must be answered by a live person or go to a central call center. The central call center line must be

provided by a vendor that we have approved. You may use only this central call center number in your advertising, stationery, and business cards. All calls to the central call center will be answered by a live person and, if appropriate, will be re-routed to a second, local telephone line that you must maintain. We will not receive revenue of any nature from your use of the central call center. You will use this local line for outgoing calls. You may procure the local telephone number from any telephone service provider.

**Insurance.** Before opening the franchised business, you must obtain, and maintain at all times during the term of your franchise agreement, the following insurance coverages:

- All-Risk Insurance on all furniture, fixtures, equipment, supplies and other property used in the operation of the franchised business, for their full replacement cost.
- Commercial General Liability Insurance covering claims for bodily and personal injury, death, property damage, product liability, and contractual liability with a minimum per occurrence limit of $1,000,000 and a minimum general aggregate limit of $2,000,000.
- Automobile Liability Insurance covering owned, hired, and non-owned vehicles with a minimum combined single limit of $1,000,000.
- Worker's Compensation Insurance that complies with the statutory requirements of the state in which the franchised business is located and Employers' Liability Insurance with a minimum limit of $100,000 or, if greater, the statutory minimum limit if required by state law.
- Employment Practices Liability Insurance with a $500,000 minimum limit covering defense costs and damage for claims of sexual harassment, discrimination and wrongful termination.
- A first-party and third-party Fidelity Bond (or Employee Dishonesty Insurance) with a minimum limit of $25,000 per incident. The policy must not contain a Conviction Clause.

All insurance policies must name T.B. Franchising Systems, Inc. as an additional insured, and no policy may have a deductible greater than $1,000. You cannot open your franchise for business until you have obtained all the required insurance coverages. If you fail to obtain and maintain this insurance coverage, we have the right to obtain it on your behalf and to charge you for the cost plus interest. You must also maintain any other insurance that may be required by your landlord or by law in your territory. You may purchase your insurance from any approved supplier, which are listed in the operations manual. We have the right to reasonably increase the required minimum insurance coverage, decrease the deductible, or require different or additional kinds of insurance to reflect inflation, changes in standards of liability, higher damage awards, or other relevant changes in circumstances. We must give you at least 1 month notice.

**Limited Liability Entity.** You are required to form a limited liability entity, such as a corporation or limited liability company, to operate your TruBlue franchise. A "limited liability entity" is one in which the liability of the entity's owners for the entity's debts is generally limited to the amount they paid for their ownership interest in the entity. General partnerships and sole proprietorships are not limited liability entities as they do not provide the same feature. Although we recommend that you hire an experienced business attorney, you may use any attorney who is licensed in your state or any business entity formation service to form your limited liability entity.

**Service Vehicles.** All vehicles must meet our system standards at all times. Our current system standards require that all vehicles must be in excellent condition, be free from significant visible rust and exterior damage, be free from exterior words and images (including bumper stickers) that may be derogatory, inflammatory, provocative or sexually explicit, and be dependably functional. You may, in your sole discretion, choose to require an employee or contractor to use his or her own vehicle for transportation to and from customers' homes and to transport equipment, tools, materials and supplies. You – also at your discretion – may choose to make ownership of a suitable vehicle a requirement of employment or contract for your employees or contractors. Depending on the vehicles that you have at your disposal, you may determine that certain vehicles should be outfitted to accommodate ladders and tools. You may choose to require employees that perform services to use a vehicle capable of pulling a trailer. No franchisees currently impose any vehicle ownership requirement on their employees.

**Gift Card Program.** We have the right to implement a gift card program, to designate any supplier to administer the program, and to require all TruBlue franchisees to participate in the program. We have not implemented a gift card program as of the Issuance Date of this disclosure document.

**General.** We estimate that the goods and services described in this Item 8 are approximately 16% to 31% of your initial investment to start the operation of your TruBlue franchise, and approximately 11% to 21% of your monthly operating expenses.

We do not provide material benefits to you based upon your use of designated or approved sources, although we reserve the right to do so in the future. There are currently no purchasing or distribution cooperatives, although we have the right to require you to participate with us or with other franchisees when purchasing items to be sold or used in the franchised business. As of the issuance date of this disclosure document, we have not negotiated any purchase arrangements with suppliers for the benefit of franchisees. We reserve the right to do so in the future.

Some suppliers may pay us fees for sponsorships or display space at our meetings for franchise owners. These fees defray our costs for the meeting, but there is no specific restrictions on their use. In calendar year 2025, we received $32,178 in proceeds from suppliers for sponsorships or display space at our annual conference.

We do not currently have any arrangements for paid sponsorships and have not received any fees for such arrangements at this time.

Except as disclosed herein, neither we nor our affiliates derived revenue, rebates, or other material consideration based on required purchases or leases.

## ITEM 9. FRANCHISEE'S OBLIGATIONS

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

| Obligation | Section in Franchise Agreement | Item in Disclosure Document |
|---|---|---|
| a. Site selection and acquisition/lease | Article 3 | 11 |

| Obligation | Section in Franchise Agreement | Item in Disclosure Document |
|---|---|---|
| b. Pre-opening purchases/leases | 7.4, 7.17 & 7.18 | 5, 7 & 8 |
| c. Site development and other pre-opening requirements | Not Applicable | Not Applicable |
| d. Initial and ongoing training | 7.1 | 11 |
| e. Opening | 7.6 | 17 |
| f. Fees | Articles 4 & 5 | 5 & 6 |
| g. Compliance with standards and policies/Operating Manual | Articles 7 & 9 | 8, 11 & 16 |
| h. Trademarks and Proprietary information | Articles 8, 9 & 10 | 13 |
| i. Restrictions on products/services offered | 7.3 | 16 |
| j. Warranty and customer service requirements | 7.14 | 6 |
| k. Territorial development and sales quotas | 7.19 | 12 & 17 |
| l. Ongoing product/service purchases | 7.5 & 7.18 | 8 |
| m. Maintenance, appearance and remodeling requirements | Not Applicable | 8 |
| n. Insurance | 7.11 | 7 |
| o. Advertising | Article 11 | 8 & 11 |
| p. Indemnification | 7.11 & 7.16 | 17 |
| q. Owner's participation/management/ staffing | 7.7, 7.8, 7.15 & 7.16 | 17 |
| r. Records/reports | 7.10, 7.17 & 11.7 | 17 |
| s. Inspections/audits | 7.10, 7.19, 7.21 & 7.24 | 6 &17 |
| t. Transfer | Article 12 | 17 |
| u. Renewal | 2.2 | 17 |
| v. Post-termination obligations | 15.3, Article 14 | 17 |
| w. Non-competition covenants | Article 15 | 17 |
| x. Dispute resolution | Article 16 | 17 |
| y. Other | Not Applicable | Not Applicable |

ITEM 10. FINANCING

We do not offer direct or indirect financing. We do not guarantee your note, lease, or obligation.

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

**Except as listed below, T.B. Franchising Systems, Inc. is not required to provide you with any assistance.**

Before you open your business, we will provide the following assistance:

1. We will approve or disapprove the boundaries that you submit for your franchise territory. Your territory must be a single, undivided geographic area created by postal codes according to the mapping system we use at the time you sign the franchise agreement. We will provide you with an approved map showing the borders of your territory. The borders on the approved map will be the final determination of your territory if the Postal Service alters the boundary or number

of the postal codes assigned to you. We may re-define the boundaries of your territory to correspond as nearly as possible to your original territory as defined on the approved map. Our decision on this matter will be final. If we cannot agree on the boundaries of your territory within 30 days after you complete the initial training program, we both have the right to terminate your franchise agreement, in which case we will refund the initial franchise fee you paid less $15,000. [Franchise Agreement § 1.2].

2. We will provide you access to specifications and a list of suppliers for all equipment, products, services, and supplies necessary to operate your franchise. [Franchise Agreement § 6.1]. You may purchase certain marketing and promotional materials from the TruBlue National Branding Fund. See Item 8 for a more detailed explanation of the requirements for purchasing equipment and supplies.

3. We will provide you with access (via our intranet and websites) to a number of digital advertisements, layouts and images and a set of templates for business cards and stationery. [Franchise Agreement § 6.1].

4. We will provide you access to a copy of our operations manual, which contains mandatory and suggested specifications, standards and procedures. [Franchise Agreement § 6.3]. The manual is confidential and remains our property. You will receive a copy of the manual when you begin the initial training program. We may provide the manual in a digital format in addition to or instead of a paper copy. We have the right to modify the manual from time to time, but the modification cannot alter your fundamental status and rights under the franchise agreement. [Franchise Agreement § 9.3]. There are about 449 pages in the manual, including 65 pages devoted to franchise system standards, 30 pages devoted to business organization, 165 pages to customer service recommendations, 69 pages to client services, 23 pages to financial management, 87 pages to marketing, and 10 pages to computer management. The table of contents of the manual is attached to this disclosure document as Exhibit N.

5. We will provide you with 1 copy in digital format of the forms you will use to report your sales and calculate quotes for potential customers. [Franchise Agreement § 6.4]. You may use the digital format copy to print new copies as needed.

6. We will provide an initial training program for up to 2 people, one of which must be the person responsible for the general oversight and management of the franchised business. [Franchise Agreement §§ 6.1, 7.1]. See the section titled "Training" below for a more detailed description of our initial training program.

**Length of Time to Open Franchise.** We estimate that you will typically begin operating your franchise 2 to 6 months after signing the franchise agreement, depending on how quickly you can attend our initial training program. The training program is a combination of virtual and in-person. The in-person initial training workshops are typically held every 4 to 6 weeks. Other factors that affect this length of time are the availability and timing of your financing, any previous employment commitments, your ability to complete our training program, hire and train personnel, comply with any applicable state licensing requirements, and schedule your initial marketing campaign. You must open your franchise within 3 months after you complete the initial training program or we have the right to terminate your franchise without refunding any fees you have paid. [Franchise Agreement § 7.6].

During the operation of the franchised business, we will provide the following assistance:

1. We will provide you with assistance via telephone, email, and/or web-based programs to the extent we deem necessary. [Franchise Agreement § 6.1].

2. We will provide you with such other materials, information and assistance as we from time-to-time consider necessary. [Franchise Agreement § 6.1]. We presently consider the following materials, information and assistance to be necessary:

a. providing you with access to digital advertisements;

b. administering the national branding fund;

c. website preparation and maintenance;

d. providing an updated operations manual as needed;

e. holding regional and national franchisee meetings; and

f. in our discretion, visiting your office to provide additional operational support.

We do not set minimum or maximum prices at which you must sell products or services and are not otherwise obliged to assist in establishing prices. We may provide assistance with providing equipment, signs, fixtures, and supplies by providing the names of approved suppliers. We do not presently provide written specifications for such items and do not deliver or install the items.

**Computer Hardware and Software.** You must obtain and use computer hardware and software complying with specifications that we periodically establish, including hardware components, dedicated telephone lines, a printer, and other computer-related accessories and peripheral equipment (the "Computer System"). [Franchise Agreement §§ 7.4, 7.10, 7.1, 9.3]**.** The minimum hardware specifications include:

- 8 GB RAM
- Storage: 500 GB (HD) or 256 GB (SSD)
- 2.6 ghz Processor
- 300 dpi laser printer

The minimum software specifications that you must utilize are as follows:

- Latest version of Chrome and Safari
- One of the following operating systems: Microsoft® Windows 10 Professional (the operating system is responsible for the overall functioning of the computer system, including memory management and file allocation) or macOS Sierra or higher
- Microsoft Office 2019, Office 365 or higher (this is word processing software that you will use to view and edit formatted text; the data collected on this software consists of business documents and correspondence that you prepare)
- Intuit QuickBooks® Online (you will use this as your accounting software; the data collected will consist of business accounts, expenses, payroll data, and financial statements)
- Anti-Virus software such as McAfee Anti-Virus, Symantec Anti-Virus, or Avast Anti-Virus, that is updated on a regular basis with a yearly renewable subscription that scans all fixed and removable disk drives, email, and anti-phishing activity (this

software does not collect or generate data itself, but will detect and disable computer viruses)
- Windows Defender anti-spyware software (this software does not collect or generate data itself, but will detect and disable spyware)

You must establish a high-speed Internet connection via a commercial Internet Service Provider for purposes of accessing our franchisee intranet site and communicating with us and other franchisees.

You may use any local or national suppliers of your choice to obtain the required hardware and software. We estimate that the cost for the required computer hardware and software will range from $1,500.00 to $4,000.00.

The types of data generated and stored in your computer system should consist only of data relating to your business. This data includes customer lists, employee lists, employee payroll, and financial statements. We will have independent access to your computer system via the Internet for any information relating to the business. There are no other contractual limits on our right to access the information and data stored on your Computer System. We do not, however, have access to the Computer System without your acknowledgement and without you providing access to us. We can modify this policy with 1 month's prior written notice to you. You are contractually required to upgrade or update your Computer System if we require it during the term of the franchise. There are no contractual limitations on the frequency or cost of any update or upgrade. We are not obligated to provide or assist you in obtaining the Computer System, but we will provide you with the name of one or more suggested vendors from whom you may purchase the equipment.

We recommend that you obtain local information technology ("IT") support for the operation and continued maintenance of the hardware and software. We estimate the annual cost for this recommended IT support will range from $250 to $1,000. This estimate may vary depending on your specific IT needs, knowledge, and local market conditions. Neither we nor any affiliate or third party is obligated to provide ongoing maintenance, repairs, upgrades, or updates for the computer hardware or software.

**Office Visits.** We may, in our discretion (but not obligation), visit your office from time to time in order to provide additional operational support. Presently we do not charge you a fee for these office visits, but we have the right to require you to reimburse us for the cost of our travel to your office and for related expenses. [Franchise Agreement § 7.19]**.**

**Franchisee Meetings.** We may, but are not obligated to, hold regional and/or national meetings with our support personnel and franchisees to discuss sales techniques, service procedures, personnel issues, and marketing methods, and to introduce new management tools, marketing programs, and promotional items. You must attend all meetings we designate as mandatory, which presently includes national meetings. (Franchise Agreement § 7.27). We may charge reasonable registration fees for these meetings. Currently, the registration fee for the national meeting is approximately $350 per person. We will charge you the attendance fee if you do not attend a required meeting or if you register for any meeting and do not attend. All expenses, including travel and lodging, are your responsibility.

**Website.** Although we are not required to do so by the franchise agreement, we currently maintain a Web site to promote our franchisees' services and the sale of our franchises and to

provide contact information for TruBlue locations. [Franchise Agreement § 11.9]. We may include your franchise contact information on a separate page on our Web site, paid for by the National Branding Fund. You are prohibited from establishing, without our prior written consent, your own Web site, Web page, listing, banner, URL, or acquiring/owning URLs that incorporate TruBlue or any of our trademarks, advertisement, or any other service or link on or with the Internet, World Wide Web, Internet service providers, email, communication providers, search engines or other similar services using our service marks or otherwise in connection with the franchised business. We reserve the right to control all Internet and online advertising and promotion of the services offered by our franchisees. We may also establish an intranet for our franchisees. If we do so, you will be required to use the intranet to communicate with us and to download our operations manual, updates to the manual, advertising materials, and other items.

**National Branding Fund.** We will make certain marketing materials and promotional services available to you through a national branding fund (the "National Branding Fund"). [Franchise Agreement § 11.3]. Some of the services may include a periodic publication for your customers and the development of new marketing programs and promotional items. The marketing materials available for purchase from the National Branding Fund include all brochures, forms, and mailers used in our marketing program and promotional items bearing our logos and trademarks.

You are required to pay a National Branding Fee of 2% of monthly Gross Revenues or $500 per month, whichever is greater, to the National Branding Fund. [Franchise Agreement § 5.2]. We may increase the amount of the National Branding Fee, but not by more than 20% per each year in which the franchise agreement has been in effect. Any increase in the National Branding Fee will be effective at least 1 month after you receive notice of the increase. All National Branding Fees are maintained in a separate bank account. The National Branding Fees may only be spent on advertising and promotion of the services provided by TruBlue franchises, the development of new advertising and marketing for the TruBlue franchise system, the solicitation of Shared Referral Sources and Special Accounts, employment of marketing personnel, and administrative costs incurred in maintaining the National Branding Fund. We currently use the National Branding Fund to develop new advertising, promotional and marketing materials and to advertise the services provided by franchisees in print and online media. However, we have the right to change this policy at any time and use the National Branding Fund to place advertising in national, regional or local media (including broadcast, print, or other media). We are reimbursed for any overhead, postage or labor provided to the National Branding Fund. Each location owned by us or our affiliate, if any, will contribute to the National Branding Fund on the same basis as you. Contributions are uniform for all existing franchisees and all franchises currently being offered.

The National Branding Fund is administered by our accounting personnel. You may obtain an unaudited financial statement of the National Branding Fund for the previous calendar year by submitting a written request to our corporate office after April 1. We do not presently have the National Branding Fund audited by an independent certified public accountant, but we reserve the right to do so at the National Branding Fund's expense. During the one-year period ending December 31, 2025, the National Branding Fund had total receipts of $717,909, and total expenses of $516,265, of which 38.6% was spent on promotional programs, 45.3% for Web based programs, and 14.6% for shipping and administration expenses.

The National Branding Fund is not and will not be an asset of ours. The National Branding Fund is not a "trust", and we will have no fiduciary duty to you or any other franchisee in connection with

the management of the National Branding Fund. The National Branding Fees you pay are not refundable or transferable under any circumstances, even upon the expiration, termination, or transfer of your franchise. We are not required to spend any amount on advertising in your territory or to ensure that you benefit directly or pro rata from the National Branding Fees you pay. We are not required to spend equal or pro rata amounts on each TruBlue franchise. Except as disclosed above, neither we nor any affiliate of ours receives any payment from the National Branding Fund.

No portion of the Fund is used for advertising that is principally a solicitation for the sale of franchises. If any of the National Branding Fees are not spent in the fiscal year in which they accrue, expenditures made from the National Branding Fund in the following year(s) will be made first out of accumulated earnings from previous years, next out of earnings in the current year, and finally from contributions.

**Advertising.** You are required to spend the greater of $2,500 or 2% of your Gross Revenues each month on local advertising and provide us with verification of your expenditure upon request. Local advertising may include the salary of a single salesperson. Your franchise agreement does not otherwise restrict or mandate the amount of advertising you may conduct or the media in which any advertising may be placed. However, you are generally not permitted to promote or market your franchised business in another franchisee's territory except for Shared Referral Sources. You are required to conduct advertising directly related to your franchised business within your territory, and to spend at least 2% of your Gross Revenues for these activities each calendar quarter. Your franchise agreement does not require us to advertise the services offered by TruBlue franchisees or to spend any amount on advertising in your territory. We will provide you with access (via our intranet website) to a number of digital advertisements, layouts and images, but you are free to use your own advertising material so long as we approve it first. If you wish to use an advertisement that we have not provided and that has not been previously approved, you must submit it to us by email for approval. You will typically be notified whether the advertisement is acceptable within 30 days after we receive it. [Franchise Agreement § 11.1, 11.8]**.** The approval of advertising will be made on a case-by-case basis based on our business judgment. All advertising must be conducted in a dignified manner, be completely accurate, conform to System Standards and all applicable laws and regulations, and contain a notice that your franchise is independently owned and operated. Any advertisement that you develop for your franchise automatically becomes our property, and we may use it or provide it to our other franchisees for their use without compensating you. There is no advertising council composed of franchisees that advises us on advertising policies or other matters.

**Advertising Cooperatives.** As of the Issuance Date of this disclosure document, we have not established any advertising cooperatives. We have the right to establish, change, dissolve, or merge local or regional marketing and advertising cooperatives in geographical areas with two or more TruBlue franchises. [Franchise Agreement § 11.11]**.** Advertising cooperatives may be established for areas covered by advertising media relevant to particular geographic markets, Metropolitan or Micropolitan Statistical Areas, or our advertising strategies, in our discretion. If we establish an advertising cooperative in an area, each franchise within the cooperative area must join and contribute to the cooperative each month. Either we or the cooperative will determine the amount of your monthly contribution, but it cannot exceed 3% of your Gross Revenues unless a majority of the cooperative members agree on a higher contribution. The members of each cooperative will be responsible for its administration, subject to our approval.

Each member of an advertising cooperative will have one vote per franchise. Each cooperative will operate from written governing documents and must prepare monthly financial statements that will be available for its members' review. Each location owned by us or an affiliate, if any, in an area in which an advertising cooperative has been established, will contribute to the cooperative on the same basis as other members of that cooperative.

**Location of Franchised Business.** TruBlue franchisees typically will operate from a single office site. We do not select or approve a site, or assist you in selecting a site, for your office. You may operate your franchise from a home-based office, if doing so does not violate any zoning or building code or other laws. You may also operate your franchise from rented office space. If you have a home-based office located outside your territory, you must also maintain a business address in your territory. The telephone number for your franchise must be listed under an address within your territory. [Franchise Agreement Article 3]. We do not impose any other restrictions upon the location of your office. Your office should be near the more densely populated areas of your territory and convenient to major thoroughfares.

You are not permitted to operate, promote or market your franchised business in another franchisee's territory, except for shared referral sources, special accounts, or as otherwise described in Item 12 or this Item 11.

**Training.** If this is your first TruBlue franchise, then before you open your franchised business, we will train up to 2 people to operate a TruBlue franchise. [Franchise Agreement § 7.1]**.** The agenda of the initial training program is listed below.

**TRAINING PROGRAM**

| Subject | Hours of Class-room Training | Hours of On-the-Job Training | Location |
|---|---|---|---|
| Introduction | 1 | - 0 - | Cincinnati, Ohio |
| Pro-forma/Financial Workshop | 2 | - 0 - | Cincinnati, Ohio |
| Franchise Start-Up/Pre-Opening | 3 | - 0 - | Cincinnati, Ohio |
| Customer Services | 3 | - 0 - | Cincinnati, Ohio |
| Sales Techniques & Strategy | 3 | - 0 - | Cincinnati, Ohio |
| Work Flow/Scheduling/Planning | 2 | - 0 - | Cincinnati, Ohio |
| Financial Management | 3 | - 0 - | Cincinnati, Ohio |
| Equipment Set-up, Electronic Resources | 1 | - 0 - | Cincinnati, Ohio |
| Database Management | 4 | - 0 - | Cincinnati, Ohio |
| Reports | 2 | - 0 - | Cincinnati, Ohio |
| Human Resource Management | 1 | - 0 - | Cincinnati, Ohio |
| Hiring and Retention | 4 | - 0 - | Cincinnati, Ohio |
| Workplace Safety/Insurance | 2 | - 0 - | Cincinnati, Ohio |
| Marketing/Promotion | 4 | - 0 - | Cincinnati, Ohio |
| Self Development | 3 | - 0 - | Cincinnati, Ohio |
| Review, Question Session | **2** | - 0 - | Cincinnati, Ohio |

**TRAINING PROGRAM**

| Subject | Hours of Class-room Training | Hours of On-the-Job Training | Location |
|---|---|---|---|
| TOTAL | 40 | - 0 - | |

All of the initial training is conducted at our corporate office in Cincinnati, Ohio, by or under the supervision of our Vice President, Nick Wilson (see Item 2 of this disclosure document for a description of Mr. Wilson's background). Mr. Wilson has been supervising the training and support of our franchisees since June 2024. We do not employ a separate staff whose sole function is to train franchisees. The training is conducted by our employees with various administrative and operational responsibilities and third-party vendors. We may change trainers at any time. We do not charge an additional fee for the initial training, but you are responsible for paying the costs of travel, lodging, food, and compensation for you and your employees during the training program. The instructional materials for our training program include the Operations Manual and handouts.

The initial training program is mandatory. You, or the person designated as responsible for the general management of the franchised business, must begin the training program within 3 months after you sign the franchise agreement and complete it to our satisfaction. If you do not do so, then we have the right to terminate your franchise without refunding any fees you have paid. Training programs are typically scheduled on a monthly basis subject to demand. The initial training program focuses on operating a business that provides residential and commercial maintenance services. If you wish to expand the business to provide maid services, you may attend an additional three day training program in Cincinnati, Ohio. You will be required to pay your expenses for this additional training, but we will not charge an additional fee for it. Alternatively, at your option, we will provide you with on-site one-on-one training for the additional maid training if you reimburse us for our reasonable expenses in doing so. Currently we do otherwise not provide or require you to attend additional training programs or refresher courses after your successful completion of the initial training program. We reserve the right to extend or revise the hours of the training program, to require additional training, or to require that training be conducted on-line.

**Referral Fee.** If you refer a candidate for a franchise to us who has not already contacted us about purchasing a franchise from us or one of our affiliates, then you will receive a referral fee if that candidate purchases a franchise from us or from one of our affiliates. Presently, the referral fee is $7,500. If you "self-refer" within 30 days after your completion of the initial training program, then in addition to the referral fee, we will waive the minimum royalty on your second territory for six months. You will not otherwise participate in the awarding of the franchise to the prospective franchise owner and are not authorized to make financial performance representations. You will be entitled to the referral fee when the candidate you referred to us has paid the initial franchise fee in full, has signed a franchise agreement, and has completed the initial training program. You will not otherwise participate in the awarding of the franchise to the prospective franchise owner and are not authorized to make financial performance representations. We may cancel or modify this referral policy at any time.

Existing owners may receive a prospective franchisee conversation fee if they answer questions of prospective candidates who become franchise owners. There is a pool (currently $500) that is

split among all franchise owners who speak with a candidate who becomes a franchise owner. We do not control the content of any communications between existing owners and prospective owners, and existing owners do not act as our agents or representatives in any way. We may cancel or modify this conversation fee policy at any time.

## ITEM 12. TERRITORY

We will grant you an exclusive territory delineated by postal codes. A map of your territory that we approve and a list of the postal codes comprising your territory will be attached to your franchise agreement. The border of your territory on the approved map is the final determination of your territory if the postal codes are moved or altered by the Postal Service. If that happens, we have the right to re-define the boundaries of your territory to correspond as nearly as possible to the territorial border defined in your approved map. Our decision on this matter will be final. You maintain the rights to your territory so long as you own your franchise, even if the population increases. There are no other circumstances that would permit us to modify your territorial rights.

The Postal Codes that comprise the territory you will receive for the base initial franchise fee will contain a population between 175,000 and 200,000 people. If the population within your postal codes exceeds 200,000 people, you must pay an additional $500 for all or part of every 1,000 people over 200,000. The minimum limit on the population of your territory is 175,000; there is no maximum limit on the population of your territory. See Item 5 above for a detailed explanation of the initial franchise fee. The population will be determined using extrapolated census figures and our designated mapping system. You may operate from more than one location subject to our written approval.

You may not operate your franchise in another franchisee's territory, except for Shared Referral Sources. Examples of Shared Referral Sources include senior centers, senior advocacy organizations, hospitals, physicians, government agencies, churches, financial planners, real estate agents, and similar organizations that will be shared by all franchisees in a market. We will identify the Shared Referral Sources in each market on a case-by-case basis. "Operate your franchise in another franchisee's territory" means advertising (including signage), soliciting, offering, providing, or selling services in another franchisee's territory. The exclusivity of your territory begins when you open your franchise. We may permit you to operate your franchise in areas outside your territory that are not within another franchisee's territory. We may also permit you to operate in the territory of another franchisee who has failed to cure a default within 30 days after receiving notice of the default. In that case we could, in our discretion, suspend the exclusivity of the defaulting franchisee's territory until the default is cured.

We have the exclusive right to identify and control business with Special Accounts, subject to your right to participate in Special Account business in your territory. A "Special Account" is a business, association, or other organization with members, affiliates, policyholders, offices, stores, plants, buildings or other physical facilities that are not confined to the territory of a single TruBlue franchisee or company-owned or affiliated business. If we negotiate a contract or arrangement with a Special Account, you will have the option to provide the services to the facilities of the Special Account in your territory at the prices and subject to the contract requirements we negotiate with the Special Account, provided that you are in full compliance with your franchise agreement and have all necessary licenses to perform the services. If you accept the project, we have the right to collect amounts due from the Special Account and pay you the amount due for services you provided to the Special Account, less the amount of the royalties and National

Branding Fees you owe us on the amount collected, which we will retain for our own account. All amounts you receive from Special Account work are included in Gross Revenues for purposes of calculating your royalties. If you decline to service a Special Account, we have the unfettered right to fulfill the contract requirements to the Special Account in the territory in any manner we choose, including through another TruBlue franchisee, a company-owned or affiliated business, or a third party contractor. If a Special Account requests that someone other than you provide services in the territory, we may revoke your right to provide the services and may fulfill the contract requirements to the Special Account in the territory in any manner we choose. Except as disclosed in this paragraph, we do not have the right, either under our principal trademarks or different trademarks, to provide competing services or to use any alternative distribution, including the Internet, within your territory.

Other franchisees (no matter who owns them) may advertise and promote their services in media that are distributed, circulated or broadcast in your territory. It is possible that some part or all of your territory may have previously been owned by a former franchisee. If you submit a written request to us by certified mail, return receipt requested, then we will notify you whether or not a former franchisee previously owned the exact boundaries of your territory.

We do not reserve the right to provide competing services or to use any other channel of distribution, including the Internet, catalog sales, or telemarketing, or other direct sales, within your territory, under our principal trademarks. We will not solicit or accept orders from consumers inside your territory.

Continuation of your territorial exclusivity does not depend on achieving a certain sales volume, market penetration, or any contingency other than complying with your franchise agreement obligations. There are no other restrictions on soliciting or accepting clients outside your territory and you may use any commercially reasonable channel of distribution, such as the Internet, telemarketing, or other direct marketing method to obtain and service clients outside your territory. You do not acquire any rights to any areas outside your territory, and you must immediately stop operating your franchise and soliciting or accepting new customers in any area that becomes part of another franchisee's territory or upon written notification from us.

TruBlue franchisees typically operate from a single office site. We do not select or approve a site, or provide assist you in selecting a site, for your office. You must provide us with the address of your office before you open your franchise. You may operate your franchise from a home-based office, if doing so will not violate any laws. You may also operate your franchise from rented office space. If you have a home-based office located outside your territory, you must also maintain a business address in your territory. The telephone number for your franchise must be listed under an address within your territory. We do not impose any other restrictions upon the location of your office. Although it is not advisable to operate your franchised business from more than one location, you are not prohibited from doing so as long as you provide us with the address of each location.

We may not operate or grant another TruBlue franchise within your protected territory, but nothing prohibits us from operating or granting other TruBlue franchises anywhere outside your protected territory, no matter how close their office may be to your office, and other franchisees' territories may border your territory. Nothing prohibits our affiliates from operating or granting, within your territory, other franchises that offer some of the same services offered by TruBlue

franchises, so long as the business is not "substantially similar" to a TruBlue franchise and operates under different trademarks.

Your franchise agreement does not give you any option, right of first refusal, or similar right to acquire additional franchises. We may, based on our sole business judgment and on a case-by-case basis, allow you to establish additional franchises. You may not relocate the franchised business without our approval. Whether or not we would allow relocation depends on the circumstances at the time and what is in the systems' best interests, based on our business judgment. Any relocation, if approved, would be at your sole cost.

ITEM 13. TRADEMARKS

If you purchase a TruBlue franchise, we will grant you the right to operate a home and property management services franchise using the business names TRUBLUE and TRUBLUE HOME ALLY and to use the TRUBLUE mark to identify the services offered by the franchise. You may also use our TruBlue logo, the slogan TOTAL HOUSE CARE FOR SENIORS, and other trademarks we may adopt in the future. You may use no other name or trademark without our approval.

We have registered the following marks on the Principal Register of the U.S. Patent and Trademark Office (the "Trademark Office").

| *Registration Number* | *Description of Mark* | *Registration Date* |
|---|---|---|
| 6,000,379 | TRUBLUE | March 3, 2020 |
| 4,430,847 | TRUBLUE logo | November 12, 2013 |
| 6,465,175 | AGING IN PLACE STARTS WITH THE HOME | August 24, 2021 |
| 6,776,244 | TRUBLUE | June 28, 2022 |
| 7,116,832 | HOME ALLY | July 18, 2023 |
| 7,116,965 | HOME SERVICE ALLY | July 18, 2023 |
| 7,472,118 | TRUBLUE HOME SERVICE ALLY logo | August 13, 2024 |

All required affidavits have been filed in connection with the registrations described above. We will renew our trademarks as necessary to preserve our registrations.

The slogan "TOTAL HOUSE CARE FOR SENIORS . . . AND BUSY ADULTS" is included within the registered TRUBLUE logo but is not separately registered with the Trademark Office. As we do not have a federal registration for this mark, the mark does not have as many legal benefits and rights as a federally-registered trademark. If our right to use the trademark is challenged, you may have to change to an alternative trademark, which may increase your expense.

We entered into an agreement with Duke University ("Duke") in December 2019, pursuant to which we agreed to not use the TRUBLUE mark in any manner that suggests a connection or affiliation with Duke; among other things, we agreed to not use certain fonts and shades of blue associated with Duke or to incorporate images of "blue devils" in any advertising. The agreement

is conditioned upon Duke not objecting to our use of the TRUBLUE mark with respect to building repair, maintenance, and snow removal services.

You must follow our rules when you use these marks. You cannot use a name or mark as part of your corporate name. You cannot use a name or mark with modifying words, designs or symbols other than those which we license to you. You cannot use a name or mark on or as part of any website, domain name, URL, web page, email address, listing, banner, advertisement or any other service or link on, to or with the Internet, World Wide Web, Internet service providers, email services, communication providers, search engines, social media sites, web log (or "blog") or other similar services without our written consent. You cannot register a name or mark as a service mark, trademark, or Internet domain name. You may not use any of the marks in a manner not authorized by TBFS or in connection with the sale of unauthorized products or services. You must not use, in advertising or any other form of promotion, any of our trademarks or commercial symbols without the appropriate notices that we or the law may require, including ®, SM, or other trademark notice.

Except as disclosed above, there are no effective determinations of the Trademark Office, Trademark Trial and Appeal Board, the trademark administrator of this state or any court, no pending infringement, opposition or cancellation, nor any pending material litigation involving our marks that are material to a TruBlue franchise.

You must notify us immediately when you learn about any infringement of or challenge to your use of our trademarks. We will take whatever action we think appropriate. We are not required to defend you against a claim against your use of our marks or indemnify you for your liability or expenses arising from your defense of such a claim. We, at our option, will control any proceedings or litigation arising from or relating to our trademarks. If our right to use the trademark is challenged, you may have to change to an alternate trademark, which may increase your expenses.

You must modify or discontinue your use of a mark and adopt any new or replacement marks at your expense if we modify or discontinue a mark or adopt a new or replacement mark. We are not required to reimburse you for your costs if you do. You must not directly or indirectly contest our right to our trademarks, trade secrets or business techniques that are part of our business.

A company named TruBlue Roofing and Remodeling claims to have been operating a roofing and remodeling business under the name TRUBLUE ROOFING AND REMODELING in Raleigh and Wilmington, North Carolina since 2014. Although we have not agreed upon or established the exact boundaries of its business area, it may be able to prevent us from using or licensing the use of the TRUBLUE mark in certain areas.

Except as disclosed above, we have no actual knowledge of any infringing uses that could materially affect your use of our marks. No agreements limit our right to use or license the use of our marks within the United States. There may be other businesses offering similar services and using the name TRUBLUE, TRUBLUE HOME SERVICE ALLY, or HOME ALLY or a confusingly similar variation whose use predates our first use of the name. If so, we and our franchisees may not be able to use the name TRUBLUE in the market areas of other home and property management businesses that are using the name TRUBLUE or similar names.

## ITEM 14. PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

No patents or pending patent applications are material to the franchise.

We have not obtained any copyright registrations, but claim common law copyrights in our operations manual (which contains proprietary information), marketing materials, and any other original or proprietary works we have or may develop. All such materials will bear copyright notices. We will retain all rights and interests in such materials. You must not use, in advertising or any other form of promotion, any of our copyrighted materials, trademarks, or commercial symbols without the appropriate notices that we or the law may require, including © or other copyright notice.

There are no agreements currently in effect that significantly limit our rights to use or license the use of the copyrights in any manner material to the franchise. There are no effective determinations of the U.S. Copyright Office, no pending infringement, opposition or cancellation, nor any pending material litigation involving any of the items or information in which we claim copyrights that are material to a TruBlue franchise.

We have developed distinctive systems for the operation of home and property management businesses. Our systems include pricing methods, management techniques, marketing systems and tools, proposals and management forms/formats, specifications, procedures, knowledge, and expertise in the operation of the business, much of which is not commonly known to the public or to our competitors, gives us an advantage over competitors who do not know or use it, and which we have identified or may identify as proprietary and confidential information. We will disclose proprietary and confidential information to you in the operations manual, during ongoing training seminars, and in guidance furnished to you during the term of your franchise agreement.

You will not acquire any interest in any proprietary and confidential information we may communicate to you, other than the right to utilize it in the operation of your franchised business during the term of your franchise agreement. The information is disclosed to you solely on the condition that you (1) will not use it in any other business or capacity; (2) will maintain the absolute confidentiality of the information during and after the term of your franchise agreement; (3) will not make unauthorized copies of any portion of the operations manual or any other written communication from us; and (4) will adopt and implement all reasonable procedures we may require to prevent unauthorized use or disclosure of the information, including restrictions on disclosure of the information to employees of the franchised business and the use of nondisclosure and noncompetition clauses in employment agreements.

You must notify us immediately when you learn about any infringement of or challenge to your use of our copyrighted materials. We will take whatever action we think appropriate. We are not required to defend you against a claim against your use of our copyrighted materials or indemnify you for your liability or expenses arising from your defense of such a claim. We are not obligated to protect any of our copyrights. You must discontinue your use, at your expense, of any item or information in which we claim a copyright if any party demonstrates to our satisfaction a superior right to the use of the item or information. We are not required to reimburse you for your costs if you do. You must not directly or indirectly contest our right to any item or information in which we claim a copyright.

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

You are required to form a limited liability company or corporation to operate your TruBlue franchise and designate an individual to personally manage the franchised business on a full-time basis. The manager must be approved by us and must have successfully completed our training program. The manager need not have an ownership interest in a franchisee that is a corporation, limited liability company, or other entity. The manager must sign a written agreement to maintain the confidentiality of any confidential information about TruBlue or your business that may be disclosed to him or her and a non-competition agreement enforceable in your jurisdiction. You are not required to participate personally in the direct operation of the business, but we recommend that you do so. If you acquire additional TruBlue franchised businesses, each franchised business must have its own full-time manager or marketing employee. After 6 months of operating, you must hire a part-time salesperson (at least 20 hours a week). One salesperson may represent multiple TruBlue territories so long as they are contiguous and in close proximity.

You may not compete with, or own an interest in, any business that competes with, your franchise anywhere during the term of your franchise agreement, or in or within 15 miles of your franchise territory or any other franchisee's territory for 2 years after the expiration or termination of your franchise agreement. You may not solicit any "shared referral sources" (wherever located) for 2 years after the expiration or termination of your franchise agreement (see Item 12 for an explanation of "shared referral sources"). The restrictions in this paragraph also apply to all of the owners of a business entity franchisee, and all of its owners must sign a written agreement (a sample of which is attached to this disclosure document as Exhibit E) to maintain the confidentiality of any confidential information about us or your business that may be disclosed to them, and a written agreement (a sample of which is attached to this disclosure document as Exhibit D) personally guaranteeing all of the franchisee's obligations under the franchise agreement. The spouse of an owner is not required to sign a guaranty unless he or she has an ownership interest in the franchise.

## ITEM 16. RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

There are no restrictions on the goods or services you may offer for sale, except as described below in this Item 16.

You may use no other name or trademark for your franchised business other than TRUBLUE and TRUBLUE HOME ALLY without our approval.

You may not use the premises on which the franchised business is located for any purpose other than the operation of the franchised business and the sale of authorized products and services.

You are required to offer and sell only those products and services that we have authorized. You are prohibited from offering any other products or services without our approval. You must offer all products and services that we designate as required for all franchisees. The required products and services include residential repair and maintenance and senior home modification and fall prevention services. We have the unlimited right to add or delete products and services that you are required or permitted to offer. We also have the right to designate some services as optional for franchisees or optional for franchisees in certain markets.

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 Agreement | Summary |
|---|---|---|
| a. Length of the Franchise Term | 2.1 | 10 years |
| b. Renewal or extension of the term | 2.2 | Your renewal right permits you to remain as a franchise after the initial term of your franchise agreement expires. If you wish to do so, and you satisfy the required pre-conditions to renewal, we will offer you the right to obtain 2 additional 10-year terms. You must sign our then-current franchise agreement for the renewal term, and this new agreement may contain materially different terms and conditions (including, e.g., higher royalty and/or branding fee) from the agreement that covered your original term. |
| c. Requirements for you to renew or extend | 2.2 | "Renewal" means that, if you are in full compliance with the Franchise Agreement at its term's expiration and we are then continuing to offer new franchise opportunities, then you may acquire a successor franchise term of 10 years. If you wish to acquire a successor franchise term, you must satisfy the pre-conditions to renewal that we then require, including giving 6-12 months written notice, signing our then-current franchise agreement (which may contain materially different terms and conditions such as a higher royalty and/or branding contribution) and (if law allows) a form of general release, and comply with any new training requirements. |
| d. Termination by you | Not Applicable | Not Applicable, subject to state law |
| e. Termination by us without cause | Not Applicable | Not Applicable |
| f. Termination by us with cause | 1.2 and 13.1 | We can terminate your franchise if you do not complete the training program to our satisfaction or if you default. |
| g. "Cause" defined - defaults which can be cured | 13.1 | You have 1 month to cure: non-payment of fees or notes, failure to submit reports, understatement of Gross Revenues by 3% or more, failure to achieve sales quotas, infringement into another franchisee's territory, and any other default not listed in Section 13.1. |
| h. "Cause" defined - defaults which cannot be cured | 13.1 | Non-curable defaults: failure to begin training within 3 months after franchise agreement signed, failure to open franchise within 3 months after you complete training, certain assignments, abandonment, failure to comply with applicable law, unapproved transfers, misrepresentation, submission of false report, knowing understatement of Gross Revenues, knowing infringement into another franchisee's territory, bankruptcy[1], seizure of or execution against your franchise, certain criminal misconduct, conduct which reflects negatively on the system, danger to public. |

| Provision | Section in Franchise Agreement | Summary |
|---|---|---|
| i. Your obligations on termination/nonrenewal | Article 14 | Stop operating franchise, stop using confidential information and trademarks, complete de-identification, return manuals, records, files, and materials containing marks, cancel assumed name registration, assign or cancel telephone number, obtain insurance tail coverage, pay outstanding amounts due and damages (also see r, below). |
| j. Assignment of contract by us | 12.1 | No restriction on our right to assign. |
| k. "Transfer" by you – definition | 12.2 | Includes transfer of contract or assets, ownership change, and encumbrance. |
| l. Our approval of transfer by you | 12.2 | We have the right to approve all transfers but may not unreasonably withhold consent. |
| m. Conditions for our approval of transfer | 12.2 | All of your financial obligations and transfer fee paid, new franchisee qualifies, you release claims (if permitted by state law), new franchisee signs current agreement and completes training (also see r, below). |
| n. Our right of first refusal to acquire your business | 12.3 | We can match any offer for your business. |
| o. Our option to purchase your business | Not Applicable | Not Applicable |
| p. Your death or disability | 12.4 | Your heirs may inherit your franchise provided they qualify and meet other requirements for transfer (see m, above). |
| q. Non-competition covenants during the term of the franchise | 15.2 | No involvement in competing business, can't divert customers to competitor or do anything that impairs goodwill associated with our system (subject to state law), can't encroach on other franchisees' territory. |
| r. Non-competition covenants after the franchise is terminated or expires | 15.3 | No involvement in competing business for 2 years in or within 15 miles of any franchisee's territory, and no solicitation of customers and shared referral sources of the franchised business for 2 years (subject to state law) |
| s. Modification of the agreement | 9.3 and 18.1 | Modification only by written agreement, but we may modify operations manual so long as it does not change your fundamental status and rights. |
| t. Integration/merger clause | 18.1 | Only the terms of the franchise agreement are binding (subject to state law). Any representations or promises made outside the disclosure document and franchise agreement may not be enforceable, subject to state law. |
| u. Dispute resolution by arbitration or mediation | 16.1 – 16.3 | Except for certain claims, all disputes must be arbitrated in Hamilton County, Ohio (subject to state law); claims may not be consolidated with claims of other franchisees; parties waive right to jury trial and punitive damages; except for certain claims, all claims must be brought within 1 year, subject to state law. |
| v. Choice of forum | 16.7 | Except for claims arising under a franchise law of the state where the franchised business is located, all litigation or arbitration must be in Hamilton County, Ohio, subject to state law. |
| w. Choice of law | 18.3 | Except for claims arising under a franchise law of the state where the franchised business is located, Ohio law applies, subject to state law. |

[1] This provision may not be enforceable under federal bankruptcy law.

ITEM 18. PUBLIC FIGURES

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

ITEM 19. FINANCIAL PERFORMANCE REPRESENTATIONS

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

Presented below are historic Gross Revenue figures for certain franchised TruBlue business outlets for the one-year period ending December 31, 2025. The data presented is by quartile and then cumulatively. Only data from franchise units that were open for at least one year as of December 31, 2025 under continuous ownership, who operated on a full time basis with a handyman on staff, and who reported Gross Revenue from January 1, 2025 through December 31, 2025 are included. There were 135 TruBlue franchises (each franchise consists of a single franchise territory) in operation as of December 31, 2025, which were owned by 108 franchise owners. Of those, forty-two franchise owners had units open for at least one year under continuous ownership, were operated on a full time basis with a handyman on staff and reported Gross Revenue from January 1, 2025 through December 31, 2025. Forty one franchises are excluded from the below table because they opened in 2025.

**GROSS REVENUES BY QUARTILE**

| First Quartile of Franchisees | Year Ending 12/31/25 |
|---|---|
| High Range of Gross Revenues | $1,848,303 |
| Low Range of Gross Revenues | $501,720 |
| Average Gross Revenues | $845,486 |
| Median Range of Gross Revenues | $744,420 |
| Percentage of franchisees that attained or surpassed Average Gross Revenue | 30% |
| # of Franchises | 10 |

| Second Quartile of Franchisees | Year Ending 12/31/25 |
|---|---|
| High Range of Gross Revenues | $483,473 |

| | |
|---|---|
| Low Range of Gross Revenues | $357,783 |
| Average Gross Revenues | $422,903 |
| Median Range of Gross Revenues | $432,115 |
| Percentage of franchisees that attained or surpassed Average Gross Revenue | 50% |
| # of Franchises | 10 |

| Third Quartile of Franchisees | Year Ending 12/31/25 |
|---|---|
| High Range of Gross Revenues | $357,029 |
| Low Range of Gross Revenues | $267,797 |
| Average Gross Revenues | $305,902 |
| Median Range of Gross Revenues | $309,187 |
| Percentage of franchisees that attained or surpassed Average Gross Revenue | 55% |
| # of Franchises | 11 |

| Fourth Quartile of Franchisees | Year Ending 12/31/25 |
|---|---|
| High Range of Gross Revenues | $267,666 |
| Low Range of Gross Revenues | $75,157 |
| Average Gross Revenues | $213,744 |
| Median Range of Gross Revenues | $232,997 |
| Percentage of franchisees that attained or surpassed Average Gross Revenue | 55% |
| # of Franchises | 11 |

| Cumulative Franchisees | Year Ending 12/31/25 |
|---|---|
| High Range of Gross Revenues | $1,848,303[2] |

[2] The franchise owner with the highest Gross Revenues operated a single franchise unit.

| | |
|---|---|
| Low Range of Gross Revenues | $75,157 |
| Average Gross Revenues | $438,095 |
| Median Range of Gross Revenues | $347,879 |
| Percentage of franchisees that attained or surpassed Average Gross Revenue | 36% |
| # of Franchises | 42 |

**Owners of 1st Location that were operating for their first full calendar year in 2025.**

| **Owner 1st Full Calendar Year in 2025** | Year Ending 12/31/25 |
|---|---|
| High Range of Gross Revenues | $768,256 |
| Low Range of Gross Revenues | $204,769 |
| Average Gross Revenues | $382,174 |
| Median Range of Gross Revenues | $337,843 |
| Percentage of franchisees that attained or surpassed Average Gross Revenue | 25% |
| # of Franchises | 8 |

The preceding data has been extracted from financial reports submitted by our franchisees.

For purposes of this Item 19, "Gross Revenue" means the total of all income arising from the operation of the franchised business, whether cash or credit. It is recognized on an accrual basis and regardless of collection, which means that a franchisee's Gross Revenue for any period represents how much a franchisee billed its clients during the period, not how much the franchisee received. Gross Revenue does not include the amount of refunds and discounts made to clients, or the amount of sales or excise taxes that are separately stated and that the franchisee is required to and does collect from clients and pays to the appropriate taxing authority.

The Gross Revenue figures do not reflect the costs of sales, other operating expenses, or other costs or expenses that must be deducted from Gross Revenue to obtain your net income or profit. Those expenses include fees you are required to pay us under the terms of your franchise agreement, such as royalties and national branding contributions.

We strongly suggest that you consult a financial advisor or accountant for assistance in reviewing the table and in preparing your own financial projections, and for advice about the income and other taxes you will incur in operating a TruBlue franchise and the effect of non-cash expenses such as depreciation and amortization on your business.

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

Written substantiation for the financial performance representation will be made available to you upon request.

Other than the preceding financial performance representation, we do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Jeffrey D. Siehl, General Counsel, 4755 Lake Forest Drive, Suite 100, Cincinnati, Ohio 45242, (513) 999-9893, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20. OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
SYSTEMWIDE OUTLET SUMMARY
For Years 2023 through 2025[3]

| Outlet Type | Year | Outlets at the Start of the Year | Outlets at the End of the Year | Net Change |
|---|---|---|---|---|
| Franchised Outlets | 2023 | 84 | 94 | +10 |
| | 2024 | 94 | 104 | +10 |
| | 2025 | 104 | 135 | +31 |
| Company-Owned | 2023 | 0 | 0 | 0 |
| | 2024 | 0 | 0 | 0 |
| | 2025 | 0 | 0 | 0 |
| Total Outlets | 2023 | 84 | 94 | +10 |
| | 2024 | 94 | 104 | +10 |
| | 2025 | 104 | 135 | +31 |

Table No. 2
TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS (OTHER THAN THE FRANCHISOR)
For Years 2023 through 2025

| State | Year | Number of Transfers |
|---|---|---|
| Alabama | 2023 | 0 |
| | 2024 | 1 |
| | 2025 | 0 |
| California | 2023 | 3 |
| | 2024 | 1 |
| | 2025 | 4 |

[3] All numbers are for December 31 of each year.

| State | Year | Number of Transfers |
|---|---|---|
| Colorado | 2023 | 4 |
| | 2024 | 5 |
| | 2025 | 5 |
| Florida | 2023 | 2 |
| | 2024 | 2 |
| | 2025 | 0 |
| Indiana | 2023 | 0 |
| | 2024 | 1 |
| | 2025 | 0 |
| Kansas | 2023 | 0 |
| | 2024 | 0 |
| | 2025 | 1 |
| Minnesota | 2023 | 0 |
| | 2024 | 3 |
| | 2025 | 0 |
| New Jersey | 2023 | 0 |
| | 2024 | 1 |
| | 2025 | 1 |
| Ohio | 2023 | 0 |
| | 2024 | 0 |
| | 2025 | 1 |
| Pennsylvania | 2023 | 0 |
| | 2024 | 1 |
| | 2025 | 0 |
| Texas | 2023 | 0 |
| | 2024 | 0 |
| | 2025 | 1 |
| Vermont | 2023 | 0 |
| | 2024 | 0 |
| | 2025 | 1 |
| Total | 2023 | 12 |
| | 2024 | 14 |
| | 2025 | 14 |

Table No. 3
STATUS OF FRANCHISED OUTLETS
For Years 2023 through 2025

| State | Year | Outlets at Start of Year | Outlets Opened | Terminations | Non-Renewals | Reacquired by Franchisor | Ceased Operations Other Reasons | Outlets at End of the Year |
|---|---|---|---|---|---|---|---|---|
| Alabama | 2023 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2024 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2025 | 1 | 1 | 0 | 0 | 0 | 0 | 2 |
| Arizona | 2023 | 2 | 0 | 0 | 0 | 0 | 0 | 2 |
| | 2024 | 2 | 0 | 0 | 0 | 0 | 0 | 2 |
| | 2025 | 2 | 3 | 1 | 0 | 0 | 0 | 4 |

| State | Year | Outlets at Start of Year | Outlets Opened | Terminations | Non-Renewals | Reacquired by Franchisor | Ceased Operations Other Reasons | Outlets at End of the Year |
|---|---|---|---|---|---|---|---|---|
| California | 2023 | 6 | 1 | 0 | 0 | 0 | 0 | 7 |
| | 2024 | 7 | 3 | 0 | 0 | 0 | 0 | 10 |
| | 2025 | 10 | 3 | 0 | 0 | 0 | 0 | 13 |
| Colorado | 2023 | 7 | 2 | 0 | 0 | 0 | 0 | 9 |
| | 2024 | 9 | 1 | 0 | 0 | 0 | 0 | 10 |
| | 2025 | 10 | 3 | 0 | 0 | 0 | 0 | 13 |
| Connecticut | 2023 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2024 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2025 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| Florida | 2023 | 9 | 2 | 2 | 0 | 0 | 0 | 9 |
| | 2024 | 9 | 1 | 0 | 1 | 0 | 0 | 9 |
| | 2025 | 9 | 3 | 2 | 0 | 1 | 0 | 9 |
| Georgia | 2023 | 3 | 0 | 0 | 0 | 0 | 0 | 3 |
| | 2024 | 3 | 0 | 0 | 0 | 0 | 0 | 3 |
| | 2025 | 3 | 2 | 0 | 0 | 1 | 0 | 4 |
| Idaho | 2023 | 1 | 1 | 0 | 0 | 0 | 0 | 2 |
| | 2024 | 2 | 1 | 0 | 0 | 0 | 0 | 3 |
| | 2025 | 3 | 0 | 0 | 0 | 0 | 0 | 3 |
| Illinois | 2023 | 2 | 0 | 2 | 0 | 0 | 0 | 0 |
| | 2024 | 0 | 1 | 0 | 0 | 0 | 0 | 1 |
| | 2025 | 1 | 1 | 0 | 0 | 0 | 0 | 2 |
| Indiana | 2023 | 4 | 0 | 0 | 0 | 1 | 0 | 4 |
| | 2024 | 3 | 1 | 0 | 0 | 0 | 0 | 4 |
| | 2025 | 4 | 0 | 0 | 0 | 0 | 0 | 4 |
| Iowa | 2023 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2024 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2025 | 1 | 1 | 0 | 0 | 0 | 0 | 2 |
| Kansas | 2023 | 1 | 1 | 0 | 0 | 0 | 0 | 2 |
| | 2024 | 2 | 0 | 0 | 0 | 0 | 0 | 2 |
| | 2025 | 2 | 1 | 0 | 0 | 0 | 0 | 3 |
| Kentucky | 2023 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2024 | 1 | 0 | 0 | 0 | 1 | 0 | 0 |
| | 2025 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Maryland | 2023 | 0 | 1 | 0 | 0 | 0 | 0 | 1 |
| | 2024 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2025 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| Massachusetts | 2023 | 3 | 0 | 0 | 0 | 0 | 0 | 3 |
| | 2024 | 3 | 1 | 0 | 0 | 2 | 0 | 2 |
| | 2025 | 2 | 1 | 1 | 0 | 0 | 0 | 2 |
| Michigan | 2023 | 1 | 1 | 0 | 0 | 0 | 0 | 2 |
| | 2024 | 2 | 1 | 0 | 0 | 0 | 0 | 3 |
| | 2025 | 3 | 1 | 0 | 0 | 0 | 0 | 4 |
| Minnesota | 2023 | 4 | 2 | 0 | 0 | 1 | 0 | 5 |
| | 2024 | 5 | 0 | 0 | 0 | 0 | 0 | 5 |
| | 2025 | 5 | 0 | 0 | 0 | 0 | 0 | 5 |

| State | Year | Outlets at Start of Year | Outlets Opened | Terminations | Non-Renewals | Reacquired by Franchisor | Ceased Operations Other Reasons | Outlets at End of the Year |
|---|---|---|---|---|---|---|---|---|
| Missouri | 2023 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2024 | 0 | 1 | 0 | 0 | 0 | 0 | 1 |
| | 2025 | 1 | 1 | 0 | 0 | 0 | 0 | 2 |
| Nebraska | 2023 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2024 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2025 | 1 | 0 | 0 | 0 | 0 | 1 | 0 |
| Nevada | 2023 | 2 | 0 | 0 | 0 | 0 | 0 | 2 |
| | 2024 | 2 | 0 | 0 | 0 | 1 | 0 | 1 |
| | 2025 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| New Hampshire | 2023 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2024 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2025 | 0 | 1 | 0 | 0 | 0 | 0 | 1 |
| New Jersey | 2023 | 2 | 1 | 0 | 0 | 0 | 0 | 3 |
| | 2024 | 3 | 3 | 0 | 0 | 0 | 0 | 6 |
| | 2025 | 6 | 2 | 0 | 0 | 0 | 0 | 8 |
| New York | 2023 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2024 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2025 | 0 | 5 | 0 | 0 | 0 | 0 | 5 |
| North Carolina | 2023 | 4 | 1 | 0 | 0 | 0 | 0 | 5 |
| | 2024 | 5 | 0 | 0 | 0 | 0 | 0 | 5 |
| | 2025 | 5 | 2 | 1 | 0 | 0 | 0 | 6 |
| Ohio | 2023 | 1 | 2 | 0 | 0 | 0 | 0 | 3 |
| | 2024 | 3 | 0 | 0 | 0 | 0 | 0 | 3 |
| | 2025 | 3 | 1 | 0 | 0 | 0 | 0 | 4 |
| Pennsylvania | 2023 | 3 | 1 | 0 | 0 | 0 | 0 | 4 |
| | 2024 | 4 | 0 | 0 | 0 | 2 | 0 | 2 |
| | 2025 | 2 | 1 | 0 | 0 | 0 | 0 | 3 |
| South Carolina | 2023 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2024 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2025 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| South Dakota | 2023 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2024 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2025 | 0 | 1 | 0 | 0 | 0 | 0 | 1 |
| Tennessee | 2023 | 4 | 0 | 0 | 0 | 0 | 0 | 4 |
| | 2024 | 4 | 1 | 0 | 0 | 0 | 0 | 5 |
| | 2025 | 5 | 1 | 0 | 0 | 1 | 0 | 5 |
| Texas | 2023 | 9 | 1 | 2 | 0 | 0 | 0 | 8 |
| | 2024 | 8 | 2 | 0 | 0 | 1 | 0 | 9 |
| | 2025 | 9 | 4 | 0 | 0 | 0 | 0 | 13 |
| Utah | 2023 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2024 | 0 | 1 | 0 | 0 | 0 | 0 | 1 |
| | 2025 | 1 | 1 | 0 | 0 | 0 | 0 | 2 |
| Vermont | 2023 | 0 | 1 | 0 | 0 | 0 | 0 | 1 |
| | 2024 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2025 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |

| State | Year | Outlets at Start of Year | Outlets Opened | Terminations | Non-Renewals | Reacquired by Franchisor | Ceased Operations Other Reasons | Outlets at End of the Year |
|---|---|---|---|---|---|---|---|---|
| Virginia | 2023 | 7 | 0 | 0 | 0 | 0 | 0 | 7 |
| | 2024 | 7 | 0 | 0 | 0 | 1 | 0 | 6 |
| | 2025 | 6 | 1 | 0 | 0 | 0 | 0 | 7 |
| Washington | 2023 | 2 | 0 | 0 | 0 | 0 | 0 | 2 |
| | 2024 | 2 | 0 | 0 | 0 | 0 | 0 | 2 |
| | 2025 | 2 | 0 | 1 | 0 | 0 | 0 | 1 |
| West Virginia | 2023 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2024 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2025 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| Wisconsin | 2023 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2024 | 0 | 1 | 0 | 0 | 0 | 0 | 1 |
| | 2025 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| Total | 2023 | 84 | 18 | 6 | 0 | 2 | 0 | 94 |
| | 2024 | 94 | 19 | 1 | 1 | 7 | 0 | 104 |
| | 2025 | 104 | 41 | 6 | 0 | 3 | 1 | 135 |

Table No. 4
STATUS OF COMPANY-OWNED OUTLETS
For Years 2023 through 2025

| State | Year | Outlets at Start of Year | Outlets Opened | Reacquired from Franchisees[4] | Outlets Closed | Outlets Sold to Franchisees | Outlets at End of the Year |
|---|---|---|---|---|---|---|---|
| Total | 2023 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2024 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2025 | 0 | 0 | 0 | 0 | 0 | 0 |

TABLE NO. 5
PROJECTED OPENINGS
As of December 31, 2025

| State | Franchise Agreements Signed but Outlet Not Opened | Projected New Franchised Outlets in the Next Fiscal Year | Projected Company-Owned Outlets in the Next Fiscal Year |
|---|---|---|---|
| Arizona | 0 | 2 | 0 |
| California | 0 | 2 | 0 |
| Connecticut | 1 | 0 | 0 |
| Florida | 0 | 2 | 0 |
| Indiana | 0 | 1 | 0 |
| Kentucky | 0 | 1 | 0 |
| Maryland | 0 | 1 | 0 |
| Michigan | 0 | 1 | 0 |
| New Jersey | 1 | 1 | 0 |
| North Carolina | 1 | 1 | 0 |

[4] Franchised outlets reacquired by franchisor were terminated at the time of reacquisition and are therefore not included in Table 4.

| State | Franchise Agreements Signed but Outlet Not Opened | Projected New Franchised Outlets in the Next Fiscal Year | Projected Company-Owned Outlets in the Next Fiscal Year |
|---|---|---|---|
| New York | 0 | 1 | 0 |
| Ohio | 0 | 2 | 0 |
| South Carolina | 1 | 2 | 0 |
| Texas | 1 | 2 | 0 |
| Washington | 0 | 1 | 0 |
| Totals | 5 | 20 | 0 |

Exhibit L lists the names of all current TruBlue franchisees and their business telephone numbers and addresses as of December 31, 2025 and those franchisees that have signed a franchise agreement but were not yet operational at year end. Exhibit M lists the name, last known city and state, and business (or, if unknown, home) telephone number of every TruBlue franchisee who has had their franchise terminated, canceled, not renewed, transferred, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during the most recently completed fiscal year, or who has not communicated with us within 10 weeks of the Issuance Date of this disclosure document. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

Some of our franchisees have signed confidentiality clauses during the last three years. In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with TruBlue. 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.

As of the issuance date of this disclosure document, there are no trademark-specific franchisee organizations associated with the TruBlue franchise system that have been created, sponsored, or endorsed by us or that have requested to be included in the franchise disclosure document in the next fiscal year.

## ITEM 21. FINANCIAL STATEMENTS

Audited financial statements for the fiscal years ending December 31, 2025, 2024, and 2023 and unaudited financial statements through May 31, 2026 are attached to this disclosure document as Exhibit K.

Our fiscal year ends on December 31.

## ITEM 22. CONTRACTS

The following contracts are attached as exhibits to this disclosure document:

| | |
|---|---|
| Exhibit A | Franchise Agreement with Exhibits to be signed by all franchisees |
| Exhibit B | Additional Territory Rider to be signed if the population of your franchise territory exceeds 200,000 |
| Exhibit C | Power of Attorney allowing us to assume the telephone numbers and Internet and World Wide Web-based rights relating to your use of our trademarks after your franchise expires or terminates |

| | |
|---|---|
| Exhibit D | Personal Guaranty to be signed by all the owners of a franchisee that is a corporation, limited liability company, or other business entity |
| Exhibit E | Nondisclosure and Noncompetition Agreement to be signed by all the owners of a franchisee that is a corporation, limited liability company, or other business entity |
| Exhibit G | Franchisee Acknowledgment Statement to be signed by all franchisees |
| Exhibit H | Assignment Agreement to be signed by an individual franchisee to transfer his or her franchise to a business entity |
| Exhibit O | Additional Disclosures and Riders |
| Exhibit P | An addendum that you will sign if you participate in the Winner's Circle program described in Item 5 |
| Exhibit Q | Remittance form to reserve Territory |

## ITEM 23. RECEIPTS

The last page of this disclosure document is a detachable document that you must sign acknowledging your receipt of this disclosure document

**EXHIBIT A**

# TRUBLUE HOME SERVICE ALLY

# FRANCHISE AGREEMENT

BETWEEN

## T.B. FRANCHISING SYSTEMS, INC.

FRANCHISOR

AND

_____

FRANCHISEE(S)

FRANCHISE LOCATION NO. _____

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Exhibit A — Identification of Franchisee(s)

Exhibit B — Territory

Exhibit C — Required Insurance

Exhibit D — General Release Language

THIS FRANCHISE AGREEMENT is between T.B. FRANCHISING SYSTEMS, INC., an Ohio corporation ("Franchisor"), and the individual(s) or entity identified on Exhibit A attached hereto and by this reference incorporated herein (collectively and individually referred to as "Franchisee");

PREAMBLE:

A. Franchisor has created and developed and is in the process of further developing an Operating System (defined in section 19.41) for the establishment and operation of a distinctive type of retail business that offers home and property management services such as interior and exterior maintenance, repairs, snow removal, and senior home consulting services to the general public.

B. The Operating System consists of distinctive methods and procedures for marketing and advertising; specially-designed business procedures and forms for the efficient operation of a TruBlue Franchise (defined in section 19.62); an Operations Manual (defined in section 19.42) and training course; and specially designed procedures for the promotion and provision of the services offered by a TruBlue Franchise.

C. Franchisor claims the exclusive right to use the trademark TRUBLUE, any derivatives thereof, and certain other trade names, including TRUBLUE HOME SERVICE ALLY® and HOME SERVICE ALLY®, business names, trademarks, logos, designs, and trade symbols as are now or may from time-to-time be designated by Franchisor for use in connection with the operation of the Operating System.

D. Franchisor continues to develop, use, and control the use of the Marks (defined in section 19.34) in order to identify to the public the source of products and services marketed under the Marks and under the Operating System, and to represent the Operating System's high standards of quality and reliability.

E. Franchisee understands and acknowledges the importance of Franchisor's standards of quality, reliability, service, cleanliness and appearance, the necessity of opening and operating a TruBlue Franchise in conformity with Franchisor's standards and specifications as presented in Franchisor's Operations Manual and updates, and preserving the confidentiality of the Operating System.

F. Franchisee desires to purchase and operate a TruBlue Franchise in accordance with all of the terms and conditions of this agreement.

THEREFORE the parties agree as follows:

## ARTICLE 1

## APPOINTMENT

1.1 Grant of Franchise. Franchisor hereby grants to Franchisee, upon the terms and conditions herein contained, (i) the right and franchise, and Franchisee undertakes the obligation, to operate the Franchised Business (defined in section 19.21) and (ii) a non-exclusive license to use the Marks and the Operating System, as they may be changed, improved and further developed from time-to-time, within the Territory.

1.2 Territory Defined. The Territory is a geographical area delineated by postal code(s) according to Franchisor's mapping system and more particularly described on an exhibit ("Exhibit B") attached to, incorporated in, and made a part of this agreement. If for any reason the numbers of any postal code(s) that comprise the Territory are moved, altered or eliminated by the U.S. Postal Service, Franchisor has the right to re-define the boundaries of the Territory to correspond as nearly as possible to the original territory, in Franchisor's Business Judgment, and Franchisor's decision shall be final and binding upon both Franchisor and Franchisee. Franchisee shall not relocate the Franchised Business from the Territory without Franchisor's prior

written approval. Except as permitted by section 1.5 or other provisions of this agreement, Franchisee shall operate the Franchised Business only within the Territory.

1.3 Permitted Activities. The rights granted to Franchisee under this agreement are limited to the sale of Authorized Products and Services (defined in section 7.3) to customers within the Territory. Franchisee shall not promote, offer, sell, provide, or distribute any other goods or services without Franchisor's prior written approval.

1.4 Protected Territory. Beginning on the Opening Date (defined in section 19.40) and so long as Franchisee is in Good Standing (defined in section 19.26) during the Term, Franchisor shall not operate or establish or authorize another to operate or establish a TruBlue Franchise in the Territory. Franchisee acknowledges that the Franchise granted under this agreement is otherwise non-exclusive and is granted subject to the terms, conditions and exceptions of sections 1.5 through 1.10 and 13.2, and this section is not applicable to an Affiliate of Franchisor. The territorial protection granted under this section does not extend to the solicitation of employees, and nothing in this agreement prohibits other TruBlue Franchisees from advertising for, soliciting and hiring employees in Franchisee's Territory.

1.5 Special Accounts. Franchisor has the exclusive right to contract with any Special Account (as defined in section 19.53) for provision of Authorized Products and Services or any other any goods or services, regardless of where the Special Account is headquartered or whether Franchisee or any other TruBlue Franchise provided services to the Special Account before it entered into a contract with Franchisor. Franchisee acknowledges that other TruBlue Franchises may provide goods and services to Special Accounts at or from a location in the Territory. With Franchisor's prior written consent, Franchisee may provide goods and services to Special Accounts at or from locations in the territory of another TruBlue Franchise. If Franchisor establishes a contract with a Special Account that includes facilities of the Special Account located in the Territory, Franchisor shall offer Franchisee the first option of providing the goods or services to the Special Account at those facilities in the Territory at the prices and subject to the contract requirements negotiated by Franchisor with the Special Account. Franchisor has the right to collect amounts due from the Special Account and remit to Franchisee the amount due for goods and services provided by Franchisee to the Special Account, less the amount of Royalties due Franchisor on the amount collected, which Franchisor will retain for its own account. All amounts collected from Special Accounts on Franchisee's behalf or by Franchisee from Special Accounts (including the gross amount of payments from which Franchisor withheld Royalties before remitting the net amount to Franchisee) are includible in Franchisee's Gross Revenues for purposes of calculating Royalties due under this agreement, with an appropriate credit for any Royalties withheld by Franchisor. If Franchisee declines to accept the project, does not have all required licenses to fully perform the project, or is in default of the Franchise Agreement, Franchisor will have the unfettered right to fulfill the contract requirements to the Special Account in the Territory in any manner it deems suitable in its Business Judgment, including through another TruBlue Franchise, a business owned by Franchisor or its Affiliate, or a third-party contractor. Additionally, if at any time a Special Account for any reason requests that services in the Territory be provided by someone other than Franchisee, Franchisor may revoke Franchisee's option or right to provide or continue to provide the services, and may fulfill the contract requirements to the Special Account in the Territory in any manner Franchisor deems suitable in its Business Judgment. All disputes between TruBlue Franchises relating to Special Accounts will be resolved by Franchisor, whose decision will be final and binding upon all TruBlue Franchisees.

1.6 Shared Referral Sources. All TruBlue Franchises are entitled to solicit referrals from and promote their services to Shared Referral Sources, and the solicitation of referrals from and promotion of services to Shared Referral Sources located in Franchisee's Territory by other TruBlue Franchises will not violate the rights granted to Franchisee by section 1.4 or any other provision of this agreement. All disputes between TruBlue Franchises

over Shared Referral Sources will be resolved by Franchisor, whose decision will be final and binding upon all TruBlue Franchises. Nothing in this paragraph authorizes Franchisee to offer, sell or provide Authorized Products and Services outside the Territory.

1.7 Customers. Franchisee acknowledges and agrees that it acquires no rights in or to its customers or its Customer List (defined in section 19.11) other than those specifically granted under this agreement. Upon the expiration or termination of this agreement for any reason, Franchisor may notify the customers thereof and, without compensation to Franchisee, authorize one or more other TruBlue Franchises or anyone else to provide home and property management services to Franchisee's former customers. All customer data is solely owned by Franchisor, who may access the data from the Communication and Information System.

1.8 Pre-Existing Contracts of Other Franchises. If, before the Opening Date or during a period when the exclusivity of the Territory has been suspended under section 13.2, another TruBlue Franchisee entered into a contract with a customer in the Territory to provide any Authorized Products and Services, then Franchisor may, in its Business Judgment, permit the other TruBlue Franchisee to continue providing Authorized Products and Services to that customer in fulfillment of its obligations under the contract (including renewals thereof) after the Opening Date or after the exclusivity of the Territory has been reinstated, as the case may be.

1.9 Reserved Rights of Franchisor. Franchisor specifically reserves all rights not expressly granted to Franchisee in this agreement. Without limiting the generality of the preceding sentence, Franchisor has the right to:

(a) own, acquire, establish and operate, and license others to establish and operate, businesses substantially similar to the Franchised Business, whether under the Marks or other trade names, trademarks, brand names, or commercial symbols, anywhere outside the Territory;

(b) acquire a system of Competitive Businesses (defined in section 19.8) with branches, franchises, or locations that are located within the Territory or that have a protected franchise territory that includes all or part of Franchisee's Territory;

(c) advertise and promote the Network in and outside the Territory; and

(d) develop and engage in other lines of business offering and selling goods or services under the Marks or under other trade names, trademarks, brand names, or commercial symbols, without any obligation to offer Franchisee an opportunity to make the goods and services part of the Franchised Business.

1.10 Acquisition of Competing System. If Franchisor merges with, acquires, or is acquired by another system of businesses (including a system of Competitive Businesses), the continued operation of any branch, franchise, or location of the other system within the Territory under any trade name, trademark, brand name, or commercial symbol other than the Marks will not violate the rights granted to Franchisee by section 1.4 or any other provision of this agreement.

1.11 Marketing and Solicitation Restrictions. Except as permitted by section 1.5 or 1.6, Franchisee shall not directly or indirectly: (i) engage in advertising, marketing, or promotional activities in, or that are directed or targeted primarily to, the protected territory of another TruBlue franchisee; or (ii) provide Authorized Products and Services, or provide products and services that compete with Authorized Products and Services, in the protected territory of any other TruBlue franchisee. Any violation of any of the restrictions of this section by Franchisee will constitute a material default of this Franchise Agreement. Within 10 days after receiving written notice of such violation, Franchisee shall remit to Franchisor all Gross Revenues earned or received from any activities prohibited by this section. If Franchisee receives a request for services to be provided in

the protected territory of another TruBlue franchisee, then Franchisee shall promptly notify such other franchisee of the request and provide appropriate contact information for the potential client.

## ARTICLE 2

## TERM AND RENEWAL

2.1 Initial Term. Unless earlier terminated in accordance with the terms and conditions of this agreement, the Initial Term of this agreement is ten years beginning on the Effective Date (defined in section 19.16) and ending on the Expiration Date (defined in section 19.20).

2.2 Renewal. Except for the Post-Termination Provisions (defined in section 19.45) and as provided in section 2.3, Franchisee's rights and Franchisor's obligations under this agreement terminate at the Expiration Date. For a period of one year before the Expiration Date, Franchisee will have the right, at its option and upon the conditions in this section 2.2, to renew its TruBlue Franchise for an additional term of ten years beginning the day after the Expiration Date (a "Successor Franchise"). A Successor Franchise will be granted on the terms of Franchisor's then-current franchise agreement (a "Successor Agreement"). A Successor Agreement may differ materially in economic and other aspects from this agreement and its requirements (including a different Royalty, National Branding Fee and other fees), but start-up terms (*e.g.*, Pre-Opening Training) will not apply and Franchisee will not be required to pay another Initial Franchise Fee. Franchisee will not be eligible to renew its Franchise unless and until Franchisee complies with all of the following conditions:

(a) Franchisee must give Franchisor a written request to renew its TruBlue Franchise at least six months, but not more than one year, before the Expiration Date. Within one month after its receipt of a timely request, Franchisor shall confirm in writing Franchisee's eligibility or ineligibility for a Successor Franchise. If Franchisee has failed to comply with all of the conditions in this section 2.2 at the time Franchisor receives the request, Franchisor will have the right to refuse to renew Franchisee's Franchise. If Franchisee is ineligible to obtain a Successor Franchise, but the ineligibility is caused by a non-compliance that can be cured, then Franchisor will notify Franchisee accordingly. Franchisee will be eligible for renewal if Franchisee cures the noncompliance within one month after Franchisor notifies Franchisee of its ineligibility. Neither Franchisee's request to renew it Franchise nor Franchisor's failure to advise Franchisee of its ineligibility will affect or impair Franchisor's right to terminate this agreement under section 13.1.

(b) Franchisee must be in Good Standing and have substantially complied with all of the material terms and conditions of all agreements between Franchisee (or its Principals or Affiliates) and Franchisor (or any of the Franchisor-Related Persons, defined in section 19.24) during the respective terms thereof.

(c) Franchisee must demonstrate to Franchisor's satisfaction that it meets Franchisor's then-current qualification standards for new TruBlue Franchisees, possesses a good business reputation and credit rating, and has adequate financial resources and capital to operate the Franchised Business.

(d) At least two months before the Expiration Date, Franchisee must execute and deliver to Franchisor its then-current form of franchise agreement (with appropriate modifications to reflect the fact that it relates to a Successor Franchise) (a "Successor Agreement"), which will supersede this agreement in all respects. A Successor Agreement may differ materially in economic and other aspects from this agreement and its requirements (including a different Royalty, National Branding Fee and other fees), but start-up terms (*e.g.*, Pre-Opening Training) will not apply and Franchisee will not be required to pay another Initial Franchise Fee. The Successor Agreement must contain a provision

substantially similar to this section 2.2 granting Franchisee the right to renew its Successor Franchise for one more term of ten years beginning the day after the expiration date of the Successor Agreement, subject to conditions substantially similar to those in subparagraphs (a) through (f) of this section 2.2.

(e) At least two months before the Expiration Date, unless prohibited by the laws of the jurisdiction in which Franchisee resides or the Franchised Business is located, Franchisee and each of its Principals must sign and deliver to Franchisor its then-current form of General Release (defined in section 19.25).

(f) At least one month before the Expiration Date, Franchisee must satisfy Franchisor's then-current training requirements, including any training requirements specifically designed for Successor Franchisees.

2.3 Holdover Period. If Franchisee does not execute a Successor Agreement before the Expiration Date but continues to accept the benefits of this agreement after the expiration of the Initial Term, then at Franchisor's option, this agreement may be treated either as: (i) expired as of the Expiration Date, with Franchisee thereafter operating without a license to do so and in violation of Franchisor's rights; or (ii) continued on a month-to-month basis (the "Holdover Period") until either party provides the other party with at least one month's written notice of that party's intention to terminate the Holdover Period (if the laws of the jurisdiction in which the Franchised Business or Franchisee is located require a longer notice period, the one-month period will be deemed modified to be the shortest notice period required by the applicable laws of the jurisdiction). In the latter case, all of Franchisee's obligations will remain in full force and effect during the Holdover Period as if this agreement had not expired, and all obligations and restrictions imposed on Franchisee upon the expiration of this agreement will be deemed to take effect upon the termination of the Holdover Period. Except as described in this section, Franchisee has no right to continue to operate the Franchised Business after the expiration of the Initial Term. If Franchisee does not execute a Successor Agreement before the Expiration Date but Franchisor nevertheless permits Franchisee to renew the license granted under this agreement, then Franchisee shall pay Franchisor a renewal fee of $1,000 per month for every month of the Holdover Period, not to exceed Franchisor's then-current initial franchise fee.

## ARTICLE 3

## LOCATION OF BUSINESS

Franchisee shall lease, purchase or otherwise secure suitable premises for the operation of the Franchised Business (the "Premises"). The Premises may be located in the residence of a Principal of Franchisee if permitted by, and so long as Franchisee fully complies with, applicable laws, licensing, zoning and other requirements and restrictions. The Premises must be located in the Territory unless the Premises are located in the residence of a Principal of Franchisee and the residence is located outside the Territory, in which case Franchisee shall obtain before the Opening Date and shall maintain at all times during the Term a mailing address located in the Territory. Franchisee shall maintain and use a business address in the Territory and the public telephone number for your franchise must be listed under that address. Franchisee shall not relocate the Premises without Franchisor's prior approval, which Franchisor has the right to grant or withhold its Business Judgment. Franchisee shall notify Franchisor by certified mail, return receipt requested, of any proposed relocation at least two months before the relocation. Unless Franchisor disapproves in writing within one month after Franchisor receives Franchisee's notice of relocation, Franchisee may proceed with the relocation. Any relocation would be at Franchisee's sole cost. Franchisee shall provide Franchisor with the address of the Premises before the Opening Date, and shall notify Franchisor in writing by certified mail, return receipt requested, of any change in the location of the Premises, or any change in Franchisee's business address or e-mail address, at least one month before the change.

ARTICLE 4

FRANCHISEE FEE

Franchisee shall pay Franchisor a "Franchisee Fee" of $54,900.[1] The Franchise Fee is fully earned, due and payable to Franchisor when Franchisee signs this agreement, in consideration of the administrative and other expenses incurred by Franchisor in furnishing items to Franchisee as described in Article 6 and for Franchisor's lost or deferred opportunity to franchise to others. The Franchise Fee is not refundable. This Article 4 is not applicable if: (i) this agreement is a successor agreement to a prior franchise agreement or Franchisee is otherwise signing this agreement in connection with the renewal of a franchise granted under a prior franchise agreement; or (ii) Franchisee is signing this agreement in connection with a Transfer in accordance with Article 12.

ARTICLE 5

RECURRING FEES

5.1 Royalty.

(a) Franchisee shall pay Franchisor a monthly royalty fee of 6% of Franchisee's Gross Revenues for the preceding month, or the "Minimum Royalty" (defined in subparagraph (b) below), whichever is greater. The royalty fee is solely in consideration of Franchisee's continued right to use the Marks. All Royalties are payable on or before the fifth day of each month and are based upon Franchisee's Gross Revenues of the preceding month. Franchisee is not obligated to pay the Minimum Royalty until the fifth day of the second calendar month following the month in which Franchisee or the Designated Individual completes the initial training program required by Section 7.1 (the "Minimum Royalty Effective Date"), unless (1) Franchisee has operated a TruBlue franchise under another franchise agreement with an effective date at least six months earlier than the Effective Date of this Agreement; or (2) Franchisee acquired the Territory from another TruBlue franchisee.

(b) The Minimum Royalty is: (1) $500 a month for the first 12 months beginning on the Minimum Royalty Effective Date; and (2) $1,000 a month for each month thereafter.

(c) If Franchisee operates another TruBlue Franchise under a separate franchise agreement with Franchisor, the Minimum Royalty under the other agreement will be in addition to and aggregated with the Minimum Royalty under this agreement.

5.2 National Branding Fee. Franchisee shall contribute a National Branding Fee of either two percent (2%) of Franchisee's Gross Revenues for the preceding month or $500 per month, whichever is greater, to the National Branding Fund established in accordance with Article 11. The National Branding Fee is payable on or before the fifth day of each calendar month. Franchisee is not obligated to pay the National Branding Fee until the fifth day of the second calendar month following the month in which the Designated Individual (or Franchisee if Franchisee is an individual at the time) completes the Pre-Opening Training, unless (1) Franchisee has operated a TruBlue franchise under another franchise agreement with an effective date at least 6 months earlier than the Effective Date of this

[1] All dollar figures are in United States currency.

Agreement; or (2) Franchisee acquired the Territory from another TruBlue franchisee. Franchisor has the right to increase the National Branding Fee at any time in its Business Judgment. Any increase will be effective thirty days after Franchisee's receipt of written notice.

5.3 Technology Fee. Franchisor may charge Franchisee a technology fee for software license or development fees, Internet marketing, web hosting, search engine optimization, email addresses, and other technology tools mandated, provided, or developed by Franchisor.

5.4 Late Payment. Franchisee shall pay (to Franchisor or to the National Branding Fund, as the case may be) a late fee of $100 or 10% of the amount due, whichever is greater, on any payment (including amounts due for Royalties, National Branding Fees, Technology Fees, or for goods or services provided by the National Branding Fund, Franchisor, or any Affiliate of Franchisor) that is not received by Franchisor within five days after the due date. Franchisee shall pay to Franchisor a late fee of $100 for a Sales Report or other Business Record that is not received by Franchisor within five days after the due date. Any payments that are not received by Franchisor within thirty days after the due date will bear interest at the rate of 18% per annum, or the highest rate allowed by law, whichever is lower, from the date payment was due until the date payment is received by Franchisor, regardless of any subordinate agreement that may be in effect to postpone payment.

5.5 Taxes on Amounts Paid to Franchisor. All payments required to be made by Franchisee to Franchisor pursuant to this agreement shall be the gross amount determined according to the applicable paragraph, without deduction for any duties, levies, VAT, excise, sales, use, withholding, gross receipts, or other taxes (excluding, however, income taxes payable by Franchisor) that may be levied or assessed thereon by any country, state, county, or municipality in which the Franchised Business is located or operates, in which Franchisee resides, or which otherwise possesses the power to tax Franchisee or the Franchised Business. Franchisee shall remit to the appropriate taxing authorities all duties, levies, VAT, excise, sales, use, withholding, gross receipts, or other taxes levied or assessed on amounts paid by Franchisee to Franchisor which would otherwise be due from Franchisor, shall promptly deliver to Franchisor receipts of applicable governmental authorities showing that all such taxes were properly paid in compliance with applicable law, and shall indemnify and defend Franchisor and hold Franchisor harmless from and against all liability for such taxes (including interest and penalties thereon). Franchisee shall fully and promptly cooperate with Franchisor to provide such information and records as Franchisor may request in connection with any application by Franchisor to any taxing authority with respect to any tax credits.

5.6 Method of Payment.

(a) All payments that Franchisee is required to make under this agreement, including Royalties, Branding Fees, Technology Fees, late fees, interest, and legal expenses, must be received by Franchisor by the due date established by Franchisor through an electronic depository transfer account ("EDT Account") established at a banking institution approved by Franchisor. Before the Opening Date Franchisee shall establish an EDT Account and execute and deliver to Franchisor an authorization for electronic funds transfer (in a form prescribed by or acceptable to Franchisor's and Franchisee's banks) for direct debits from the EDT Account. Thereafter at all times during the Term, Franchisee shall ensure that Franchisor has access to the EDT Account for purposes of receiving electronic funds transfer payments, and Franchisee shall comply with procedures specified by Franchisor and perform such acts as may be necessary to accomplish payment by electronic funds transfer. Franchisee hereby authorizes Franchisor to initiate debit entries and credit correction entries to the EDT Account for payment of Royalties, National Branding Fees, Technology Fees, legal expenses, interest, administrative fees and all other amounts payable to Franchisor or any Affiliate of Franchisor under this agreement. Franchisee shall make funds available in its EDT Account in sufficient amounts to meet

its obligations as they become due. If any debit properly initiated by Franchisor from Franchisee's EDT Account is denied or charged back due to nonsufficient funds or the closing of the EDT Account, Franchisee shall pay Franchisor a $50 charge-back fee and reimburse Franchisor for all bank and transaction charges incurred by Franchisor as the result of the charge-back. Once established, Franchisee may not close the EDT Account during the Term without Franchisor's consent.

(b) If Franchisee has not timely reported Franchisee's Gross Revenues to Franchisor for any reporting period, then Franchisor shall debit Franchisee's EDT Account an amount equal to the National Branding Fee due plus the greater of (i) the Royalties payable by Franchisee for the last reporting period for which Franchisor received a Sales Report from Franchisee, or (ii) the Minimum Royalty for the reporting period. Once Franchisor determines Franchisee's true Gross Revenues for the reporting period, if the amounts debited are less than the Royalty Franchisee actually owes, Franchisor shall debit the EDT Account for the balance of the Royalty due on the date specified by Franchisor. If the amounts debited are greater than the Royalty Franchisee actually owes, Franchisor shall credit the excess against the amount Franchisor otherwise would debit from the EDT Account for the next reporting period for which Franchisee timely reports its Gross Revenues, without interest. Nothing in this paragraph is to be construed to waive, postpone or suspend Franchisee's obligations to submit any reports, records, or other materials required by this agreement. Franchisee acknowledges that its failure to accurately report Gross Revenues when due constitutes a breach of this agreement, notwithstanding the provisions of this paragraph.

(c) Franchisor may, after providing thirty days' notice, alter the payment period for the Royalty, National Branding Fee, and any other required payments from monthly to weekly, biweekly, or such other period as Franchisor designates.

5.7 Application of Payments. As to Franchisee and any Affiliate of Franchisee, Franchisor has the right to: (i) apply any payments received to any past-due, current, or future indebtedness of any kind in Franchisor's Business Judgment, regardless of any instructions for the application of the payment from Franchisee or anyone else; (ii) set off from any amounts that may be owed by Franchisor, any amount owed to Franchisor or any National Branding Fund; and (iii) retain any amounts received for Franchisee's account (and/or that of any Affiliate of Franchisee), whether rebates from suppliers or otherwise, as a payment against any amounts owed to Franchisor. Franchisor may exercise any of these rights in connection with amounts owed to or from Franchisor, any Franchisor-Related Person, and/or any National Branding Fund.

## ARTICLE 6

## DUTIES OF FRANCHISOR

6.1 Assistance by Franchisor. After the Effective Date, Franchisor, at its sole expense, shall provide the following assistance and make the following materials available to Franchisee:

(a) a schedule of all equipment necessary to operate the Franchised Business;

(b) access to a current set of advertising and promotional templates;

(c) approved and readily available sources for purchasing supplies, advertising and marketing materials, computer hardware and software, and other items necessary for the operation of the Franchised Business;

(d) periodic assistance from Franchisor's representatives either onsite and/or remotely as and to the extent Franchisor deems necessary; and

(e) such other materials, information and assistance as Franchisor may from time-to-time deem necessary.

6.2 Pre-Opening Training. Before the Opening Date, Franchisor shall provide, without charge, the Pre-Opening Training described in section 7.1(a) for up to two individuals, one of which must be either Franchisee's Designated Individual (defined in section 7.8) or Franchisee if Franchisee is an individual at the time.

6.3 Operations Manual. Franchisor shall make available to Franchisee, at no charge, one copy of Franchisor's current Operations Manual in a digital format via a franchisee intranet, as described in Article 9.

6.4 Products, Supplies and Materials. After the Effective Date, Franchisor shall furnish Franchisee with one copy of each of the business and reporting forms for use by Franchisee in the Franchised Business. Thereafter, Franchisee may purchase additional amounts of any of the business and reporting forms from any approved supplier. At its election, Franchisor may provide the forms in a digital format. Upon request, Franchisor shall provide Franchisee with specifications for the proper preparation of the business and reporting forms, and Franchisee may purchase them from a supplier who has complied with Franchisor's supplier approval guidelines as described in section 7.5 and the Operations Manual. Since all business and reporting forms will bear the Marks, each supplier will be required to execute a license agreement setting forth the manner in which the Marks are to be imprinted, the required text on the materials, and other necessary specifications and standards for the preparation of such materials.

## ARTICLE 7

## DUTIES OF FRANCHISEE

7.1 Training.

(a) Within three months after the Effective Date and before the Opening Date, either the Designated Individual or Franchisee (if Franchisee is an individual at the time) must complete, to Franchisor's satisfaction, a training program for new TruBlue Franchisees (the "Pre-Opening Training") at Franchisor's corporate office or other facility or location selected by Franchisor. The Pre-Opening Training is mandatory—if the Designated Individual (or Franchisee if Franchisee is an individual at the time) fails to complete the Pre-Opening Training to Franchisor's satisfaction within three months after the Effective Date, then Franchisor will have the right to terminate this agreement without further obligation to Franchisee and without refunding any money paid by Franchisee.

(b) The Designated Individual shall attend and complete, to Franchisor's satisfaction, all refresher courses, seminars (whether in-person or online), and other training programs reasonably required by Franchisor from time-to-time. Refresher courses, seminars, and additional training programs may be held, in Franchisor's Business Judgment, at Franchisor's corporate headquarters, at or in conjunction with a convention or national or regional meeting site, or at any other facility or location designated by Franchisor.

(c) For all training courses, seminars and programs (including the Pre-Opening Training), Franchisor shall provide and pay for the instructors, training facilities and training materials. Franchisor has the right to charge a reasonable fee for any training it provides after the Opening Date. Franchisee shall

bear the cost of all other expenses for its Designated Individual and other personnel during the training, including the costs of travel, lodging, meals and wages.

7.2 System Standards. Franchisee acknowledges and agrees that every detail of the Operating System is important, not only to Franchisee but also to Franchisor and other TruBlue Franchisees, in order to develop and maintain high and uniform operating standards, to increase the demand for the products and services offered by all TruBlue Franchisees, to establish and maintain a reputation for uniform, efficient, high-quality services, and to protect the goodwill of the Network and all TruBlue Franchises. Franchisee further acknowledges and agrees that a fundamental requirement of the Operating System and this agreement is adherence by all TruBlue Franchisees to the System Standards (defined in section 19.55). Accordingly, Franchisee agrees to comply with each and every System Standard, as periodically modified and supplemented by Franchisor in its Business Judgment during the Term. Franchisee further agrees that System Standards prescribed from time-to-time in the Operations Manual or otherwise communicated to Franchisee in writing will constitute provisions of this agreement as if fully set forth herein. All references to this agreement will be deemed to include all System Standards as periodically modified and supplemented by Franchisor.

7.3 Authorized Products and Services. Franchisee shall offer and sell all products and services, and only those products and services, designated as "Authorized Products and Services" by Franchisor in the Operations Manual or otherwise in writing. Franchisor has the unlimited right to unilaterally add and remove products and services to or from the list of Authorized Products and Services at any time. Franchisor also has the right to designate any products or services as optional for all or any subgroup of TruBlue Franchisees. Franchisees are only required to offer those products or services that are required of all franchisees. Before Franchisee offers or sells any Authorized Products and Services, Franchisee shall comply with all applicable laws and other requirements and submit proof of compliance therewith to Franchisor.

7.4 Fixtures and Furnishings. Franchisee, at its own expense, shall purchase and install the Communication and Information System as specified in section 7.17 and all fixtures, furnishings, signs and other equipment specified by the System Standards from time-to-time, and shall not permit the installation of any fixtures, furnishings, signs, or other equipment that does not conform to the System Standards.

7.5 Supplier Approval. Franchisor has the right to require Franchisee to purchase all goods and services used in the franchised business solely from suppliers designated by Franchisor, which may include Franchisor or an affiliate. Franchisor has the right to condition its approval of any supplier upon benefits to Franchisor and/or its affiliates based upon purchases by TruBlue franchisees. Franchisor and/or its affiliates may derive income or receive benefits as a result of Franchisee's and/or other TruBlue franchisees' purchase of items. Franchisor has the right to require Franchisee to purchase certain goods or services exclusively from one or more designated suppliers, or to purchase cooperatively with Franchisor or other TruBlue franchisees, in order to maintain Franchisor's quality standards or to take advantage of price discounts, benefits or other sales incentives. Franchisor and/or its affiliates have the right to receive rebates, discounts, allowances, and other payments from suppliers in respect of group purchasing programs and otherwise on account of the suppliers' dealings with Franchisee and other TruBlue franchisees, which Franchisor is entitled to retain and use without restriction for any purpose and without accounting to Franchisee. Franchisor has the unlimited right to change and add designated suppliers and to change the list of goods and services required to be purchased from designated suppliers at any time.

7.6 Business Operation. The Opening Date (defined in section 19.40) must occur within three months after Franchisee's Designated Individual (or Franchisee if Franchisee is an individual at the time) completes the Pre-Opening Training. After the Opening Date, Franchisee shall maintain the Franchised Business in continuous operation during the Term. Franchisee shall not use or permit the use of the Premises for any purpose or

activity other than the operation of the Franchised Business without Franchisor's prior written consent. If Franchisee owns more than one franchised business, Franchisor may require that each franchised business have its own full-time manager or marketing employee. Within six months of the Opening Date, Franchisee must have a part-time salesperson dedicated to each franchised business.

7.7 Management of Franchise. At all times during the Term, the Designated Individual shall devote his or her full time, energy and best efforts to the management and operation of the Franchised Business. The Franchised Business must at all times be under the direct supervision of the Designated Individual.

7.8 Designated Individual. Before the Opening Date, Franchisee shall designate, subject to Franchisor's reasonable approval, an individual (the "Designated Individual") who shall be responsible for general oversight and management of the operations of the Franchised Business on behalf of Franchisee. The Designated Individual must be a Principal of Franchisee and must attend and successfully complete the Pre-Opening Training and all other training that Franchisor designates as mandatory during the Term. Franchisor shall have the right to rely upon the Designated Individual to have been given, by Franchisee, decision-making authority and responsibility regarding all aspects of the Franchised Business. Franchisee may designate a new Designated Individual at any time, subject to Franchisor's reasonable approval. If the person designated as the Designated Individual leaves Franchisee's employ, transfers his/her interest in Franchisee, dies, becomes incapacitated, or otherwise ceases to supervise the operations of the Franchised Business, Franchisee shall promptly designate a new Designated Individual, subject to Franchisor's reasonable approval.

7.9 Payment of Liabilities and Taxes. Franchisee shall pay its distributors, lessors, contractors, suppliers, trade creditors, employees, and other creditors promptly as the debts and obligations to such parties become due, and pay all taxes on real and personal property, leasehold improvements and fixtures and equipment, and all sales and use, income, payroll and other taxes promptly when due and hold Franchisor harmless therefrom. Franchisee's failure to do so shall constitute a breach of this agreement. All taxes shall be paid directly to the taxing authorities prior to the delinquent date. If Franchisee shall fail to pay any such obligations promptly as the debts to such parties become due, or if any taxes become delinquent, Franchisor, in addition to its other remedies provided in this agreement, may elect to pay any such obligation or delinquent tax on behalf of Franchisee, together with late charges, penalties and interest, if any, and Franchisee shall, upon demand, reimburse Franchisor for any sums so paid by Franchisor, together with interest at the rate of 18% per annum, or the highest rate allowed by law, whichever is less, from the date of payment by Franchisor to the date of reimbursement by Franchisee.

7.10 Records. During the Term, Franchisee shall maintain and preserve, for at least six years from the date of their preparation, full, complete and accurate books and records of account, prepared in accordance with generally accepted accounting principles, and customer files and records pertaining to the Franchised Business, all in the form and manner prescribed by Franchisor. In connection with its maintenance of its accounts and records, Franchisee, at its expense, shall:

(a) By 5:00 p.m. Eastern Time on the fifth day of each month during the Term, submit to Franchisor a Sales Report in the form prescribed by Franchisor, certified by the Designated Individual as accurately reflecting all Gross Revenues during the preceding calendar month. Franchisor may, in its Business Judgment, require the submission of Sales Reports and such other required data or information on a weekly or biweekly basis, or at such other interval as Franchisor designates;

(b) By the last day of each calendar month, submit to Franchisor an income statement certified by the Designated Individual as accurately reflecting the results of operations of the Franchised Business for the preceding calendar month;

(c) Within three months after the end of each calendar year, submit to Franchisor an income statement for the most recently-ended calendar year and a balance sheet as of December 31 thereof, certified by the Designated Individual as accurately reflecting the results of operations of the Franchised Business for the most recently-ended calendar year and the financial position of the Franchised Business as of December 31 thereof. Franchisee shall pay to Franchisor a late fee of $250 for any annual income statement that is not received by Franchisor within five days after the due date;

(d) Submit to Franchisor signed copies of Franchisee's complete federal income tax return for the previous tax year, as filed with the Internal Revenue Service, by April 30 of each year, or, if Franchisee has received an extension of time to file and submits to Franchisor, by April 30, a signed, file-stamped copy of IRS Form 4868 or 2688, as applicable, then within fifteen days after the final due date for the return, but in no event later than October 30 of each year;

(e) Within ten days after request, submit to Franchisor all other forms, reports, bank statements, customer files, records, tax returns, information and data that Franchisor reasonably requests;

(f) Use only the chart of bookkeeping accounts prescribed by Franchisor in the Operations Manual or otherwise communicated to Franchisee;

(g) Purchase, install and use such equipment and software as Franchisor may require to automate the reporting of financial information and the payment of fees by Franchisee under this agreement, including Internet or intranet reporting and pre-authorization of electronic fund transfer or bank debit; and

(h) At all times during the Term and for a period of three years after a Transfer (defined in section 19.60) or the termination or expiration of this agreement, permit Franchisor or its designated agents at all reasonable times to examine, at Franchisor's expense and at such location as Franchisor reasonably selects, Franchisee's books and records of account, bank statements, canceled checks, customer files, federal, state and local income, sales, excise and payroll tax returns, and any other information or records pertaining to the Franchised Business (hereafter collectively referred to as Franchisee's "Business Records"). Franchisee and its Principals and employees shall fully cooperate with Franchisor's agents in their conduct of an inspection. If, as a result of any inspection, Franchisor determines that Franchisee has understated its Gross Revenues in any report to Franchisor, then Franchisee shall immediately pay Franchisor, upon demand, the Royalty payable on the amount of the understatement plus the late fee and interest imposed by section 5.4. If, as a result of any inspection, Franchisor determines that Franchisee has understated its Gross Revenues by 3% or more for any monthly period, or if an inspection is prompted by Franchisee's failure to maintain any record required to be maintained under this agreement, failure to timely submit any report or other information required by this agreement, or failure to cure a default within the applicable period specified in Article 13, then Franchisee also shall: (i) reimburse Franchisor for all costs and expenses of the inspection (including per diem charges for Franchisor's employees, travel expenses and reasonable accounting and attorney fees) , and (ii) within two months after Franchisor's request, provide Franchisor with Franchisee's income statements for the immediately preceding two-year period, audited or reviewed (at Franchisor's option) by an independent certified public accountant. If Franchisor reasonably suspects that Franchisee has understated its Gross Revenues in any report, Franchisor may request and Franchisee promptly shall provide a copy of the complete federal income tax return for the previous tax year, as filed with the Internal Revenue Service, of each Principal of Franchisee. The foregoing remedies are in addition to any other remedies Franchisor may have under this agreement or at law or in equity. Franchisor has the right, at all times during the Term and for a period of three

years after a Transfer or the termination or expiration of this agreement, to have an independent audit made of Franchisee's Business Records. The terms of this paragraph will survive any Transfer or the expiration or termination of this agreement.

7.11 Indemnity and Insurance.

(a) Franchisee shall indemnify, hold harmless and defend Franchisor against and from all fines, proceedings, claims, demands or actions of any kind or nature and from anyone whomsoever arising out of or otherwise connected with Franchisee's operation of the Franchised Business (excluding, however, liabilities caused by (i) Franchisee's proper reliance on or use of procedures or materials provided by Franchisor or (ii) Franchisor's negligence).

(b) Before the Opening Date and thereafter at all times during the Term, Franchisee shall maintain in force at its sole expense insurance policies of types and in the amounts that Franchisor may designate in writing from time-to-time. The current insurance coverage requirements are attached to this agreement as Exhibit C. Franchisee shall also maintain all other insurance required by statute or rule of the jurisdiction in which the Franchised Business is located and operated, or by any lease to which Franchisee is a party. Franchisor has the right to reasonably increase the minimum coverage for any insurance required hereunder, decrease the maximum deductible, or require different or additional kinds of insurance coverage at any time, including requiring excess liability insurance, to reflect inflation, changes in standards of liability, higher damage awards, or other relevant changes in circumstances. All required liability insurance policies must name Franchisor as an additional insured and provide that Franchisor is to receive at least thirty days' prior written notice of any modification, termination, expiration, or cancellation of the policy. Franchisee shall not open or operate the Franchised Business or provide any goods or services until Franchisee has complied with all of the requirements of this paragraph and furnished Franchisor with certificates of the required insurance coverage and copies of the insurance policies and endorsements.

(c) Before the Opening Date and thereafter annually during the Term, Franchisee shall furnish Franchisor with certificates of the required insurance coverage and copies of the insurance policies and endorsements. Franchisee shall cease operating the Franchised Business immediately if any required insurance policy lapses or expires. If Franchisee fails to maintain required insurance coverage or furnish Franchisor with satisfactory evidence thereof, Franchisor, at its option and in addition to its other rights and remedies under this agreement, has the right, but is not obligated, to obtain the required insurance coverage on Franchisee's behalf. Franchisee shall fully cooperate with Franchisor if Franchisor obtains the insurance coverage. Franchisee shall promptly execute all forms or instruments required to obtain or maintain the insurance, and Franchisee shall allow any inspections of the Franchised Business or the Premises that are required to obtain or maintain the insurance. Franchisee shall pay Franchisor, upon request, all costs and premiums Franchisor incurs on Franchisee's behalf (whether incurred because Franchisee failed to maintain required coverage or because Franchisee failed to furnish evidence to Franchisor of the existence of coverage) plus interest thereon at the annual rate of 18% or the highest rate allowed by law, whichever is less.

(d) The current insurance coverage requirements are for Franchisor's protection. Franchisee is advised to consult with its own insurance agents and legal counsel to determine what types and levels of insurance protection may be needed or advisable in addition to the coverages and limits required by Franchisor.

7.12 Limited Liability Entity.

(a) If Franchisee is a Limited Liability Entity when it signs this agreement, it must satisfy the following requirements at the time it signs this agreement:

(1) Franchisee must be a newly organized Limited Liability Entity that has never operated or engaged in any business.

(2) Franchisee's organizational and governing documents must (i) provide that its activities are confined exclusively to operating one or more TruBlue Franchises, (ii) prescribe a maximum of ten Principals, and (iii) prohibit the issuance or Transfer of its Ownership Interests (defined in section 19.43) other than in compliance with the terms and conditions of this agreement.

(3) Franchisee shall provide Franchisor with a Principal List, certified by the Designated Individual, containing the full legal name, home address, home telephone number, and ownership percentage of each Principal of Franchisee.

(4) Each Principal of Franchisee must execute a separate agreement, in a form prescribed by Franchisor, unconditionally guaranteeing the full payment of Franchisee's obligations under this agreement and agreeing to be jointly and severally bound by all the provisions of this agreement, including the Post-Termination Provisions.

(5) Each ownership certificate of Franchisee must bear a legend stating that the issuance and Transfer of any Ownership Interest in Franchisee are subject to the terms and conditions of this agreement. If Franchisee is a partnership or limited liability company without certificates evidencing ownership, Franchisee shall provide Franchisor with acceptable evidence that its partnership or operating agreement or other organizational documents contain provisions acceptable to Franchisor prohibiting the Transfer of any Ownership Interest in Franchisee other than in compliance with the terms and conditions of this agreement.

(6) Franchisee shall provide Franchisor with true and complete copies of its organizational and governing documents, including the resolutions of its Principals or governing body authorizing the execution of this agreement.

(7) The name of the Limited Liability Entity may not contain any of the words TRUBLUE, TRUE, or BLUE in any order, any variation thereof, or any of the other Marks.

(b) If Franchisee is not a Limited Liability Entity when it signs this agreement, then before the Opening Date, Franchisee shall transfer all of its interest in the Franchised Business and all of its rights and obligations under this agreement to a Limited Liability Entity, comply with all of the requirements in subparagraph 7.12(a), and comply with the following additional requirements:

(1) The individual(s) who executed this agreement as Franchisee shall beneficially own a Controlling Interest in the Limited Liability Entity and shall not diminish his/her/their Ownership Interest therein, except as may be required by law.

(2) One of the individuals who executed this agreement as Franchisee shall act as the principal executive (or manager) and operating officer of the Limited Liability Entity.

(3) Franchisee shall reimburse Franchisor for actual legal costs incurred by Franchisor in approving and effecting the transfer to the Limited Liability Entity.

(c) At all times while this agreement is in effect:

(1) The Limited Liability Entity shall not operate any other business or engage in any other business activities except the operation of one or more TruBlue Franchises.

(2) Franchisee shall not cause or permit any of provision of its organizational or governing documents to be modified or restated without Franchisor's prior written approval.

(3) Within ten days after Franchisor's request or after any change in any information on the Principal List, Franchisee shall provide Franchisor with an updated Principal List.

(4) Upon request, Franchisee shall provide Franchisor with true and complete copies, certified by the Designated Individual, of Franchisee's organizational and governing documents.

(5) Each new Principal of Franchisee must execute an agreement, in a form prescribed by Franchisor, unconditionally guaranteeing the full payment of Franchisee's obligations under this agreement and agreeing to be jointly and severally bound by all the provisions of this agreement, including the Post-Termination Provisions.

(6) Franchisee acknowledges that any Limited Liability Entity through which Franchisee derives Gross Revenues or provides Authorized Products and Services is closely related to and bound by this Agreement, including its jurisdiction and arbitration clauses.

7.13 Compliance with Law. At all times during the Term, Franchisee shall comply with all laws, regulations and requirements applicable to Franchisee or the Franchised Business (including all licensing standards, Title VII of the Civil Rights Act, the Americans with Disabilities Act, the Age Discrimination in Employment Act, state or local fictitious or assumed name registration requirements, wage and hour, overtime, and any other employment or labor laws), and obtain and maintain all licenses and permits required by any governmental agency or otherwise necessary to conduct the Franchised Business in any jurisdiction in which it operates. Franchisee shall submit documented proof of its compliance with all laws and licensing regulations within five days after Franchisor's request, unless Franchisor authorizes in writing a longer period of time for Franchisee's compliance. Franchisee agrees and acknowledges that Franchisee alone is responsible for compliance with all obligations under this paragraph, and that Franchisor has no obligation to Franchisee or anyone else with respect to the requirements of this paragraph.

7.14 Customer Dispute Resolution. Franchisee acknowledges that customer satisfaction is essential to Franchisee's success as well as the reputation and success of the Operating System and other TruBlue Franchises. Accordingly, Franchisee shall: (i) use its best efforts to ensure the satisfaction of each of Franchisee's customers; (ii) use good faith in all dealings with customers, potential customers, referral sources, suppliers and creditors; (iii) respond to customer complaints in a courteous, prompt and professional manner; (iv) use its best efforts to promptly and fairly resolve customer disputes in a mutually-agreeable manner; and (v) within one week after receiving a request from Franchisor, provide Franchisor a written summary of any customer dispute. If Franchisee fails to resolve a dispute with a customer for any reason, Franchisor, in its Business Judgment and for the sole purpose of protecting the goodwill and reputation of the Network and the Marks, has the right (but not the obligation) to investigate the matter and take whatever action Franchisor deems necessary or appropriate to resolve the dispute fairly and promptly, including the issuance of a refund on Franchisee's behalf. Within ten days after receiving notice thereof, Franchisee shall reimburse Franchisor for any money refunded to a customer on Franchisee's behalf. Nothing in this section or any other provision of this agreement is to be construed to impose liability upon Franchisor to any third party for any action by or obligation of Franchisee.

7.15 Employees.

(a) Generally. Franchisee shall hire, train and supervise the appropriate personnel necessary to conduct the Franchised Business. All such personnel are under Franchisee's responsibility and direction and are employees of Franchisee and not of Franchisor. Franchisee may enter into a leased or shared employee relationship with a third party to provide employees for the Franchised Business, so long as Franchisee retains ultimate control over the hiring, compensation, supervision, training and other terms of their employment.

(b) Control. All employees engaged by Franchisee or other individuals who provide services to the Franchised Business or to its clients will be regarded as employees of Franchisee only and there will be no relationship between Franchisor and Franchisee's employees. Franchisee shall advise each of its employees in writing, before the commencement of their employment, that they will be employed by Franchisee only and not Franchisor. The parties acknowledge and agree that Franchisor has no authority to and shall not exercise any control over the essential terms and conditions of employment of any personnel working for or hired by Franchisee. With respect to such personnel, and without limiting the generality of the preceding sentences, only Franchisee has the power, and hereby accepts the responsibility, to hire, pay, promote, discipline, fire, train, establish employment policies, provide an employee handbook, supervise and control their schedule and work conditions, determine pay rates and methods of payment, and maintain employment records. With respect to Franchisee's employees, Franchisor:

i. shall not participate in hiring, firing, promotion, demotion, disciplinary, or scheduling decisions of Franchisee;

ii. shall not supervise the work to be performed;

iii. is not responsible for the determination or payment of wages;

iv. shall not provide employment benefits (including workers' compensation, group health insurance, or retirement plans);

v. shall not provide training;

vi. shall not supply tools or equipment; and

vii. shall not determine the applicability of minimum wage or overtime laws or exemptions;

*and* has no authority to do any of the foregoing.

(c) Employee Payments. Franchisee shall pay all salaries for its personnel. Franchisee is responsible for all costs and overhead associated with the conduct of the Franchise except as otherwise specifically provided in this agreement. Franchisee is responsible for the payment of all wages, commissions, bonuses, fringe benefits, insurance premiums, payroll taxes and other items required by applicable law, if any, to all personnel working for or hired by Franchisee, whether classified as employees or independent contractors. Without prejudice to the foregoing, Franchisee shall make all statutory deductions and contributions and is solely responsible for complying—and shall comply—with all applicable laws relating to the employment of its employees, including all wage and hour laws, the classification of workers as employees or independent contractors, and the classification of employees as exempt or non-exempt under applicable minimum wage and overtime laws. Employment of Franchisee's employees will be at Franchisee's own risk and expense and its

employees will not have any claims against Franchisor for wages, commissions, bonuses, fringe benefits, insurance premiums, social welfare contributions, or any other form of compensation (including severance compensation).

(d) Training. Franchisee shall establish a training program for all of Franchisee's employees. The training program must meet Franchisor's standards and training guidelines as set out in the Operations Manual and other written materials provided by Franchisor upon request. Upon request, Franchisor shall advise and assist Franchisee in connection with the development of Franchisee's training program, but Franchisee retains all responsibility for and control over all training for its employees.

7.16 Background Review of Employees. Franchisee acknowledges and understands that Franchisee's employees will be entering customers' residences for the purpose of selling and providing Authorized Products and Services. Accordingly, in order to maintain high standards of quality over the services provided by Franchisee, protect the integrity and reputation of the Marks, and ensure the safety of Franchisee's customers and others, before hiring any employee, Franchisee shall conduct a background review of the prospective employee's criminal history and any other histories (such as motor vehicle, medical and/or credit histories) that may be required by the System Standards and shall update each employee's background review at least every two years during their employment. Franchisee shall not hire any prospective employee for any position involving entrance to customers' residences if the prospective employee's background review indicates, in Franchisee's judgment, a propensity for violence, dishonesty, negligent, reckless or careless behavior, or a conviction for any crime within the past seven years. Franchisor is not liable to Franchisee, any employee or prospective employee of Franchisee, or any third party for any act or omission of Franchisee or any employee or agent of Franchisee, and Franchisee shall indemnify and defend Franchisor against and hold Franchisor harmless from all claims, demands, or actions arising from any act or omission of Franchisee or any employee or agent of Franchisee (including refusal to hire or discrimination claims and claims asserted by third parties for intentional torts allegedly committed by any employee or agent of Franchisee).

7.17 Communication and Information System. To ensure the efficient management and operation of the Franchised Business and the transmission of data to and from Franchisor, Franchisee, at its own expense, shall install before the Opening Date and maintain and use throughout the Term the Communication and Information System specified by the System Standards from time-to-time.

(a) As used in this agreement, the term "Communication and Information System" means: hardware (including one or more computers and/or other computer components); software (including software as a service or "SaaS") designed for the management and operation of the Franchised Business, as well as reporting and sharing information with Franchisor; electronic communications; and communication systems (including telephone lines, modems, satellite, cable and other systems).

(b) Franchisee shall lease and/or purchase its Communication and Information System only from vendors that Franchisor has approved in writing pursuant to the provisions of section 7.5. Franchisee shall not install, or permit to be installed, any devices, software, or other programs not approved by Franchisor for use with the Communication and Information System.

(c) Franchisor may from time-to-time develop or authorize others to develop proprietary software programs for use in the Operating System, which Franchisee may be required to purchase and/or license, and use, in connection with the Franchised Business. Franchisee agrees that it shall execute any license, sublicense, or maintenance agreement required by Franchisor or any other approved licensor or approved vendor of such proprietary software programs.

(d) In accordance with section 9.3, Franchisee shall upgrade and update its Communication and Information System as and when specified by Franchisor in writing.

(e) Franchisee is solely responsible for the manner in which Franchisee's Communication and Information System interfaces with other systems, including those of Franchisor and third parties, as well as any and all consequences that may arise if Franchisee's Communication and Information System is not properly operated, maintained and upgraded.

(f) Franchisee shall: (i) promptly enter, into its Communication and Information System, and maintain all information required to be entered and maintained by Franchisor; (ii) provide to Franchisor such reports as Franchisor may reasonably request from the data so collected and maintained; and (iii) permit Franchisor to access Franchisee's Communication and Information System at all times via modem or other means specified by Franchisor from time-to-time. Franchisee shall cooperate with Franchisor, and shall execute all documents required by Franchisor to permit access to Franchisee's Communication and Information System and data contained therein. The reporting requirements in this section are in addition to and not in lieu of the reporting requirements in section 7.10.

(g) Franchisor has the right to use any and all data collected or provided by Franchisee, downloaded from Franchisee's Communication and Information System, and otherwise collected from Franchisee's system by Franchisor and/or provided to Franchisor, without compensation to Franchisee and in any manner that Franchisor deems appropriate, including the disclosure or distribution thereof to other TruBlue Franchisees or the disclosure thereof to prospective franchisees of Franchisor by inclusion in Franchisor's franchise disclosure document or otherwise.

(h) Franchisee shall establish before the Opening Date and shall maintain throughout the Term the telephone service required by section 7.18.

(i) Before the Opening Date and thereafter at all times during the Term, Franchisee shall obtain and maintain a high speed Internet connection via a commercial Internet service provider that is capable of receiving and sending attached files of a size specified by Franchisor in the Operations Manual or otherwise communicated to Franchisee from time-to-time. If Franchisor provides Franchisee with an email address, Franchisee shall use the Franchisor-provided email address for all electronic communications with Franchisor and for the Franchised Business, including all email communications with clients of Franchisee. All communications to or from a Franchisor-provided email address are the property of Franchisor, and neither Franchisee nor any officer, employee, or agent of Franchisee has a right or expectation of privacy with respect to any such communications. Subject only to the provisions of section 7.28 and data protection laws, Franchisor has the otherwise unrestricted right to access, monitor, read, and use, in any manner that Franchisor deems appropriate, any communications to or from a Franchisor-provided email address. Franchisee hereby consents for Franchisor to communicate with Franchisee via any Franchisor-provided email address and any personal email address of Franchisee, or any Principal of Franchisee, provided to Franchisor. Franchisee acknowledges that any Franchisor-provided email address is provided via subscription from an Internet service provider, which may process Franchisee's data for the purpose of disclosing it to law enforcement or other governmental authorities as required by law, and Franchisee hereby irrevocably consents thereto.

(j) Franchisor shall have the right, but not the obligation, to establish a Website (as defined in section 11.8) or other electronic system providing private and secure communications (*e.g.*, an intranet) between Franchisor, Franchisee, other franchisees, and other persons and entities as determined by Franchisor, in its Business Judgment. If required by Franchisor, Franchisee shall

establish and maintain access to the intranet in the manner specified by Franchisor, and shall from time-to-time execute such agreements and/or acknowledge and agree to comply with such policies concerning the use of the intranet as Franchisor may prepare.

(k) Any and all data collected or provided by Franchisee, downloaded from Franchisee's Communication and Information System, or otherwise collected from Franchisee by Franchisor or provided to Franchisor, is and will be owned exclusively by Franchisor, who has the right to use the data in any manner without compensation to Franchisee. Franchisee is hereby licensed, without additional compensation, to use such data solely for the purpose of operating the Franchised Business. This license will automatically and irrevocably expire, without additional notice or action by Franchisor, when this agreement terminates or expires.

(l) Franchisee shall abide by all applicable laws pertaining to privacy of information collected or maintained regarding customers or other individuals ("Privacy"), and comply with Franchisor's standards and policies pertaining to Privacy. If there is a conflict between applicable law and Franchisor's Privacy standards and policies, Franchisee shall: (i) comply with the requirements of applicable law; (ii) immediately provide Franchisor with written notice of the conflict; and (iii) promptly and fully cooperate with Franchisor's counsel as Franchisor determines the most effective way, if any, to reconcile Franchisor's Privacy standards and policies with applicable law. Franchisee is solely responsible for identifying, interpreting and complying with all laws pertaining to Privacy. Franchisee shall neither publish nor implement a Privacy policy without Franchisor's prior written approval of the policy.

7.18 Telephone Service.

(a) Franchisee shall establish before the Opening Date and shall maintain throughout the Term prompt and adequate telephone service (as prescribed in writing by Franchisor) for all potential and existing customers. Franchisee shall maintain at least one dedicated telephone line for use exclusively by the Franchised Business, which will be the Designated Number and which must be answered by an employee of Franchisee or by an answering service approved by Franchisor during all business hours designated by Franchisor from time-to-time. Each telephone line must have all service features required by Franchisor from time-to-time. Franchisor has the right to require Franchisee to increase the number of telephone lines to accommodate Franchisee's call volume or to use a designated call center. All required lines must be operational and functional before the Opening Date and at all times during the Term.

(b) Before the Opening Date, Franchisee shall provide Franchisor with the Designated Number (defined in section 19.13) in writing and shall not change the Designated Number during the Term without Franchisor's prior written approval. Franchisee shall use only the Designated Number in or on all advertising (including Internet advertising), stationery, business cards, marketing and promotional materials, directory listings (including online directories) and other public materials relating to the Franchised Business. The Designated Number must be listed in all telephone directories (including paper and online directories) only under the Trade Name and a location within the Territory. All outgoing calls relating to the Franchised Business must display only the Designated Number and/or the Trade Name on the receiving party's caller identification, and Franchisee shall not block its outgoing caller identification information. As authorized by section 14.1(g), Franchisor has the option to assume, transfer, terminate or amend all Telephone Numbers and Directory Listings (defined in sections 19.57 and 19.14, respectively) upon the termination or expiration of this agreement.

(c) Franchisor has the right, but not the obligation, to require Franchisee to maintain and use as the Designated Number an incoming remotely-forwarded telephone number provided by a third-party vendor designated by Franchisor, in which event Franchisee shall maintain a second, local telephone line to receive incoming calls remotely-forwarded from the Designated Number and to use for outgoing calls. If Franchisor requires Franchisee to maintain a telephone number provided by a designated vendor, Franchisee shall pay the third-party provider directly or reimburse Franchisor for the cost thereof, at Franchisor's election.

7.19 Sales Standards. Franchisee acknowledges the importance of maintaining strong sales performance. Accordingly, Franchisee acknowledges and agrees that Franchisor shall monitor Franchisee's sales, and may establish periodic sales standards for Franchisee. If Franchisee does not meet or exceed such established sales standards, Franchisor may conduct a detailed review of Franchisee's business operations to determine the reasons therefore, and require reasonable changes in Franchisee's business operations to improve Franchisee's sales performance. Franchisee agrees to comply with such recommendations. The failure of Franchisee to comply with such recommendations will constitute a default under this agreement. Franchisor shall not establish any sales standards within the first year after the Opening Date.

7.20 Compliance with USA Patriot Act. Franchisee certifies that neither Franchisee nor any of its Affiliates, Principals, or employees is listed in the Annex to Executive Order 13224 ("the Annex," which may be available at https://www.state.gov/j/ct/rls/other/des/143210.htm). Franchisee shall not hire or have any dealings with a person listed in the Annex. Franchisee certifies that it has no knowledge or information that, if generally known, would result in Franchisee or any of its Affiliates, Principals, or employees being listed in the Annex. Franchisee shall comply with and/or assist Franchisor to the fullest extent possible in Franchisor's efforts to comply with the anti-terrorism laws. In connection with such compliance, Franchisee certifies, represents, and warrants that none of its property or interests is subject to being "blocked" under any of the Anti-Terrorism Laws and that Franchisee and its Affiliates and Principals are not otherwise in violation of any of the Anti-Terrorism Laws. Franchisee is solely responsible for ascertaining what actions must be taken by Franchisee to comply with all Anti-Terrorism Laws, and Franchisee specifically acknowledges and agrees that its indemnification responsibilities include Franchisee's obligations under this paragraph. Any misrepresentation by Franchisee under this paragraph or any violation of the Anti-Terrorism Laws by Franchisee, its Affiliates, Principals, or employees, will constitute grounds for immediate termination of this agreement.

7.21 System Evaluations. Franchisee shall participate in and fully comply with all customer satisfaction programs Franchisor may establish from time-to-time, including the requirements to advertise and make known and available to customers all such programs and to honor the terms of all such programs. Franchisee is subject to and may be required to participate in any evaluation of standards or quality that Franchisor may conduct or sanction for all TruBlue Franchises. Franchisee shall provide Franchisor and Franchisor's designees with access to Franchisee's Business Records, employees and independent contractors for this purpose.

7.22 Disclosure of Franchisee Information. Franchisee acknowledges that Franchisor may from time-to-time be required or find it necessary to disclose to third parties certain information about Franchisee and Franchisee's Principals, including contact information such as names, addresses and telephone numbers, and other information collected by Franchisor under this agreement. Franchisee hereby consents to Franchisor's collection, use, and disclosure of any information pertaining to the Franchised Business (including personally identifiable information of Franchisee and Franchisee's Principals) for Franchisor's reasonable business purposes and for any purpose described in Franchisor's Privacy policy (as may be amended from time-to-time), subject to the limitations of this paragraph. Without limiting the generality of the foregoing sentence, Franchisee hereby consents to (i) the collection, use and disclosure of any information about Franchisee and Franchisee's Principals (including personally identifiable information) to develop, modify and enhance the

Operating System, to conduct credit checks or other personal history investigations, to develop general franchisee profiles, to comply with applicable Franchise Laws, and to otherwise comply with any applicable law; (ii) the transfer of any information (including contact information) to any third party in order for Franchisor to fulfill its obligations under this agreement or attempt to obtain any benefit for Franchisor, Franchisee or the Network as a whole; and (iii) the release to Franchisee's landlord, lenders or prospective landlords or lenders, of any financial or operational information relating to Franchisee and/or the Franchised Business (without obligating Franchisor to do so). "Contact information" is any information about a person that can be used to uniquely identify, contact, or locate the person.

7.23 Notification of Legal Proceedings. Franchisee shall notify Franchisor in writing within three days after Franchisee's discovery of any action, suit or proceeding, or the issuance of any order, writ, injunction, award or decree of any court, agency or other governmental instrumentality, that may adversely affect the operation or financial condition of the Franchised Business or, if Franchisee is the subject thereof, that may adversely affect the goodwill or reputation of the Marks or the Network. Within five days after receipt by Franchisee, Franchisee shall provide Franchisor with a copy of any inspection report, warning, certificate, citation, or rating by any governmental agency relating to any employment, labor, health or safety law, rule, or regulation that reflects Franchisee's noncompliance or less than full compliance with any applicable law, rule or regulation, or Franchisee's failure to meet and maintain the highest applicable rating.

7.24 Operational Inspections by Franchisor. To ensure high quality standards and consistency within the Network, and to ensure that Franchisee is complying with this agreement and the System Standards, Franchisor or Franchisor's agents have the right, but not the obligation, at any time during business hours and without prior notice to Franchisee, to: (1) inspect the Premises, equipment, furniture, fixtures, displays, signs, operating materials, inventory and supplies; (2) observe the operations of the Franchised Business for such consecutive or intermittent periods as Franchisor deems necessary; (3) take photographs or video recordings of the Premises; (4) interview Franchisee's personnel; (5) interview Franchisee's customers; (6) conduct written or telephonic client surveys; and (7) inspect and copy any books, records and documents relating to the operation of the Franchised Business, including employment contracts, nondisclosure and noncompetition agreements, leases, and material and information generated by or contained in the Communication and Information System. Franchisee consents to the recording by Franchisor of any telephone conversations between Franchisor and Franchisee or its representatives. Franchisee shall cooperate fully with Franchisor in connection with these inspections, observations, surveys and interviews. Franchisee shall present its customers with any evaluation forms Franchisor may periodically prescribe and ask them to participate in any surveys performed by Franchisor on Franchisee's behalf. If Franchisee for any reason cancels a visit that was scheduled by agreement with Franchisee, then Franchisee shall reimburse Franchisor for all costs and expenses incurred by Franchisor in connection with the field visit or its cancellation.

7.25 Covenants of Employees and Agents. Franchisee shall require each of its management employees (except those individuals required to execute a Nondisclosure and Noncompetition Agreement pursuant to section 15.9), at the time of the commencement of their association with Franchisee, to execute an "Employment Agreement" containing provisions:

(a) requiring that all Confidential Information (as defined in section 10.1) that may be acquired by or imparted to the person in connection with their association with Franchisee (including the Manual, any proprietary software provided by Franchisor, and all information contained therein) be held in strict confidence and used solely for the benefit of Franchisee or Franchisor during their association with Franchisee and at all times thereafter;

(b) prohibiting the person, during their association with Franchisee, from diverting or attempting to divert any business or customer of the Franchised Business or of any other TruBlue Franchisee to any Competitive Business (as defined in section 19.8), by direct or indirect inducement or otherwise;

(c) prohibiting the person, during their association with Franchisee, from doing or performing, directly or indirectly, any act injurious or prejudicial to the goodwill associated with the Marks and the System; and

(d) prohibiting the person, during their association with Franchisee and for a continuous period of one year (or the maximum period permitted or enforced by the laws of the state in which the Franchised Business is located, if such period is less than one year, but in no event less than six months) after the termination of their association with Franchisee, from operating, owning, maintaining, promoting, engaging in, or performing services for (as an employee or otherwise) a Competitive Business.

Franchisee shall provide Franchisor with executed copies of all Employment Agreements required by this section. Franchisee may not grant any person enumerated above access to any confidential aspect of the System or the Franchised Business before their execution of an Employment Agreement. All Employment Agreements required by this section must be in a form satisfactory to Franchisor and must specifically identify Franchisor as a third-party beneficiary with the independent right to enforce the agreement. Franchisee's failure to obtain the execution of all Employment Agreements required by this section and provide copies thereof to Franchisor is a material breach of this agreement.

7.26 Promotion of Franchised Business. Franchisee shall use its best efforts to diligently promote the Franchised Business and maximize its Gross Revenues, and shall expend all reasonable efforts to develop and maintain substantial interest in the Franchised Business. All such efforts must be in compliance with all applicable laws. Franchisee shall at all times faithfully, honestly, and diligently perform its obligations under this agreement and shall not engage in any business or other activities that will conflict with its obligations under this agreement.

7.27 Attendance at Franchisee Meetings and Conferences. Franchisor may, but is not obligated to, hold national and/or regional meetings and conferences with Franchisor's personnel and franchisees at locations designated by Franchisor, to provide additional training, exchange sales, operating and marketing ideas and methods, introduce new software, marketing programs, or promotional items, and for any other purpose determined by Franchisor. Franchisor has the right to charge Franchisee a reasonable fee for and/or require the Designated Individual to attend any meetings or conferences. As of the Effective Date of this agreement, the Designated Individual is required to attend national conferences. Franchisor has the right to charge Franchisee a "no show" fee if Franchisee fails to attend a required meeting or conference, to reimburse Franchisor for Franchisee's pro-rata portion of the total cost to plan, organize, and hold the meeting or conference. Nothing in this agreement is to be construed to require Franchisor to hold, provide, sponsor, host, or organize any such meetings.

7.28 Data Protection.

(a) In this section 7.28, "process" and/or "processing" in relation to any data means collecting, obtaining, recording or holding the data or carrying out any operation or set of operations on the data including:

1) organization, adaptation or alteration;

(2) retrieval, consultation or use;

(3) disclosure by transmission, dissemination or otherwise making available; or

(4) alignment, combination, blocking, erasure or destruction.

(b) Franchisee shall process any that may be collected or acquired by Franchisee, whether from clients, employees or other sources ("Franchise Data") strictly in accordance with data protection laws that may apply from time to time during the course of this agreement and, in particular:

(1) only insofar as is necessary for the purpose of performing its obligations under this agreement;

(2) in accordance with Franchisor's instructions except where to do so would infringe data protection laws or any other statutory provision that prevents Franchisee from complying with such instructions;

(3) before processing any data, inform the person to whom the data relates of (i) the purpose(s) for which any processing is to be carried out, (ii) the availability of the option to remove their personal information, and (iii) the address, telephone number and identification of Franchisee in compliance with applicable laws;

(4) obtain the approval and authorization of the person to whom the data relates for handling of their personal data;

(5) not disclose the Franchise Data to or allow access to it other than by its or Franchisor's employees and/or any third parties engaged by Franchisee to perform the obligations imposed on Franchisee by this agreement and ensure that any such employees and/or third parties execute appropriate written contractual covenants concerning the protection of the Franchise Data from unauthorized access, use or disclosure;

(6) without prejudice to any other obligations imposed upon Franchisee by this agreement, use all reasonable efforts to assist Franchisor to comply with such obligations as are imposed on the Franchisor by Data Protection Laws.

(c) Franchisor shall provide such co-operation as is reasonably required to enable Franchisee to ensure compliance with its obligations under data protection laws, including entering into such additional agreements as may be required to ensure that there are adequate safeguards for the Franchise Data and that the transfer of Franchise Data to Franchisor complies with data protection laws.

(d) Insofar as Franchisee acts as a data processor and processes any Franchise Data on its own and/or Franchisor's behalf, Franchisee shall comply with the obligations placed on a data controller by data protection laws.

(e) Without prejudice to any of Franchisee's other obligations under this agreement, Franchisor has the right to notify Franchisee from time to time of any consent (the "Consents") that Franchisor requires Franchisee to obtain from its clients or prospective clients (or other data subject) in relation to any processing of Franchise Data to be undertaken either by Franchisee or Franchisor and the manner in which the Consents are to be detailed.

(f) In order to comply with data protection laws, Franchisor may notify Franchisee from time to time of a nominated third party within who will be authorized to receive and process the Franchise Data on

Franchisor's behalf. The possibility of having Franchise Data processed by a third party must also be disclosed to the person to whom the data relates.

(g) Except where the express consent of a data subject has been obtained to the processing of personal data, Franchisee shall process only such personal data as may lawfully be processed under data protection laws in the absence of such consent.

(h) Franchisee shall indemnify Franchisor against all Claims made or brought by any person (i) arising out of or alleging any failure to comply with any provision of data protection laws in relation to any Franchise Data processed by Franchisee or Franchisee's employees or agents, whether on Franchisee's behalf or as Franchisor's agent, or (ii) arising out of Franchisor's failure or alleged failure to comply with any provision of data protection laws in relation to any Franchise Data processed by Franchisor or Franchisor's employees or agents, if such failure arises as a result of Franchisee's failure to obtain Consents or otherwise comply with Franchisee's obligations under this agreement and/or data protection laws.

(i) Franchisee consents to Franchisor's use of data relating to Franchisee and/or its business, and Franchisee shall do all such things as Franchisor may require and will use (and demonstrate to Franchisor that it has used) its best efforts to obtain, and enable Franchisor to process, data relating to Franchisee's clients including (but not limited to) Franchise Data, and Franchisee agrees that Franchisor may use and process all such data as is referred to in this section 7.28 for its own business purposes, including but not limited to marketing, monitoring the growth and performance of the Franchised Business and compliance with Franchisee's obligations, comparing such data to that of other Franchisees, advising Franchisee and other Franchisees on improving their performance and business operations, and to make all such data available to third parties selected by Franchisor, including but not limited to its affiliates.

(j) Franchisee shall comply with Franchisor's standards and policies pertaining to data processing and the privacy of information about clients or other individuals. If there is a conflict between data protection laws and Franchisor's privacy standards and policies, Franchisee shall: (i) comply with the requirements of Data Protection Laws; (ii) immediately provide Franchisor with written notice of the conflict; and (iii) promptly and fully cooperate with Franchisor's counsel as Franchisor determines the most effective way, if any, to reconcile Franchisor's privacy standards and policies with data protection laws. Except for Franchisor's obligations under this section 7.28, Franchisee is solely responsible for identifying, interpreting and complying with data protection laws. Franchisee shall neither publish nor implement a privacy policy without Franchisor's prior written approval of the policy.

## ARTICLE 8

## PROPRIETARY MARKS

8.1 Use by Franchisee. Franchisee's right to use the Marks as granted in Article 1 is limited to their use in connection with the operation of the Franchised Business within the Territory and as otherwise described in this agreement and or in the Operations Manual or as may be prescribed in writing by Franchisor from time-to-time. Franchisee shall operate the Franchised Business under the trade name TRUBLUE and TRUBLUE HOME ALLY along with any geographic appellation that Franchisor may designate. Franchisee shall not use any other fictitious name, trade name, geographic appellation, or assumed name in connection with the Franchised Business without Franchisor's prior written consent. Franchisor may discontinue the use of any Mark or adopt any new Mark for use by Franchisee at any time in its sole discretion.

8.2 Exclusive Property of Franchisor. Franchisee acknowledges Franchisor's right, title and interest in and to the Marks, along with the identification, schemes, standards, specifications, operating procedures, and other concepts embodied in the Operating System. Franchisee is a "related company" within the meaning of 15 U.S.C. § 1127 and Franchisee's use of the Marks pursuant to this agreement inures solely to the benefit of Franchisor. Except as expressly provided by this agreement, Franchisee shall acquire no right, title or interest therein, and any and all goodwill associated with the system and the Marks shall inure exclusively to Franchisor's benefit. Upon the expiration or termination of this agreement, no monetary amount shall be assigned as attributable to any goodwill associated with Franchisee's use of the Operating System or the Marks.

8.3 Infringement by Franchisee. Franchisee acknowledges that its use of the Marks outside the scope of this agreement or after a Transfer or the expiration or termination of this agreement for any reason without Franchisor's prior written consent is an infringement of Franchisor's rights, title and interest in and to the Marks. Franchisee expressly covenants that during the Term and after a Transfer or the expiration or termination of this agreement, Franchisee shall not directly or indirectly commit an act of infringement or contest or aid in contesting the validity or ownership of the Marks or take any other action in derogation thereof.

8.4 Infringement by Others. Franchisee shall promptly notify Franchisor of any use of the Marks, any other trademark, logo, or trade name in which Franchisor has or claims a proprietary interest, or any variation thereof, by anyone other than Franchisor, its representatives or agents, or other TruBlue Franchisees. Franchisee shall notify Franchisor promptly of any litigation instituted by anyone against Franchisor or Franchisee involving the Marks. If Franchisor, in its Business Judgment, undertakes the defense, prosecution, or settlement of any litigation relating to the Marks, Franchisee shall execute all documents and render all assistance reasonably necessary to carry out such defense, prosecution or settlement. Franchisee acknowledges that the nature of trademark law makes it impossible for Franchisor to guarantee or warrant the exclusivity of Franchisor's right to use any of the Marks, and that nothing in this agreement or in any other document or promotional material provided by Franchisor to Franchisee or to any other party shall be construed to guarantee, warrant, or imply that Franchisor's right to use any of the Marks is exclusive or superior to the rights of any other party. Franchisee shall, upon demand by Franchisor, discontinue its use of any Mark(s) and adopt, at Franchisee's sole cost and expense, any Mark(s), if any, selected by Franchisor to replace any discontinued Mark(s), and Franchisor shall have no liability therefor to Franchisee.

8.5 Improper Use. Franchisee shall not use any of the Marks, or any derivative or colorable variation thereof: (i) as part of the name of a Business Organization; (ii) on or as part of any uniform resource locator ("URL"), domain name, or email address; (iii) with any prefix, suffix, or other modifying words, terms, designs or symbols (including "Inc." and "Company"); or (iv) in any modified form. Franchisee shall not register any of the Marks, or any derivative or colorable variation thereof, as a trademark or Internet domain name, or hold out or otherwise employ the Marks to perform any activity or to incur any obligation or indebtedness in a manner that make Franchisor liable therefor or that may harm, tarnish, or impair the reputation of or goodwill associated with the Marks, the Network, or Franchisor. Franchisee shall not use any of the Marks in any advertising except with Franchisor's prior approval in accordance with the provisions of section 11.6. If Franchisor provides Franchisee with any contracts, agreements, forms, or other documents that contain any of the Marks, Franchisee shall not alter or modify such contracts, agreements, forms, or documents without Franchisor's prior written consent.

8.6 Non-exclusive Use. Franchisee expressly acknowledges and agrees that this license to use the Marks is non-exclusive and, subject to the restrictions of section 1.4, Franchisor reserves all rights not expressly granted to Franchisee in this agreement, including those described in section 1.9.

8.7 Use by Others. Franchisee shall not permit any third party to imprint the Marks on any products, materials, documents or supplies used in connection with the operation of the Franchised Business without first obtaining Franchisor's consent and causing the person to execute a license agreement as specifically provided in section 6.4.

8.8 Improvements Developed by Franchisee. If Franchisee or any of its Principals, Affiliates, directors, officers, or employees conceives, develops, or acquires any improvements or additions to the Operating System or the services or products offered by or the method of operation of a TruBlue Franchise, or any advertising or promotion ideas related to a TruBlue Franchise or the Franchised Business (collectively, "Improvements"), Franchisee shall, in each instance, promptly and fully disclose the Improvement to Franchisor without disclosure of the Improvement to others, and obtain Franchisor's written approval before using the Improvement. Any Improvement may be used by Franchisor and TruBlue Franchisees without any obligation to Franchisee or its Principals, Affiliates, directors, officers, or employees for royalties, licensing fees, or other compensation. Franchisee shall assign to Franchisor or Franchisor's designee(s), without charge, all rights, including the right to grant sublicenses, to all Improvements. If for any reason Franchisee and not Franchisor is deemed to own any right to an Improvement, then this agreement will operate as an agreement to irrevocably transfer and assign all rights in and to the Improvement. Franchisee shall take no steps to appropriate any Improvement for itself. Franchisee shall, at Franchisor's request, execute all assignments, certificates or other instruments (and, if necessary, require its Principals, Affiliates, directors, officers, employees and independent contractors to execute such documents as well) as Franchisor may from time-to-time deem necessary or desirable to evidence, establish, maintain, perfect, protect, enforce or defend Franchisor's rights, title or interest in or to any Improvement or to otherwise carry out the provisions of this paragraph. In return, Franchisor shall authorize Franchisee to use any Improvement developed by Franchisor or another TruBlue Franchisee that Franchisor makes part of the Operating System. As used in this paragraph, the term "Improvements" includes intellectual property and all advertising, marketing, promotional, public relations or sales concepts, plans, programs, techniques, activities, materials, or Websites proposed or developed by Franchisee for the Franchised Business, whether or not they bear the Marks.

## ARTICLE 9

## OPERATIONS MANUAL

9.1 Business Operations. In order to protect the reputation and goodwill of Franchisor and to maintain uniform standards of operation under the Marks, Franchisee shall conduct its operations under this agreement in accordance with Franchisor's Operations Manual (as it may be amended or modified from time-to-time).

9.2 Confidentiality. The Operations Manual will remain the sole property of Franchisor at all times; Franchisee acknowledges that it will receive the Operations Manual only on loan from Franchisor. Franchisee shall treat the Operations Manual and all information therein as confidential and proprietary, and shall use all reasonable efforts to maintain such information as secret and confidential. Franchisee shall also ensure that its employees treat the Operations Manual and all information contained therein as confidential and proprietary. Franchisee shall not at any time, without Franchisor's prior written consent, copy, duplicate, record, or otherwise make the same available to any unauthorized person.

9.3 Modification. Franchisor has the right to add to or otherwise modify the Operations Manual from time-to-time to reflect changes in any of the System Standards, so long as no addition or modification alters Franchisee's fundamental status and rights under this agreement. Changes to the Operations Manual do not require Franchisee's agreement or consent. Without limiting the generality of the foregoing sentence, Franchisor has the right, during the term of this agreement, to require Franchisee to make Enhancements

(defined in section 19.19) to the Communication and Information System at Franchisee's expense, and Franchisee shall acquire (or acquire the right to use for the remainder of the Initial Term), within 120 days after receipt of written notice from Franchisor, the Enhancement specified by Franchisor and shall take all actions necessary to enable it to operate as specified by Franchisor. Any Enhancement may require Franchisee to purchase, lease, and/or license new or modified computer hardware and/or software or other equipment and to obtain different and/or additional service and support services during the Term. Franchisee acknowledges that Franchisor cannot estimate the costs of future maintenance or Enhancements to the Communication and Information System or other aspects of the Franchised Business, and that any maintenance or Enhancement required by Franchisor may involve additional investment by Franchisee during the Term. Franchisee shall at all times insure that its copy of the Operations Manual is kept secure, current, and up-to-date, and in the event of any dispute as to the contents of the Operations Manual, the terms of the master copy of the Operations Manual maintained by Franchisor at Franchisor's home office will be controlling. Upon Franchisor's request, Franchisee shall cooperate in the efficient return of all Operations Manuals that have been identified by Franchisor as obsolete.

## ARTICLE 10

## CONFIDENTIAL INFORMATION

10.1 Definition. "Confidential Information" means any confidential or proprietary information or trade secrets relating to Franchisor, the Operating System, the Franchised Business, or other TruBlue Franchises, and includes the following overlapping categories of information: (a) the business methods, techniques, specifications, standards, procedures and formats of the Operating System; (b) Franchisor's policies, procedures, information, concepts, systems and knowledge of and experience in franchise development and operation, including the information comprising the Operating System; (c) marketing programs for TruBlue Franchises; (d) the Communication and Information System, each component thereof (including all aspects—including code, functions, menus, and screen views—of any proprietary software developed or owned by Franchisor or any Affiliate of Franchisor), and all future Enhancements thereto; (e) the financial condition, results of operations, and other financial information about Franchisor, Franchisee, the Franchised Business, and/or other TruBlue Franchisees; and (f) all information about all past, present and prospective customers and suppliers of the Franchised Business or of any other TruBlue Franchise, including contact, statistical, financial, and personally identifiable information, and all lists. Franchisee may acquire Confidential Information from Franchisor through the Operations Manual, through training, guidance and assistance provided by Franchisor, through the operation of the Franchised Business, or from other TruBlue Franchisees. Confidential Information is not intended to include any information that is or subsequently becomes publicly available other than by the breach of a legal obligation; was known to Franchisee before becoming a TruBlue Franchisee; or became known to Franchisee independently of Franchisee's relationship with Franchisor and other than through Franchisee's breach of a legal obligation.

10.2 Ownership of Confidential Information. Franchisee acknowledges and agrees that only Franchisor has the right to own and control (i) all domain names and uniform resource locators ("URLs") containing any of the Marks (or any derivative or colorable variation thereof) or relating to any TruBlue Franchise (including the Franchised Business), and (ii) all Confidential Information (which may include trade secrets belonging to Franchisor). Franchisee's only interest in any Confidential Information or proprietary information (even if not Confidential Information) is the right to use it pursuant to this agreement.

10.3 Use of Confidential Information. Franchisee's relationship with Franchisor does not give Franchisee the right to use Confidential Information for any purpose other than the development and operation of the Franchised Business in accordance with this agreement, and the use of Confidential Information in any other

business activity would constitute unfair competition. Franchisee shall: (a) not use Confidential Information in any other business or capacity; (b) maintain the absolute secrecy and confidentiality of the Confidential Information during and after the Term; (c) not make unauthorized copies of any portion of the Confidential Information; and (d) adopt and implement all reasonable procedures Franchisor prescribes from time-to-time to prevent unauthorized use or disclosure of or access to Confidential Information. Franchisee shall divulge the Confidential Information only to those employees and agents of Franchisee who must have access to it in order to operate the Franchised Business in accordance with this agreement or to provide professional services or advice to Franchisee. In connection therewith, Franchisee is fully responsible for ensuring that its employees and agents comply with this paragraph. The provisions of this paragraph will survive any Transfer or the expiration or termination of this agreement.

10.4 Remedies. Franchisee acknowledges that any failure to comply with section 10.3 will cause Franchisor irreparable injury, and Franchisee consents to the issuance of, and agrees to pay all court costs and reasonable attorneys' fees incurred by Franchisor in obtaining, specific performance of, or any injunction against a violation of, the requirements of section 10.3.

10.5 Preservation of Confidentiality. Franchisee shall require Franchisee's Principals, directors, officers, and management employees, at the time of the commencement of their association with Franchisee, to execute confidentiality agreements, in a form approved by Franchisor, requiring that all Confidential Information that may be acquired by or imparted to those persons in connection with their association with Franchisee be held in strict confidence and used solely for the benefit of Franchisee and Franchisor, at all times during their association with Franchisee and thereafter. Franchisee shall require each prospective purchaser of the Franchised Business, the license granted under this agreement, or any interest in Franchisee, before disclosing any Confidential Information to the person, to execute a confidentiality agreement in a form approved by Franchisor, requiring that all Confidential Information that may be disclosed will be held in strict confidence and used solely to evaluate the contemplated transaction. All confidentiality agreements described in this paragraph must include a specific identification of Franchisor as a third-party beneficiary with the independent right to enforce the agreement.

10.6 Rights to Material Developed by Franchisee. All instructional materials, concepts, plans, programs, activities and other materials proposed or developed by Franchisee for the provision of Authorized Products and Services must be approved by Franchisor, and may be used by Franchisor and other TruBlue Franchises without any compensation to Franchisee. All copyrights, trademarks and other proprietary rights in and to such materials that are proposed or developed by or on behalf of Franchisee will be the sole property of Franchisor without compensation to Franchisee, and Franchisee shall execute all documents (and, if necessary, require its independent contractors to execute all documents) reasonably necessary to give effect to this provision.

10.7 Customer List. Acting as Franchisor's agent and on its behalf, Franchisee shall prepare a Customer List (defined in section 19.11) containing all information that Franchisor may specify so that ownership of the Customer List and the information in it belongs to Franchisor. Franchisee will acquire no proprietary or ownership rights to its Customer List or to service any of its customers other than the rights specifically granted under this agreement. Franchisee is permitted to use the Customer List for the purposes of this agreement but for no other purpose. Without limiting the generality of the preceding sentence, Franchisee shall not disclose or transfer its Customer List to any person except to Franchisor or as part of a Transfer that complies with Article 12. The Customer List is considered Confidential Information and Franchisee shall treat it as such at all times. Franchisee shall provide Franchisor, not more frequently than monthly, with a current Customer List in the format and by the means specified by Franchisor from time-to-time. Upon the expiration or termination of this agreement for any reason, Franchisor may notify Franchisee's customers thereof and,

without compensation to Franchisee, authorize one or more other TruBlue Franchisees or any other person to provide Authorized Products and Services to Franchisee's former customers.

## ARTICLE 11

## ADVERTISING

11.1 National Branding Fund. Franchisor has the right, in its Business Judgment, to establish one or more National Branding Funds, whether regional, national and/or transnational, and to designate any geographical area as a region for establishing regional National Branding Funds. Franchisee shall contribute to the National Branding Fund as required by section 5.2. Franchisor shall maintain and administer each National Branding Fund as follows:

(a) The National Branding Fund is intended to maximize general public recognition and acceptance of the Marks for the benefit of all TruBlue Franchises in the Network or within a region, as the case may be. Franchisor is not obligated in administering the National Branding Fund to make expenditures for Franchisee that are equivalent or proportionate to Franchisee's contributions or to ensure that any particular TruBlue Franchisee benefits directly or pro rata from the placement of advertising.

(b) The National Branding Fund, all contributions to it and any earnings thereon, are to be used exclusively for Permitted Uses as described below. "Permitted Uses" means (i) the costs of maintaining, administering, researching, directing and preparing advertising or promotional activities (including the costs of preparing and conducting marketing campaigns in various media; advertising of any kind and in any medium; developing, hosting, updating and optimizing a Website as described in section 11.8(a); marketing surveys and other public relations activities; employing advertising, public relations and market research firms; product research and development; soliciting and developing Shared Referral Sources; and developing, providing and directing promotional and other marketing materials and programs for the TruBlue Network and TruBlue Franchises) and (ii) reasonable salaries, overhead and administrative, accounting, legal (including the defense of any Claims against Franchisor and/or Franchisor's designee regarding the management of the National Branding Fund) and other costs, if any, that Franchisor incurs in activities reasonably related to the administration, direction or function of the National Branding Fund (including the costs of enforcing the payment of National Branding Fees, the costs of preparing or auditing financial statements, and the salaries of graphic designers, marketing, public relations and other employees attributable to National Branding Fund functions).

(c) Franchisor shall, for each of its company-owned locations (if any), contribute to the National Branding Fund on the same basis as assessments required of comparable Franchisees in the Network.

(d) Franchisee shall contribute to the National Branding Fund by separate electronic funds transfer payable to TRUBLUE NATIONAL BRANDING FUND or such other designation as Franchisor may from time-to-time prescribe. All contributions to the National Branding Fund must be maintained in an account separate from the other moneys of Franchisor and, except for Permitted Uses, will not be used to pay defray any of Franchisor's expenses. The National Branding Fund and its earnings may not otherwise inure to the benefit of Franchisor.

(e) It is anticipated that all contributions to and earnings of the National Branding Fund will be spent for advertising and promotional purposes during the taxable year within which the contributions are made. But if excess amounts remain in the National Branding Fund at the end of a taxable year, all

expenditures in the following taxable year(s) will be made first out of accumulated earnings from previous years, next out of earnings in the current year, and finally from contributions.

(f) Franchisee agrees that Franchisor (and any designee of Franchisor) will have no direct or indirect liability or obligation to Franchisee, to the National Branding Fund, or otherwise with respect to the management, maintenance, direction, or administration of the National Branding Fund. Franchisee further agrees that Franchisor will not be liable for any act or omission, whether with respect to the National Branding Fund or otherwise, that is consistent with this agreement or other information provided to Franchisee, or that is done in subjective good faith. Franchisee and Franchisor, each having a mutual interest and agreeing on the critical practical business importance of their relationship being governed solely by written instruments signed by the parties to be bound (and not having either party subject to the uncertainty inherent in the application of legal or other concepts not expressly agreed to in writing by both parties), agree that their rights and obligations with respect to the National Branding Fund and all related matters are governed solely by this agreement and that neither this agreement nor the National Branding Fund are in the nature of a "trust," "fiduciary relationship" or similar special arrangement, but is only an ordinary commercial relationship between independent businesspersons for their independent economic benefit.

11.2 Separate Asset. The National Branding Fund is not and will not be an asset of Franchisor.

11.3 Termination of Fund. Although Franchisor intends the National Branding Fund to be of perpetual duration, Franchisor has the right to terminate any National Branding Fund. No National Branding Fund is to be terminated, however, until all moneys therein have been expended for advertising or promotional purposes or returned to contributors on the basis of their respective contributions during the one-year period immediately preceding the termination.

11.4 Advertising Materials. In addition to the requirements of section 11.1, Franchisee shall obtain and maintain an adequate supply of brochures, pamphlets and special promotional materials of such kind and size as Franchisor may reasonably require from time-to-time in the Operations Manual or otherwise in writing. Franchisee acknowledges that it shall be solely responsible for advertising and marketing the services offered by the Franchised Business.

11.5 Delegation of Franchisor's Duties. Franchisor has the right to delegate and redelegate its responsibilities and duties under this Article 11 to any designee(s) of its choosing, but the right of final approval of all advertising programs must be retained by Franchisor at all times.

11.6 Approval of Advertising. All advertising by Franchisee in any medium is to be conducted in a dignified manner, completely accurate and truthful, conform to such standards and requirements as Franchisor may specify from time-to-time in writing and to all applicable laws and regulations relating to consumer advertising, and give notice that the Franchised Business is independently owned and operated. All media advertising and direct mail undertaken by Franchisee must be predominantly focused on media distributed, or to prospective clients located, in the Territory. Franchisee shall submit to Franchisor, for Franchisor's prior approval (except with respect to prices to be charged), samples of all advertising and promotional plans and materials, including signs, and all other materials displaying the Marks that Franchisee desires to use and that have not been prepared or previously approved by Franchisor. Franchisee shall display the Marks in the manner prescribed by Franchisor on all signs and all other advertising and promotional materials used in connection with the Franchised Business. In this agreement, the word "advertising" includes all Electronic Distribution Channels (defined in section 19.17). In order to present a unified and consistent image to consumers, Franchisor has the sole and exclusive right, but not the obligation, to own and control all Electronic Distribution Channels relating to or bearing the Marks, the Operating System, the Network, or the Franchised Business, and to control

other advertising, marketing and promotional activities relating to the Marks, the Operating System, the Network, or the Franchised Business that are national or international in scope.

11.7 Reserved.

11.8 Website. Franchisee specifically acknowledges and agrees that a Website (defined in section 19.65) is considered "advertising" under this agreement and is subject to (among other things) Franchisor's approval in accordance with section 11.6. In connection with any Website, Franchisee agrees to the following:

(a) Franchisor has the right, but not the obligation, to establish and maintain a Website, which may promote the Marks, the Network, any or all of the Authorized Products and Services, TruBlue franchised or Franchisor- or Affiliate-owned locations, and/or the offer and sale of TruBlue Franchises. Franchisee shall use all Websites relating to the Franchised Business required by Franchisor. Franchisor shall have the sole right to control all aspects of the Website, including its design, content, functionality, links to the Websites of third parties, legal notices, and policies and terms of usage, and all the expenses thereof are Permitted Uses under section 11.1(b). Franchisor also has the right to discontinue the operation of the Website at any time in its Business Judgment.

(b) Franchisee shall not directly or indirectly establish, maintain, or operate a separate TruBlue Website without Franchisor's prior written consent. Any TruBlue Website established, maintained, or operated by Franchisee must contain a link to and from Franchisor's Website and Franchisor has the right to require modifications of the content, appearance and format of Franchise's TruBlue Website. The term "TruBlue Website" means a Website that displays any of the Marks or a significant amount of the content of which relates to the Franchised Business, Franchisor, the Network, the Operating System, or any business that offers or sells products or services that compete with any products or services offered by TruBlue franchises.

(c) Franchisee shall not, without Franchisor's prior written consent, establish or permit or aid any other person to establish any link to any Website or any other electronic or computer-generated advertising or communication arrangement that Franchisor may establish.

(d) Franchisor has the right, but not the obligation, to designate one or more landing page(s) to describe Franchisee, the Franchised Business, and/or Franchisee's location, with such landing page(s) to be located within Franchisor's Website, or to provide Franchisee with a separate TruBlue Website for such purposes. Franchisee shall comply with Franchisor's policies with respect to the creation, maintenance, and content of any such web pages, and Franchisor has the right to limit and/or discontinue the content and/or operation of such Website and landing pages.

(e) In order to maintain the goodwill in the Operating System and in the business of Franchisor and other TruBlue Franchises, Franchisor has the right to impose conditions and standards requirements on Franchisee's use of Electronic Distribution Channels, including any TruBlue Website maintained by Franchisee, including the following:

(i) Franchisor is to own all rights to all domain names containing any of the Marks or relating to the Franchised Business, any Authorized Products and Services, or any business that offers or sells products or services that compete with any products or services offered by TruBlue franchises. Franchisee shall not register in its own name any domain name containing any of the Marks or relating to the Franchised Business or any Authorized Products and Services.

(ii) In order to maintain the common identity of the Network and the high quality standards associated with the Operating System, Franchisee shall obtain Franchisor's prior written approval for any domain name and for the form and content of any TruBlue Website before Franchisee

uses it on the Internet. Unless Franchisor's prior written approval has been obtained, no element of the Marks or similar words may be used as part of the domain name or URL.

(iii) Any TruBlue Website established or maintained by Franchisee must contain a hyperlink to Franchisor's Website and all other hyperlinks to third-party Websites must be previously approved in writing by Franchisor.

(iv) Any modifications to a TruBlue Website established or maintained by Franchisee must first be approved in writing by Franchisor.

(v) Before establishing a TruBlue Website, Franchisee shall obtain appropriate legal advice regarding the content and to ensure that the Website complies with all relevant legislation and regulations.

(vi) Franchisee shall fully indemnify Franchisor against all Claims arising out of any Website established or maintained by Franchisee.

(vii) Franchisee shall comply fully with its terms and conditions of business over the Internet and shall ensure that such terms and conditions of business receive Franchisor's prior written approval.

(f) Franchisee shall not participate in or register with any Internet group, Website or similar medium which has as its aim (whether stated or not) or its effect the denigration of Franchisor or the Network.

(g) Franchisee shall not open an account or profile on a social media site relating to the Franchised Business or using any of the Marks without Franchisor's prior written consent, which may be given subject to conditions, which may include the grant to Franchisor of administrator rights, and subject to Franchisee's compliance with the provisions of the Operations Manuals relating to social media sites.

(h) Franchisee shall not, without Franchisor's prior written consent, redirect Internet traffic from another domain name or URL to any TruBlue Website established by Franchisee or any other Website containing any of the Marks or any content provided by Franchisor or relating to the Franchised Business.

(i) Franchisor makes no representations about any Web site that it may provide or make available to Franchisee, including, without limitation, the Web site's suitability, reliability, or availability. To the full extent permissible by applicable law, Franchisor disclaims all warranties and conditions with regard to the Web site, including all implied warranties and conditions of merchantability, fitness for a particular purpose, title, non-infringement, or warranties arising by course of dealing or custom of trade. Franchisor shall not be liable for any direct, indirect, compensatory, punitive, incidental, special, or consequential damages arising out of or related to the use or performance of any Web site.

(j) Franchisor shall have the right to modify the provisions of this section 11.8 as Franchisor shall solely determine is necessary or appropriate for the best interests of the Network.

11.9 Copyright to Advertising. Franchisee acknowledges and agrees that any and all copyrights in and to advertising and promotional materials developed by or on behalf of Franchisee shall be the sole property of Franchisor, and Franchisee agrees to execute such documents (and, if necessary, require its independent contractors to execute such documents) as may be deemed reasonably necessary by Franchisor to give effect to this provision. Any advertising, marketing, promotional, public relations, or sales concepts, plans, programs, activities, or materials proposed or developed by Franchisee for the Franchised Business or the Operating

System and approved by Franchisor may be used by Franchisor and other franchisees of Franchisor without any compensation to Franchisee.

11.10 Advertising Cooperative. Franchisor may, in its Business Judgment, designate any geographical area in which at least two TruBlue Franchises are located for the purpose of establishing a local or regional marketing and advertising cooperative ("Cooperative"). Franchisee shall take appropriate steps to establish and participate in a Cooperative if required to do so by Franchisor. If a Cooperative for the geographical area in which the Franchised Business is located has already been established when Franchisee opens the Franchised Business, then Franchisee shall immediately become a member of the Cooperative under the terms of its governing documents. If a Cooperative for the geographical area in which the Franchised Business is located is established during the Term, Franchisee shall immediately become a member of the Cooperative, and take all steps necessary to become a member. In no event shall Franchisee be required to be a member of more than one Cooperative for the Franchised Business established under this agreement. The following provisions apply to each Cooperative:

(a) Each Cooperative will be organized and governed in a form and manner prescribed or approved by Franchisor in writing, and will commence operations on a date specified by Franchisor. Any disputes arising between Franchisee and other TruBlue Franchisees in the Cooperative or the Cooperative, will be resolved in accordance with the rules and procedures in the Cooperative's governing documents.

(b) Each Cooperative will be organized for the exclusive purpose of administering local or regional advertising programs and developing, subject to Franchisor's approval, standardized promotional materials for use by the members in local advertising and promotion.

(c) No advertising or promotional plans or materials may be used by a Cooperative or furnished to its members without Franchisor's prior approval pursuant to the procedures in section 11.6.

(d) Each month that a Cooperative is in existence for Franchisee's geographical area, Franchisee shall contribute to the Cooperative an amount specified by Franchisor or the Cooperative (the "Cooperative Contribution"). Franchisee's Cooperative Contribution will not be credited towards the National Branding Fee required by section 5.2.

(e) The members of the Cooperative will determine the amount of the Cooperative Contribution in accordance with its governing documents, but the Cooperative Contribution may not exceed 3% of Franchisee's Gross Revenues unless the members of the Cooperative, by a majority vote conducted in accordance with its rules, bylaws, or other governing documents, agree to a Cooperative Contribution in excess thereof. Franchisee shall pay its Cooperative Contribution, together with any statements or reports that Franchisor or the Cooperative (with Franchisor's prior written approval) may require, on a date each month determined by the Cooperative, but no later than the tenth day of each month.

(f) For each TruBlue Franchise operated by Franchisor or an Affiliate of Franchisor in a geographical area for which a Cooperative has been established, Franchisor shall make a Cooperative Contribution on the same basis as assessments required of comparable franchisees that are members of the same Cooperative.

(g) Cooperatives established by Franchisor are intended to be of perpetual duration. However, Franchisor maintains the right to terminate any Cooperative. Franchisor shall use any unexpended monies from the terminated Cooperative only for Permitted Uses as defined in section 11.1(b).

11.11 Local Advertising.

(a) Minimum Local Advertising. Franchisee shall spend, each month, the greater of 2% of its Gross Revenues from the prior month or $2,500.00 (the "Minimum Local Advertising Amount") on Local Advertising (as defined in paragraph 2 below). Local Advertising expenditures must be made directly by Franchisee. At Franchisor's request, Franchisee shall furnish Franchisor with an itemized report of Franchisee's Local Advertising expenditures for each month. Franchisee's failure to spend at least the Minimum Local Advertising Amount in a month will constitute a default of this Agreement. Franchisee will have the right to cure the default by paying to the National Branding Fund, within one month after notice from Franchisor, the difference between the Minimum Local Advertising Amount for the relevant period(s) less Franchisee's actual Local Advertising expenditures for the same period(s).

(b) "Local Advertising" means advertising, promotion, and public relations within the Territory, and consists only of direct costs to purchase marketing materials, promotion, out-of-pocket expenses for the cost of advertising and sales promotion (including media placement charges, advertising agency fees and expenses, search engine optimization expenses, the salary of a single sales person, and cash payments), and such other activities and expenses as Franchisor in its discretion may specify. Franchisor may specify the types of advertising and promotional activities and costs that do not qualify as Local Advertising, including the face value of promotional coupons, cash donations, the cost of products or services donated or provided at a discount to charitable organizations, National Branding Fees, and employee salaries other than the salary of a single sales person.

## ARTICLE 12

## TRANSFERS

12.1 Transfer by Franchisor. Franchisor has the right to transfer or assign all or any part of its rights and/or obligations under this agreement to any person or legal entity, including a subfranchisor specifically responsible for assisting Franchisee. Franchisee shall execute any forms that Franchisor may reasonably request to effectuate any transfer or assignment by Franchisor.

12.2 Transfer by Franchisee.

(a) Franchisee understands and acknowledges that the rights and duties set forth in this agreement are personal to Franchisee, and that Franchisor has entered into this agreement in reliance upon Franchisee's business skills and financial capacity. Accordingly, no Transfer by Franchisee, its Principals and Remote Principals, or any immediate or remote successor to any part of Franchisee's interest in the Franchise granted under this agreement, is valid without Franchisor's prior written consent. Any purported or attempted Transfer, by operation of law or otherwise, without Franchisor's written consent is null and void and constitutes a material breach of this agreement, for which Franchisor may terminate this agreement without opportunity to cure. Franchisee may transfer only the entire Territory—no purported or attempted Transfer of Franchisee's right to operate the Franchised Business or use the Operating System or the Marks in less than the entire Territory will be valid.

(b) Except as provided in Article 12, Franchisor shall not unreasonably withhold its consent to a Transfer, but its consent will be subject to the satisfaction of all of the following conditions:

(1) All of Franchisee's accrued monetary obligations to Franchisor or any of its Affiliates and all other outstanding obligations related to the Franchised Business have been satisfied.

(2) The transferor's right to receive compensation pursuant to any agreement for the purchase of any interest in Franchisee or in Franchisee's TruBlue Franchise shall be subordinated and secondary to Franchisor's rights to receive any outstanding monetary obligations or other outstanding obligations due from transferor or Franchisee pursuant to this agreement, whether arising before or after the Transfer.

(3) Franchisee shall have executed a General Release effective as of the effective date of the Transfer.

(4) The transferee shall enter into a written assumption, in a form satisfactory to Franchisor, assuming and agreeing to discharge all of Franchisee's obligations under this agreement after the date of the assumption.

(5) The transferee shall demonstrate to Franchisor's satisfaction that it meets Franchisor's educational, managerial and business standards; possesses a good moral character, business reputation, and credit rating; has the aptitude and ability to conduct the Franchised Business (as may be evidenced by prior related business experience or otherwise), and has adequate financial resources and capital to operate the business.

(6) The transferee shall execute Franchisor's then current form of Franchise Agreement and such other ancillary agreements as Franchisor may require.

(7) At the transferee's expense, and upon such other terms and conditions as Franchisor may reasonably require, the transferee or its manager shall complete the training course then in effect for franchisees.

(8) Any right of Franchisee to any payments from the transferee resulting from the Transfer shall be subordinate to any claim or right of Franchisor against the transferee subsequent to the effective date of the Transfer, and Franchisee and the transferee shall execute any and all instruments reasonably required by Franchisor to evidence such liability.

(9) Either Franchisee or the transferee must pay Franchisor the Transfer Fee (defined in section 19.61) plus Franchisor's actual expenses to cover Franchisor's administrative, legal, and other expenses in connection with the Transfer. No Transfer Fee will be required if the transferee is: (i) a spouse, domestic partner, parent or direct lineal descendant or sibling of Franchisee or one of its Principals; (ii) a Principal of Franchisee; or (iii) a Limited Liability Entity formed in full compliance with section 7.12(b). For purposes of clause (iii) of this subparagraph (9), all transfers of an Ownership Interest in a Business Organization Franchisee that occurred since the date the Business Organization first became a franchisee are to be aggregated to determine the ownership percentage being transferred. If the Transferee Franchisee was already in Franchisor's lead database at the time of first contact between Franchisee and the Transferee Franchisee, then Franchisor may require Franchisee to pay a lead referral fee of $10,000.

(10) Franchisee and transferee must acknowledge in writing that Franchisor was not involved in the negotiation of the Transfer, does not guarantee the accuracy of any information provided by

Franchisee to transferee, and makes no representations regarding the transferee's likelihood of success in operating the franchise.

(11) Franchisee shall comply with the requirements of section 10.5 relating to the disclosure of confidential information to a prospective transferee.

(12) Franchisee shall comply with all laws that apply to the Transfer, including laws governing the offer and sale of franchises. Franchisee shall indemnify and defend Franchisor and its agents against and hold them harmless from any and all claims arising directly or indirectly from any alleged failure on Franchisee's part to comply with any Franchise Law or other law applicable to the Transfer.

(13) The transferee, at its own expense, must satisfy all applicable licensing requirements of the jurisdiction in which the Franchised Business is located.

(14) Franchisee shall transfer all clients and client contact information to transferee.

(15) In connection with any proposed Transfer, Franchisor has the right to communicate with any prospective transferee and to make available for inspection by any prospective transferee all or part of Franchisor's records relating to this agreement, the business operations, financial condition, contracts, and history of the Franchised Business under Franchisee's ownership, or the history of the relationship of the parties, without any liability to Franchisee or its Affiliates, directors, officers, employees, or agents. Franchisee hereby specifically consents to such disclosure by Franchisor and absolutely releases and agrees to hold Franchisor harmless from any and all claims arising directly or indirectly therefrom.

(c) Notwithstanding the provisions of section 12.2(b), neither Franchisee nor any Principal of Franchisee, nor any immediate or remote successor to any part of Franchisee's interest in the Franchised Business, shall pledge, mortgage, grant a security interest, or otherwise encumber any interest in this agreement, in the franchise granted hereunder, or in Franchisee (whether or not in connection with an absolute transfer of an interest in the Franchised Business). Franchisor shall not be obliged to consent to any such Transfer.

(d) Notwithstanding the provisions of section 12.2(b), Franchisor is not obligated to consent to any Transfer to a person that owns, operates, franchises, licenses, develops, consults with, manages, is involved in or employed by, or controls a Competitive Business. If Franchisor refuses to consent to a Transfer under this paragraph, the sole remedy of Franchisee will be to seek a declaratory judgment in a court of competent jurisdiction to determine whether the proposed transferee is a person that owns, operates, franchises, licenses, develops, consults with, manages, is involved in or employed by, or controls a Competitive Business.

(e) In connection with any proposed Transfer, Franchisor has the right to communicate with any prospective transferee and to make available for inspection by any prospective transferee all or any part of Franchisor's records relating to this agreement, the business operations, financial condition, contracts and history of the Franchised Business under Franchisee's ownership, or the history of the relationship of the parties, without any liability to Franchisee or its Affiliates, Principals, directors, officers, employees or agents. Franchisee hereby specifically consents to such disclosure by Franchisor and absolutely releases and agrees to hold Franchisor harmless from any Claim resulting therefrom.

12.3 Franchisor's Right of First Refusal. If Franchisee or its owners shall at any time decide to sell, transfer or assign any right or interest under this agreement and/or the franchise granted pursuant hereto, Franchisee or its owners shall first obtain a bona fide, executed, written offer from a responsible and fully disclosed purchaser and shall submit an exact copy thereof to Franchisor. For a period of one month after the date of delivery of such offer to Franchisor, Franchisor shall have the right, exercisable by written notice to Franchisee or any of its owners, to purchase such rights or interests for the price and on the terms and conditions contained in such offer, provided that Franchisor may substitute equivalent cash for any form of payment proposed in such offer. Any purchase by Franchisor must be completed within two months after Franchisee's receipt of Franchisor's written notice of its intent to purchase. If Franchisor does not exercise its right of first refusal, Franchisee or its owners may complete the sale of such interest to the bona fide purchaser, subject to Franchisor's approval of the purchaser as provided in section 12.2; provided, however, that if the sale to such purchaser is not completed within four months after the delivery of the offer to Franchisor, Franchisor shall again have the right of first refusal herein provided.

12.4 Right of Franchisee's Heirs Upon Death, Disability or Dissolution of Franchisee. A Transfer to the heirs, surviving spouse, conservators, or personal or other legal representative of Franchisee or a Principal of Franchisee (collectively, "Involuntary Transferees") upon the death, dissolution or legal disability of Franchisee or its Principal, shall not be subject to Franchisor's right of first refusal under section 12.3 or right to terminate for failure to obtain written approval under section 12.2(a), so long as the Involuntary Transferees (i) satisfy Franchisor that they are qualified to act as a Franchisee pursuant to section 12.2(b)(5) or retain an individual or entity to operate and manage the Franchised Business who is so qualified and who is approved in writing by Franchisor, and (ii) perform all other applicable acts required under section 12.2. The Transfer must be made within 180 days after the death, disability, or dissolution of Franchisee or its Principal, as the case may be. Any subsequent Transfer by any Involuntary Transferee will be subject to Franchisor's right of written approval under section 12.2 and to Franchisor's right of first refusal under section 12.3. The Transfer Fee will not be assessed in connection with a Transfer to an Involuntary Transferee under this paragraph, but Franchisor must be reimbursed for the actual legal expenses it incurs to approve and complete the Transfer.

## ARTICLE 13

## TERMINATION

13.1 Events Allowing Termination. Franchisor may terminate this agreement, without refund of any moneys paid by Franchisee, if the Designated Individual (or Franchisee if Franchisee is an individual at the time) fails to commence the Pre-Opening Training within three months after the Effective Date or fails to complete the Pre-Opening Training to Franchisor's satisfaction. The occurrence of any one or more of the following events shall constitute a default by Franchisee under this agreement, for which Franchisor may elect to terminate this agreement, subject to the notice provisions of section 13.2, without prejudice to any other legal or equitable rights or remedies Franchisor may have:

(a) Franchisee fails to pay when due any sum required to be paid by Franchisee under this agreement or any other agreement or instrument to which Franchisor and Franchisee are parties, or pursuant to any invoice for goods or services purchased by Franchisee from Franchisor, an approved vendor, the Branding Fund, or any affiliate of Franchisor;

(b) Franchisee fails to furnish when due any report required by this agreement;

(c) Franchisee fails to operate the Franchised Business in compliance with the terms of this agreement, the Operations Manual or the System Standards;

(d) Franchisee fails to perform or breaches any provision of this agreement or any other agreement or instrument to which Franchisee is a party;

(e) Franchisee understates its Gross Revenues in any report submitted to Franchisor;

(f) Franchisee promotes, sells or provides for compensation any Authorized Products and Services, or otherwise promotes or operates the Franchised Business, within a franchise territory licensed to another TruBlue Franchise (except as may be expressly permitted by this agreement or the Operations Manual), or otherwise infringes upon rights granted under franchise agreements with other TruBlue Franchisees;

(g) Franchisee fails to open the Franchised Business within three months after the Designated Individual (or Franchisee if Franchisee is an individual at the time) completes the Pre-Opening Training or, after opening, fails to maintain the Franchised Business in continuous operation, fails to devote his/her/its full time, energy, and best efforts to the management and operation of the franchised business, or abandons the franchised business;

(h) Franchisee is declared bankrupt or insolvent or Franchisee is the debtor in a voluntary or involuntary bankruptcy proceeding under the U.S. Bankruptcy Code (this provision may not be enforceable under federal bankruptcy law);

(i) A receiver is appointed for Franchisee or for any part of its property, or Franchisee makes an assignment for the benefit of its creditors, if not dismissed within fifteen days;

(j) Franchisee abandons or terminates the Franchised Business;

(k) Franchisee fails, for a period of ten days after receipt of notification of noncompliance, to comply with any law or regulation applicable to the operation of the Franchised Business;

(l) Any Transfer or attempted Transfer that fails to comply with the provisions of Article 12;

(m) Franchisee knowingly maintains false books or records, or knowingly submits any false report (including information provided as part of Franchisee's application for this Franchise) to Franchisor;

(n) The Franchised Business or Premises are seized, taken over or foreclosed by a government official in the exercise of his duties, or seized, taken over or foreclosed by a creditor, lien holder or lessor, provided that a final judgment against the Franchisee remains unsatisfied for one month (unless a supersedeas or other appeal bond has been filed); or a levy of execution has been made upon the license granted by this agreement or upon any property used in the Franchised Business that is not discharged within five days of such levy;

(o) Any conduct or activity by Franchisee, or any Principal, director, or officer of Franchisee, that Franchisor believes may harm, tarnish, impair or reflect unfavorably upon the reputation, name, services or operation of the Franchised Business, Franchisor, the Operating System, the Marks, the Network, or the goodwill associated therewith, including any criminal misconduct of Franchisee, or any Principal, director, or officer of Franchisee;

(p) Franchisee knowingly understates its Gross Revenues in any report submitted to Franchisor;

(q) Franchisee fails to obtain and maintain in effect the general liability insurance required by Franchisor;

(r) Franchisee knowingly promotes, sells, or provides for compensation any Authorized Products and Services, or otherwise promotes or operates the Franchised Business, within a franchise territory licensed to another TruBlue Franchise (except as may be expressly permitted by this agreement or the Operations Manual), or otherwise knowingly infringes upon rights granted under franchise agreements with other TruBlue Franchisees;

(s) Franchisor makes a reasonable determination that the continued operation of the Franchised Business by Franchisee will result in immediate danger to public health or safety;

(t) Franchisee employs any person or fails to discharge any employee that Franchisee knows or has reason to know has engaged in, been convicted of, or pled guilty or nolo contendere to any felony, fraud, elder abuse, or any crime involving moral turpitude;

(u) Franchisee continues an unauthorized use of any of the Marks for more than three days after Franchisee receives a notice to cease from Franchisor;

(v) Franchisee knowingly and without authorization discloses the Operations Manual to a third-party; or

(w) Franchisee fails to maintain any license required by law to offer, provide, or sell any Authorized Products and Services or to operate the Franchised Business.

13.2 Notice; Termination and Remedies.

(a) If Franchisee fails to cure any default within thirty days after its receipt of a written notice of breach from Franchisor, Franchisor may terminate this Agreement, except that no written notice of default or opportunity to cure shall be required in the case of a default described in subsections 13.1(g) through (w) above. If Franchisee defaults on this Agreement two separate times, for each of which Franchisee was given notice and an opportunity to cure, then Franchisor may terminate this Agreement upon any subsequent default without providing notice or opportunity to cure. Termination of this Agreement shall, at Franchisor's option, be effective automatically upon the expiration of the time period specified above (or such longer period as may be required by applicable law) if Franchisee fails to cure the default within such period, or, if no notice of default is required, immediately upon Franchisee's receipt of a written notice of termination.

(b) If Franchisee fails to cure any default within thirty days after its receipt of a written notice of breach from Franchisor, then the exclusivity of the Franchise Territory granted by Section 1.3 shall be automatically suspended without further notice until the breach has been cured or this Agreement has been terminated.

13.3 Suspension of Franchise Right During Default. In addition to and without limiting any other remedies provided in this Agreement, if Franchisor at any time has the right to terminate this Agreement, then Franchisor, in its sole and unfettered discretion, also has the right to suspend Franchisee's non-exclusive license to use the Marks and the System granted by section 1.1 until any and all breaches of this Agreement have been cured.

13.4 Franchisor's Step-in Rights. In addition to and without limiting any other remedies provided in this agreement, at law or in equity, upon Franchisee's failure to cure any default within the applicable cure period (if any), Franchisor has the right, but not the obligation, to enter upon the Franchise Premises and exercise (or designate anyone else to exercise) complete authority with respect to the operation and administration of the

Franchised Business until Franchisor determines that the default has been cured and that Franchisee is otherwise in compliance with this agreement. If Franchisor exercises such right, Franchisee shall pay Franchisor a management fee of $500 per day and reimburse Franchisor for all reasonable expenses incurred by Franchisor in connection with operating the Franchised Business, including the costs of personnel for supervising and staffing the Franchised Business and their travel, food and lodging expenses. All fees and expenses are payable through the EDT Account within ten days after invoice by Franchisor. If Franchisor operates the Franchised Business pursuant to this paragraph, Franchisee shall indemnify and defend Franchisor and its agents against and hold each of them harmless from all Claims that may arise out of Franchisor's (or its designee's) operation of the Franchised Business (except Claims arising solely from the gross negligence or willful misconduct of Franchisor's employees).

13.5 Liquidated Damages.

(a) If Franchisor terminates this agreement before the Expiration Date due to a default by Franchisee (including its abandonment of the Franchised Business), or if Franchisee terminates this agreement before the Expiration Date (which will also constitute a default under this agreement), Franchisee shall pay Franchisor, within fifteen days after the effective date of the termination and in addition to the other amounts specified in Article 5 and section 14.1(j), liquidated damages equal to the average monthly Royalty and Branding Fee payable by Franchisee during the twelve months immediately preceding the effective date of the termination, multiplied by the number of months between the effective date of the termination and the Expiration Date.

(b) Franchisor and Franchisee acknowledge and agree that it would be impracticable to precisely determine the amount of damages Franchisor will incur as a result of this agreement's early termination. Some of those damages include loss of Royalties and Branding Fees, loss of goodwill, loss of representation in the market, consumer confusion, and expenses that Franchisor will incur to recruit, train and support a new franchisee for the market (collectively, "Brand Damages"). Franchisor and Franchisee acknowledge that Brand Damages are difficult to estimate accurately, and proof of Brand Damages would be burdensome and costly, although such damages are real and meaningful to Franchisor. Franchisor and Franchisee agree that this liquidated damages provision is a reasonable, good faith pre-estimate of those damages. Franchisee's payment of the liquidated damages to Franchisor will not be considered a penalty but, rather, a reasonable estimate of fair compensation to Franchisor for the Brand Damages it will incur because this agreement did not continue for the full length of the Initial Term due to Franchisee's default. Franchisee acknowledges that its payment of liquidated damages is full compensation to Franchisor only for the Brand Damages resulting from the early termination of this agreement and is in addition to, and not in lieu of, Franchisee's obligations to pay other amounts due Franchisor under this agreement as of the effective date of the termination, and to comply strictly with the Post-Termination Provisions. Franchisee further acknowledge that this liquidated damages provision does not cover any other damages to which Franchisor might be entitled as a result of Franchisee's actions or inaction.

13.6 Liability for Default. If Franchisee fails to cure any default within the applicable time period provided in section 13.2, Franchisee shall pay Franchisor all damages, costs and expenses incurred by Franchisor as a result of the default, including reasonable attorney and accounting fees. This provision applies regardless of whether or not Franchisor exercises its right to terminate this agreement and will survive the expiration or termination of this agreement.

ARTICLE 14

OBLIGATIONS UPON TERMINATION

14.1 Franchisee's Obligations. Upon the termination or expiration of this agreement for any reason, Franchisee, at its own expense and in addition to its obligations under Article 15, shall take each and every action listed in the subparagraphs below:

(a) Franchisee shall immediately and permanently cease to operate the Franchised Business and shall not thereafter, directly or indirectly, represent to the public or hold itself out as a present or former TruBlue Franchisee.

(b) Except as may be authorized under another franchise agreement in effect between Franchisee and Franchisor, Franchisee shall immediately and permanently cease all use of the Marks and any derivative or confusingly similar variation thereof. Without limiting the generality of the preceding sentence, Franchisee's obligations under this paragraph include permanently discontinuing all Internet advertising (including, by way of example, Facebook, LinkedIn, Twitter, Service Magic, Google, and pay-per-click programs) containing any of the Marks or any derivative or confusingly similar variation thereof.

(c) Franchisee shall take such action as may be necessary to remove all of the Marks from all listings containing any of the Marks or relating to the Franchised Business on or with every directory (including online directories), Website, web log and social media platform, and shall furnish Franchisor with evidence satisfactory to Franchisor of compliance with this obligation within thirty days after the termination or expiration of this agreement.

(d) Except as may be authorized under another franchise agreement in effect between Franchisee and Franchisor, Franchisee shall immediately and permanently cease to use, by advertising or in any manner whatsoever, all Confidential Information and all equipment, materials, confidential methods, procedures, or techniques associated with the Operating System or that display the Marks or any other distinctive forms, slogans, signs, symbols, or devices associated with or belonging to Franchisor. Without limiting the generality of the preceding sentence, Franchisee's obligations under this paragraph include permanently removing or obscuring from the exterior of all motor vehicles owned or controlled by Franchisee or its employees or used in the operation of the Franchised Business.

(e) Franchisee shall promptly make such modifications or alterations to the Premises as may be necessary or requested by Franchisor to prevent the operation of the Franchised Business or any Competitive Business on the Premises. If Franchisee fails or refuses to comply with the requirements of this section, Franchisor will have the right to enter the Premises, without being guilty of trespass or any other tort or crime, for the purposes of making or causing to be made such changes as may be required at the expense of Franchisee.

(f) Franchisee shall promptly turn over to Franchisor all advertisements, marketing materials, Operations Manuals, customer and other related files including Customer Lists and agreements with customers, instructions, correspondence, financial, and other business records and materials, including brochures, agreements, disclosure statements and any materials relating to the business operated hereunder, which may be in Franchisee's possession, together will all copies thereof (all of which Franchisee acknowledges to be Franchisor's sole property).

(g) Franchisee shall promptly notify Franchisee's telephone service providers and all listing agencies of the termination or expiration of Franchisee's right to use the Telephone Numbers (defined in section 19.57) and Directory Listings (defined in section 19.14) and authorize the transfer of the Telephone Numbers and Directory Listings to Franchisor or its designee. Franchisee acknowledges that, as between Franchisor and Franchisee, Franchisor has the sole right to all Telephone Numbers and Directory Listings, and Franchisee hereby authorizes Franchisor, and appoints Franchisor and any officer designated by Franchisor, as Franchisee's attorney-in-fact, to direct the telephone service providers and listing agencies to transfer the Telephone Numbers and Directory Listings to Franchisor or Franchisor's designee if Franchisee fails or refuses to do so. Franchisee hereby authorizes each telephone service provider and listing agency to accept such direction or this agreement as conclusive evidence of Franchisor's exclusive rights in the Telephone Numbers and Directory Listings and Franchisor's authority to direct their transfer.

(h) At Franchisor's option, Franchisee shall cancel or assign to Franchisor or Franchisor's designee all of Franchisee's right, title and interest in and to any and all Websites, web pages, listings, banners, URLs, advertisements or any other services and links related to Franchisee's business or use of Franchisor's trademarks, service marks or other logos, on or with the Internet, World Wide Web, Internet service providers, email services, communication providers, search engines or other similar services.

(i) Franchisee shall promptly delete all proprietary software and data relating to the Franchised Business from all computers owned or controlled by Franchisee or its Principals or employees.

(j) Franchisee shall immediately pay all sums due and owing to Franchisor and provide Franchisor with a final accounting of Franchisee's Gross Revenues. Upon termination due to Franchisee's default, such sums will include actual damages, costs and expenses, and reasonable attorney fees incurred by Franchisor as a result of the default.

(k) Franchisee shall take all necessary action to cancel any fictitious or assumed name or equivalent registration that contains the trademark TRUBLUE or any of the other Marks, and furnish Franchisor with evidence satisfactory to Franchisor of compliance with this obligation within one month after the termination or expiration of this agreement.

(l) If any of the insurance policies required by section 7.11 is a "claims made" policy, Franchisee shall obtain and maintain in effect tail coverage for the general liability insurance required by section 7.11, to extend the period in which claims may be asserted for a period of time not less than the applicable statute of limitations in the jurisdiction in which the Franchised Business is located, and shall furnish Franchisor with a certificate of insurance evidencing compliance with this obligation within one month after the termination or expiration of this agreement.

14.2 Power of Attorney. Franchisee does hereby irrevocably constitute and appoint Franchisor as the true and lawful attorney-in-fact and agent for Franchisee to carry out Franchisee's obligations under this Article 14. Franchisee agrees to promptly execute, acknowledge and deliver to Franchisor any and all such documents as may be required to carry out Franchisee's obligations hereunder. The provisions of this Article 14 shall survive the expiration, termination or cancellation of this agreement.

ARTICLE 15

RESTRICTIVE COVENANTS

15.1 Reasons for Restrictions. Franchisee understands and acknowledges that the Marks, the Operating System, the training and assistance provided by Franchisor, the knowledge of Franchisor's methods, operations and services, and the contacts and experience acquired by Franchisee during the Term, are of considerable value and would not be acquired except through the implementation of this agreement. Franchisee further acknowledges that Franchisor has devoted substantial time and expense in the development of the Operating System. As a result, Franchisee agrees that Franchisor has a proprietary interest in the Confidential Information, which the parties acknowledge is a trade secret owned by Franchisor subject to a restricted license to Franchisee for use during the Term in accordance with the terms and conditions of this agreement and the Operations Manual. Franchisee agrees that competition by persons associated with Franchisee (including family members of Franchisee or its Principals) or with the Franchised Business could seriously jeopardize Franchisor and the entire Network because Franchisee has received an advantage through the knowledge of the day-to-day operations and the Confidential Information related to the Operating System. Accordingly, Franchisee acknowledges and agrees that all of the restrictive covenants in sections 15.2 and 15.3 are reasonable both in time and in scope of geographic area and that the geographic and temporal restrictions on the ability of Franchisee and its Principals to compete with Franchisor and other TruBlue Franchisees are reasonably necessary to protect Franchisor's business interests in the relevant markets. Franchisee also acknowledges and agrees that Franchisee and each of its Principals have sufficient resources, business experience and opportunities to earn an adequate living while complying with the terms of those covenants.

15.2 Covenants During Term. During the Term, Franchisee, either for itself or through, on behalf of, or in conjunction with any other person (including the spouse or children of Franchisee or any of its Principals), shall not directly or indirectly:

(a) take any action injurious or prejudicial to the goodwill associated with the Marks and the Operating System;

(b) divert or attempt to divert any business or customer of the Franchised Business or of any other TruBlue franchise to any competitor, by direct or indirect inducement or otherwise;

(c) aid, assist, or provide financing, goods or services to, any competitor of the Franchised Business, of Franchisor, or of any other TruBlue Franchise;

(d) develop, operate, engage in, or acquire or maintain any interest as a Principal, investor, director, officer, employee, manager, consultant, independent contractor, representative, or agent in or of any Competitive Business; or

(e) promote, sell, or provide for compensation any Authorized Products and Services, or otherwise promote or operate the Franchised Business, within the protected territory of another TruBlue Franchise (except as may be expressly permitted by this agreement or the Operations Manual), or otherwise infringe upon rights granted under franchise agreements with other TruBlue Franchisees.

Subparagraphs (a) through (e) of this section 15.2 are severable and contain different but overlapping restrictions that are to be enforced simultaneously whenever permitted by applicable law. The restrictions in this section 15.2 have no geographic limitation.

15.3 Covenants After Term. Franchisee shall not, for a continuous and uninterrupted period of two years beginning upon the expiration or termination of this agreement (regardless of the cause for termination), directly or indirectly, for itself or through, on behalf of, or in conjunction with any other person (including the spouse or children of Franchisee or any of its Principals):

(a) develop, operate, engage in, or acquire or maintain any interest as a Principal, investor, director, officer, employee, manager, consultant, independent contractor, representative, or agent in or of, any Competitive Business that is located or operates in the Territory or within 15 miles of the geographical boundaries of the Territory, or in or within 15 miles of any other TruBlue Franchisee's protected territory; or

(b) solicit, contact, or communicate with or attempt to solicit, contact, or communicate with, for the purpose of promoting or soliciting referrals for a Competitive Business, any Shared Referral Source (defined in section 19.52) with which Franchisee or any representative or agent of Franchisee had any contact during the Term; or

(c) solicit, contact, or communicate with or attempt to solicit, contact, or communicate with, any person who was a customer of the Franchised Business at any time or any relative thereof, for the purpose of promoting, offering, selling, or providing Authorized Products or Services or other products or services that had been offered by the Franchised Business.

(d) The parties agree that the full extent of the damages that Franchisor will incur if Franchisee fails to comply with its obligations under this Section 15.3 is difficult to ascertain, but the parties nevertheless desire certainty in this matter. Accordingly, if Franchisee breaches or fail to comply with any of the provisions of subparagraph 15.3(a), Franchisee shall pay Franchisor, as liquidated damages and not as a penalty, a royalty equal to 10% of the gross amount of all income, sales, salary, wages, fees, dividends, distributions, and other compensation received or earned by Franchisee, or any spouse, child, parent, or sibling of Franchisee or of any principal of Franchisee, or to which any of those parties becomes entitled, as the result of the breach or noncompliance. The parties further agree that the royalty required by this paragraph is reasonable in light of the damages that Franchisor will incur. This payment is not exclusive of any other remedies that Franchisor may have, including equitable remedies, attorneys' fees, and costs.

Subparagraphs (a), (b), (c) and (d) of this section 15.3 are severable and contain different but overlapping restrictions that shall be enforced simultaneously whenever permitted by applicable law. If any paragraph shall be held to be invalid or unenforceable in any respect, Franchisor and Franchisee agree that such provision shall be modified to the extent necessary to permit its enforcement, and the remaining provision shall be unaffected thereby. Any time period referred to in this section 15.3 shall be stayed during any violation or breach of this section. The provisions of this section 15.3 will survive any Transfer or the expiration or termination of this agreement.

15.4 Exclusion for Publicly-Traded Company. Nothing in section 15.3 prohibits any person from owning an interest of 1% or less in a publicly-traded company engaged in a Competitive Business.

15.5 Independent Covenants; Severability. Each of the foregoing covenants shall be construed as independent of any other covenant or provision of this agreement. If all or any portion of a covenant in this Article 15 is held unreasonable or unenforceable by a court or agency having valid jurisdiction in an unappealed final decision to which Franchisor is a party, Franchisee expressly agrees to be bound by any lesser covenants

subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenants were separately stated in and made a part of this Article 15.

15.6 Reduction of Covenants by Franchisor. Franchisor has the right, in its Business Judgment, to reduce the scope of any covenant in section 15.2 or 15.3, or any portion thereof, without Franchisee's consent, effective immediately upon receipt by Franchisee of written notice thereof, and Franchisee shall comply forthwith with any covenant as so modified, which will be fully enforceable notwithstanding the provisions of section 18.1.

15.7 Claims Against Franchisor No Defense. The existence of any Claims it may have against Franchisor, whether or not arising from this agreement, will not constitute a defense to the enforcement by Franchisor of the covenants in this Article 15.

15.8 Injunctive Relief. Franchisee acknowledges that Franchisee's violation of the terms of this Article 15 would result in irreparable injury to Franchisor for which no adequate remedy at law may be available; and Franchisee accordingly consents to the issuance of, and agrees to pay all court costs and reasonable attorneys' fees incurred by Franchisor in obtaining, an injunction prohibiting any conduct by Franchisee in violation of the terms of this Article 15.

15.9 Nondisclosure and Noncompetition Agreements. Franchisee shall provide Franchisor with an executed "Nondisclosure and Noncompetition Agreement" containing covenants similar in substance to those in this Article 15 (including covenants applicable upon the termination of a person's relationship with Franchisee) from each of the Principals, officers, and directors of Franchisee and the Principals, officers, directors, and trustees of any non-individual Principal of Franchisee. With respect to each person who becomes associated with Franchisee in one of those capacities after the Effective Date, Franchisee shall require and obtain a Nondisclosure and Noncompetition Agreement from them and promptly provide Franchisor with an executed copy of it. Franchisee shall not grant any person in any of the foregoing capacities access to any confidential aspect of the Operating System or the Franchised Business before they execute a Nondisclosure and Noncompetition Agreement. All Nondisclosure and Noncompetition Agreements required by this paragraph must be in a form satisfactory to Franchisor, including the specific identification of Franchisor as a third-party beneficiary with the independent right to enforce it. Franchisee's failure to obtain the execution of the Nondisclosure and Noncompetition Agreements required by this paragraph and provide them to Franchisor will be a material breach of this agreement.

## ARTICLE 16

## DISPUTE RESOLUTION

16.1 Injunctive Relief. Notwithstanding the provisions of section 16.2 requiring the arbitration of all Disputes, Franchisor expressly reserves the right to seek temporary and permanent injunctions and orders of specific performance, without bond, from a court of competent jurisdiction, to enforce the provisions of this agreement relating to: (a) Franchisee's use of the Marks; (b) Franchisee's obligations upon the termination or expiration of this agreement; (c) Franchisee's obligations under section 15.2 or 15.3; (d) a Transfer or attempted Transfer in violation of Article 12; or (e) as necessary to prohibit any act or omission by Franchisee or its agents: (i) that would constitute a violation of any applicable law or regulation: (ii) that is dishonest or misleading to Franchisor and/or other TruBlue Franchisees; or (iii) that, in Franchisor's reasonable judgment, may harm, tarnish, impair or reflect unfavorably upon the reputation, name, services or operation of the Franchised Business, Franchisor, the Operating System, or the Marks.

16.2 Arbitration.

(a) Except as otherwise provided in this Article 16, Disputes (defined in section 19.15) between the parties including their officers, directors, and agents, whether or not arising out of or related to this agreement, shall be submitted to a panel of three arbitrators as provided in this paragraph. Each Dispute shall be arbitrated on an individual basis and shall not be consolidated in any arbitration action with the claim of any other franchisee. The arbitration proceeding shall be administered by the American Arbitration Association (AAA) in accordance with the Federal Arbitration Act and the then prevailing Commercial Arbitration Rules of the AAA (the "AAA Rules"). The arbitrators shall neither have nor exercise any power to act as *amiable compositeur* or *ex aequo et bono*; or to award special, indirect, consequential, or punitive damages. The arbitration panel shall decide all questions of arbitrability, including challenges to the validity, enforceability, application, and scope of this arbitration provision. Any demand for arbitration must be made before the statute of limitations applicable to such a claim has expired. The award shall be in writing and shall be accompanied by a reasoned opinion.

(b) Within thirty days after receipt of the award, either party, by notifying the AAA and the other party, may appeal the decision of the initial arbitration panel by requesting a hearing de novo before a second panel of three arbitrators, constituted in accordance with the AAA Rules. None of the arbitrators who served on the original panel shall serve on the second panel. The second panel shall conduct a hearing de novo and may adopt the initial award as its own, modify the initial award, or substitute its own award for the initial award. The arbitrators' award shall be in writing and shall be accompanied by a reasoned opinion.

(c) The award of the second panel (or, if no appeal was timely filed in accordance with subparagraph (b) or if an appeal was filed but dismissed without the issuance of an award, then the award of the initial panel) shall be binding upon both Franchisor and Franchisee upon the confirmation of the award by a court of competent jurisdiction. Except as otherwise provided in this Agreement, each party shall bear its own costs and expenses in connection with the arbitration, including travel expenses, out-of-pocket expenses such as copying and telephone charges, court costs, witness fees, and attorney and accounting fees. The administrative fees and arbitrators' fees shall be allocated equally between the parties. The arbitration proceedings shall take place in Hamilton County, Ohio.

(d) A party shall not have the right to appeal an award under subparagraph (b) of this section unless the party: (i) fully cooperated in the exchange of information and discovery as ordered by the arbitration panel in the initial arbitration; (ii) attended all evidentiary hearings after due notice in the initial arbitration; and (iii) paid all administrative fees, arbitrators' compensation, and other charges assessed or allocated to the party by the AAA in the initial arbitration.

(e) If either party fails to pay any administrative fee, arbitrators' compensation, or other charges assessed or allocated to the party by the AAA in connection with any arbitration brought under this section 16.2 (including any failure to participate in an arbitration that results in the non-payment of a fee), the other party may unilaterally reduce the number of arbitrators to one without the consent of the non-paying party, in which case the sole arbitrator is to be appointed in accordance with AAA Rules.

16.3 Exception to Arbitration. Notwithstanding the provisions of section 16.2 requiring the arbitration of all Disputes, if the amount in controversy in any Dispute exceeds $100,000 in the aggregate, Franchisor will have the right to have the matter adjudicated in either the Common Pleas Court of Hamilton County, Ohio or the United States District Court for the Southern District of Ohio, in lieu of arbitration. If an arbitration demand has already been filed in connection with such a Dispute, Franchisor shall have the right to remove the matter to such court.

16.4 **WAIVER OF JURY TRIAL. EACH PARTY IRREVOCABLY WAIVES TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER PARTY.**

16.5 Punitive Damages. The parties agree to waive, to the fullest extent permitted by law, the right to or claim of any multiple, punitive, or exemplary damages against the other and agree that, in the event of a Dispute, each will be limited to the recovery of actual damages sustained by it.

16.6 **LIMITATION OF CLAIMS**. Except for:

(a) Claims arising from the underpayment, nonpayment, or overpayment of any fees assessed by this Agreement, including Royalties or National Branding Fees;

(b) Claims arising from the failure to report or underreporting of Gross Revenues;

(c) Claims based upon or arising from either party's indemnification obligations, either under this Agreement, at law, or in equity; and

(d) Claims for injunctive relief, including by way of example, claims seeking injunctive relief relating to use of the Marks, obligations upon the termination or expiration of this agreement, obligations under Articles 9, 10 or 15, or a Transfer or attempted Transfer in violation of Article 12;

**ANY AND ALL CLAIMS, DISPUTES, OR CONTROVERSIES ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE RELATIONSHIP BETWEEN THE PARTIES SHALL BE BARRED UNLESS AN ARBITRATION OR LEGAL PROCEEDING IS COMMENCED BEFORE THE EARLIER OF: (1) THE DATE WHEN INSTITUTION OF LEGAL OR EQUITABLE PROCEEDINGS BASED ON SUCH CLAIMS WOULD BE BARRED BY APPLICABLE STATUTE OF LIMITATIONS; OR (2) ONE YEAR AFTER THE OCCURRENCE OF THE FACTS GIVING RISE TO SUCH CLAIMS.**

16.7 Jurisdiction and Venue. Subject to the provisions of section 16.2 relating to the arbitration of Disputes, each party hereby irrevocably agrees that all lawsuits between the parties and/or their Affiliates shall be litigated only in courts sitting in Hamilton County, Ohio. Each party agrees that the following courts have personal jurisdiction over it in all lawsuits between the parties and/or their Affiliates, irrevocably submits to the jurisdiction of these courts, and irrevocably waives any defense based upon lack of personal jurisdiction in any lawsuit filed in these courts: (a) all courts included within the state court system of the State of Ohio; and (b) all courts of the United States of America sitting within the State of Ohio, including all United States District Courts within the State of Ohio. Each party agrees that venue shall be proper in any of the following courts in all lawsuits between the parties and/or their Affiliates and irrevocably waives any right to transfer or change the venue in any lawsuit filed in these courts: (a) the state court of the county where Franchisor has its principal place of business (presently Hamilton County, Ohio); and (b) the United States District Court for the Southern District of Ohio, Western Division. If any of these courts are abolished, venue shall be proper in the state or federal court in Ohio that most closely approximates the subject matter jurisdiction of the abolished court as well as any of these courts that are not abolished. All lawsuits filed by either party or its Affiliate against the other or its Affiliate (whether or not in breach of the arbitration provisions of this agreement) must be filed exclusively in one of these courts, except that claims for injunctive relief may be brought where the defendant is located. These exclusive choice of jurisdiction and venue provisions shall not restrict the ability of the parties to confirm or enforce arbitration awards in any appropriate jurisdiction. In all lawsuits between the parties and/or their Affiliates, Franchisee and its Affiliates consent to be served with process outside the State of Ohio in the same manner that service may be made within the State of Ohio by any person authorized to make service by the laws of the state, territory, possession or country in which service is made or by any duly qualified attorney in such jurisdiction. Franchisee and its Affiliates hereby waive any defense they may have based upon insufficiency of service of process relating to such service. This method of service shall not be the exclusive

method of service available in such lawsuits, but shall be available in addition to any other method of service allowed by law.

## ARTICLE 17

## RELATIONSHIP OF PARTIES; INDEMNIFICATION

It is understood and agreed that nothing in this agreement shall create a partnership, employment or agency relationship between Franchisor and Franchisee, or authorize Franchisee to make any contract, agreement, warranty, or representation on Franchisor's behalf or to incur any debt or other obligation in Franchisor's name. Franchisor shall in no event assume liability for, or be deemed liable hereunder as a result of, any such action by Franchisee. Franchisor shall not be liable to any third party for any act or omission of Franchisee in any of its operations hereunder (including any Claim against Franchisee for negligent hiring, sexual harassment, or employment discrimination) or any Claim or judgment arising therefor against Franchisee. Franchisee shall indemnify and hold Franchisor harmless from and against any and all claims, debts, liabilities or obligations arising directly or indirectly from, as a result of or in connection with Franchisee's operation of the Franchised Business, and shall pay all costs (including attorney and accounting fees) incurred by Franchisor in defending against and/or responding to them. FRANCHISEE SHALL DISPLAY PROMINENTLY AT ITS PLACE OF BUSINESS, ON ALL CORRESPONDENCE WITH THIRD PARTIES, AND IN ANY PRINTED MATERIALS BEARING ITS NAME OR BUSINESS LOCATION, A STATEMENT THAT THE FRANCHISED BUSINESS IS INDEPENDENTLY OWNED AND OPERATED BY FRANCHISEE.

## ARTICLE 18

## MISCELLANEOUS TERMS

18.1 Nature of Agreement. This agreement and its exhibits constitute the entire agreement between the parties and supersedes any prior agreements, arrangement and understandings between them. This agreement may not be modified or amended except by a written instrument signed by each of the parties. No failure on the part of any party to exercise, and no delay in exercising, any right, power or remedy hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or remedy hereunder preclude any other or further exercises thereof or the exercise of any other right, power or remedy. Nothing in this agreement or any related agreement entered into concurrently herewith is intended to disclaim any representation in the franchise disclosure document provided to Franchisee prior to Franchisee's purchase of the Franchise.

18.2 Effect of Agreement; Assignment. This agreement shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives, successors, and assigns. This agreement shall not be assigned by Franchisee without first complying with the provisions of section 12.2.

18.3 Construction. This agreement was accepted and executed by Franchisor in Ohio. Except to the extent governed by the U.S. Trademark Act of 1946, the Federal Arbitration Act, the laws of the State of Ohio (without reference to Ohio conflict of laws principles) govern all aspects of this agreement, excluding any law regulating the sale of franchises or business opportunities, or governing the relationship between a franchisor and a franchisee, unless the jurisdictional requirements of such laws are met independently without reference to this section; provided, however, that if any of the covenants contained in Article 15 would not be enforceable under the laws of Ohio and the Franchised Business is located outside of Ohio, then such covenants shall be interpreted and construed under the laws of the state in which the Franchised Business is located. Ohio law shall prevail in the event of any conflict of law, except as specifically provided otherwise by any applicable state

franchise investment laws, rules or regulations. If any provision of this agreement relating to termination, nonrenewal or assignment of the franchise or choice of law, jurisdiction or venue is inconsistent with any applicable state franchise investment law, rules or regulations, such applicable state law shall apply. Any addendum to this agreement required by the regulatory authorities of any state for the purpose of disclosing salient provision of such state's law is hereby made a part of this agreement.

18.4 Headings. The headings in this agreement are for reference purposes only and shall not affect the meaning or interpretation of any provision of this agreement.

18.5 Notices. All payments shall be made to the addresses listed below. All notices, requests, demands and other communications hereunder shall be in writing, shall be addressed as provided in this section, shall be made by personal delivery, by email, by certified mail, postage prepaid, return receipt requested, or by overnight delivery service with proof of delivery, and shall be effective upon receipt or refusal thereof or, if unclaimed, forty-eight hours after deposit in the United States mail or with such overnight delivery service, as the case may be.

(a) Address of Franchisor:

T.B. Franchising Systems, Inc.
4755 Lake Forest Drive, Suite 100
Cincinnati, Ohio 45242

or to such other persons or address as Franchisor may from time-to-time furnish to Franchisee;

(b) Address of Franchisee:

_____

_____

_____

or to such other persons or address as Franchisee may from time-to-time furnish to Franchisor.

18.6 Severability.

(a) If any provision of this agreement, in whole or in part (or the application of any provision to a specific situation), is held, by the final judgment of a court of competent jurisdiction after appeal or the time for appeal has expired, to be invalid, unenforceable or in violation of any law applicable to this agreement, the invalidity is to be limited to the specific provision or portion in question or to the specific situation, and this agreement is to be construed and applied in such manner as to minimize such invalidity. All other provisions of this agreement will otherwise remain in full force and effect.

(b) If any applicable and binding law or regulation of any jurisdiction requires a greater prior notice of the termination of or refusal to renew this agreement than is required hereunder, or the taking of some other action not required hereunder, or if under any applicable and binding law or regulation of any jurisdiction any provision of this agreement or any specification, standard, or operating procedure prescribed by Franchisor is invalid or unenforceable, then the prior notice and/or other action required by such law or regulation shall be substituted for the comparable provisions hereof, and Franchisor shall have the unlimited right to modify such invalid or unenforceable provision, specification, standard, or operating procedure to the extent required to be valid and enforceable. Franchisor agrees

to be bound by any promise or covenant imposing the maximum duty permitted by law that is subsumed within the terms of any provision of this agreement, as though it were separately articulated in and made a part of this agreement, that may result from striking from any of the provisions hereof, or from any specification, standard, or operating procedure prescribed by Franchisor, any portion or portions that a court may hold to be unreasonable and unenforceable in a final decision to which Franchisor is a party, or from reducing the scope of any promise or covenant to the extent required to comply with such a court order. Any such modifications to this agreement shall be effective only in such jurisdiction, unless Franchisor elects to give them greater applicability, and shall be enforced as originally made and entered into in all other jurisdictions.

18.7 Counterparts. This agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

18.8 Survival of Post-Termination Provisions. All Post-Termination Provisions of this agreement will survive the termination or expiration of this agreement or the Franchise granted under this agreement, regardless of whether the provisions specifically state so.

18.9 No Third-Party Beneficiaries. Nothing in this agreement is intended, nor shall be deemed, to confer any rights or remedies upon any person or entity not a party hereto.

18.10 Interpretation. The following rules of interpretation apply throughout this agreement.

(a) If there is an inconsistency between the terms of this agreement and the Operations Manual, the terms of this agreement will control.

(b) The singular includes the plural and vice versa, and the masculine includes the feminine or neuter and vice versa, wherever and whenever the context may require.

(c) The words "includes" and "including" will be construed to include the words "without limitation."

(d) The word "day" means a calendar day unless the context specifically indicates otherwise.

18.11 Exercise of Business Judgment. In this agreement, the phrase "Business Judgment" means that Franchisor has the wholly unrestricted right to make decisions and take (or refrain from taking) actions even if a particular decision/action may have negative consequences for Franchisee, another TruBlue Franchisee, or a group of TruBlue Franchisees. In exercising its discretion, Franchisor will use its judgment based on its assessment of the interests it considers appropriate and is not required to consider Franchisee's individual interests or the interests of any other TruBlue Franchisee. Franchisor, Franchisee, and all other TruBlue Franchisees have a collective interest in working within a franchise system with the flexibility to adjust to changing business conditions, including the competitive environment, regulatory developments, and emerging business opportunities. The exercise of Business Judgment is critical to Franchisor's role as the franchisor of the Network and to Franchisor's goals for the continuing improvement of the Operating System. Therefore the ultimate decision-making responsibility for the Network must be vested in Franchisor. So long as Franchisor acts in compliance with the requirements of this agreement, it has no liability for the exercise of its discretion in accordance with the provisions of this agreement. This definition is not intended to incorporate principles related to the application of the business judgment rule in a corporate law context.

18.12 "Franchisee" Defined. The term "Franchisee" means the person licensed to operate a TruBlue Franchise under this agreement and includes, in addition to the person or persons identified as "Franchisee" on Exhibit A, all Principals of a Business Organization that executes this agreement as Franchisee, and all persons who succeed to the interest of the original Franchisee or any Principal of Franchisee by permitted

transfer or operation of law. All Principals of a Business Organization that executes this agreement as Franchisee must, by separate agreement, personally guarantee all of Franchisee's obligations to Franchisor. If two or more individuals are the Franchisee under this agreement, their liability to Franchisor is joint and several.

## ARTICLE 19

## DEFINITIONS

To simplify this agreement and make it easier to read and understand, certain terms have been defined below and will be capitalized throughout the agreement. Capitalized words that are not defined below are defined in the section where they first appear.

19.1 "Affiliate" means a person that controls, is controlled by, or is under common control with another person. As to Franchisee, it includes an owner of any interest in Franchisee or the Franchised Business, any employee or agent of Franchisee, and any person controlled by any of the foregoing.

19.2 "Anti-Terrorism Laws" means all present and future laws, ordinances, regulations, policies, orders, treaties, lists and other requirements of any national, state, or local government or any agency thereof.

19.3 "Authorized Products and Services" are the goods and services that Franchisee is required to offer and sell (currently including home and property management services such as interior and exterior maintenance, repairs, and senior home safety consulting services), as more specifically described in the Operations Manual or otherwise communicated in writing to Franchisee. Optional Services currently include snow removal services. Franchisor has the right to add or remove products and services from the Authorized Products and Services in its Business Judgment. See section 7.3.

19.4 "Business Organization" means a corporation, limited liability company, limited liability partnership, limited company, partnership of any kind, joint venture, unincorporated association, or other organization formed or operated for a commercial purpose.

19.5 "Business Records" is defined in section 7.10(i).

19.6 "Claims" means debts, claims (including tort claims), demands, damages (including actual, consequential, punitive, or exemplary), fines, losses, liabilities, rights, actions, causes of action, expenses, judgments, awards, suits, and costs reasonably incurred in the defense of any of the foregoing, including the reasonable fees of accountants and expert witnesses, legal expenses, costs of investigation and proof of facts, court costs and fees, other litigation expenses, and travel and living expenses related to any of the foregoing.

19.7 "Communication and Information System" means the computer and communications system described in section 7.17 that Franchisee is required to purchase and use in the operation of the Franchised Business.

19.8 "Competitive Business" means a business (i) that offers or sells any of the Authorized Products and Services; or (ii) that offers or sells products or services similar to those offered as part of the Operating System; or (iii) in which Confidential Information could be used to the disadvantage of Franchisor, Franchisee, or another TruBlue Franchise; or (iv) that offers or sells products or services that are competitive with any products or services offered by TruBlue Franchises; or (v) that franchises or licenses others to do any of the foregoing.

19.9 "Confidential Information" is defined in section 10.1.

19.10 "Controlling Interest" means the direct or indirect ownership (legal or beneficial) or control of more than 50% of the equity, profits, or voting control of a Business Organization.

19.11 "Customer List" means all information about all past, present and prospective clients and customers of the Franchised Business, including contact, purchasing, statistical, financial and personally identifiable information.

19.12 "Designated Individual" means an individual designated by Franchisee under section 7.8, who will be responsible for the general oversight and day-to-day management of the operations of the Franchised Business on behalf of Franchisee.

19.13 "Designated Number" means the telephone number for the Franchised Business used in or on all advertising (including Internet advertising), stationery, business cards, marketing and promotional materials, directory listings (including online directories) and other public materials relating to the Franchised Business.

19.14 "Directory Listings" means any regular, classified, online or other telephone directory listings associated with any of the Marks or the Franchised Business.

19.15 "Dispute" means a claim, dispute, disagreement, or controversy between Franchisee or any of its Affiliates or Principals and Franchisor or its Affiliates pertaining to: the formation, execution, breach, interpretation, validity or enforceability of all or any part of this agreement, the Operations Manual, or any other agreement between Franchisor and Franchisee that is related to this agreement; the offer or sale of the Franchised Business to Franchisee; the relationship between Franchisor and Franchisee; or any specification, standard or operating procedure relating to the establishment or operation of the Franchised Business.

19.16 "Effective Date" means the date this agreement becomes effective and is defined on the signature page.

19.17 "Electronic Distribution Channels" include the Internet, World Wide Web, Websites (including any Website established or maintained by Franchisor or Franchisee), URLs, domain names, e-mail addresses, mobile applications, Internet listings, banners, advertisements, pop-up ads, pay-per-click programs, and other services, pages, or links on or with the Internet, World Wide Web, Internet service providers, email services, communication providers, search engines (such as Google.com and Ask.com), social media (such as Facebook, LinkedIn, and Twitter), web logs (or "blogs"), and similar services. See section 11.8(e).

19.18 "Embargoed Person" means any person subject to economic or trade restrictions or sanctions (including targeted foreign countries and regimes, terrorists, narcotics traffickers, persons engaged in activities related to the proliferation of weapons of mass destruction, and other threats to national security, foreign policy, or the economy) based on foreign policy or national security goals under any law, regulation, policy, executive order, treaty, list, or other requirement (including Anti-Terrorism Laws), with the result that a direct or indirect investment in a TruBlue Franchise by the person is prohibited by law.

19.19 "Enhancement" means any modification, upgrade, update, enhancement or replacement of all or any part of the Communication and Information System. See section 9.3.

19.20 "Expiration Date" means the day before the tenth anniversary of the Effective Date, and is the last day of the Initial Term.

19.21 "Franchised Business" means the TruBlue Franchise that Franchisee is licensed to operate under this agreement.

19.22 "Franchise Fee" means the one-time fee Franchisee is required to pay Franchisor under Article 4.

19.23 "Franchise Law" means a statute, regulation or rule that (i) regulates the sale of franchises, franchise investments, or business opportunities; (ii) regulates the relationship between a franchisor and a franchisee or between a business opportunity seller and purchaser; or (iii) requires the delivery, filing, or registration of a pre-sale disclosure document in connection with the offer and/or sale of a franchise or business opportunity.

19.24 "Franchisor-Related Persons" means Franchisor and each and all of the following, whether past, current, or future: persons acting through, in concert with, or as Affiliates of Franchisor or of any of the foregoing; Principals, officers, directors, agents, attorneys, accountants and employees of Franchisor or any of the foregoing; and predecessors, successors, and assigns of Franchisor or any of the foregoing.

19.25 "General Release" is a release, in the form prescribed by Franchisor at the time the release is to be delivered, of any and all claims, liabilities and obligations of any nature, including those existing as of, and/or arising before, the date of the release, however arising, whether known or unknown, whether against Franchisor and/or any or all of the Franchisor-Related Persons, the National Branding Fund, or any other branding, marketing, or advertising fund, and whether by Franchisee, any Principal of Franchisee, and/or any Affiliate of any of the foregoing. A copy of Franchisor's current General Release language (which is subject to change) is attached to this agreement as Exhibit D. See sections 2.2 and 12.2.

19.26 "Good Standing" means that Franchisee and each of its Principals and Affiliates are not in default of any obligation to Franchisor or any of its Affiliates, whether arising under this agreement or any other agreement, the Operations Manual, the System Standards, or any negotiable instrument (collectively, the "Obligations"). Franchisee is not in Good Standing if Franchisee has been in default of any Obligation and the default is incurable by nature or part of a series of repeated defaults defined in this agreement.

19.27 "Gross Revenues" means all income (cash, credit, and all other consideration) on a cash basis by Franchisee, an Affiliate or Principal or Guarantor of Franchisee, or any spouse or child of Franchisee or its Principal or Guarantor: (i) in connection in any way with the operation of the Franchised Business or any Competitive Business; (ii) from the sale of any Authorized Products or Services (as that term may be modified from time-to-time by Franchisor in accordance with this agreement); or (iii) from the sale of any goods or services (whether or not authorized) under, using, or in connection with the Marks. "Gross Revenues" does not include value-added, sales, use, excise, or other taxes that are separately stated and that Franchisee is required by law to collect and does collect from customers and pays to any governmental taxing authority. Franchisor reserves the right to require accrual accounting in determining Gross Revenues.

19.28 "Improvements" is defined in section 8.8.

19.29 "Initial Term" means a period of ten years beginning on the Effective Date and ending at 24:00 hours on the Expiration Date.

19.30 "Holdover Period" means the period following the Expiration Date during which this agreement continues to be effective in accordance with section 2.3.

19.31 "Involuntary Transferees" are defined in section 12.4.

19.32 "Limited Liability Entity" means a Business Organization for which the laws of the jurisdiction in which the organization was formed provide "limited liability" for the Principals of the organization, in that their liability for the organization's debts is limited to the amount of their *capital investment* in the organization (*i.e*., the consideration each paid or agreed to pay to the organization in exchange for his or her ownership interest in the organization).

19.33 "Reserved."

19.34 "Marks" means the business styles, trademarks, trade names, logos and commercial symbols used or adopted by Franchisor or its Affiliates to identify the products and services offered under the Operating System, including the TRUBLUE mark, associated logos, and the goodwill associated therewith. The term "Marks" does not include trademarks, trade names, and other commercial symbols used to identify the products and services offered by franchisees of another system (even if they are Competitive Businesses) acquired by Franchisor or its Affiliate.

19.35 "Reserved."

19.36 "Month", whether or not capitalised, unless the context indicates otherwise means the period beginning on a given numerical day of one month and ending at 24:00 hours on the preceding numerical day of the following month of the Gregorian calendar, without regard to the number of days in either month. The parties acknowledge that a "month" may be 28, 29, 30 or 31 days. For example, the period from January 14 through February 13 and the period from February 14 through March 13 would each be considered a month. A "month" that begins on January 30 or 31 ends at 24:00 hours on the last day of the next calendar month.

19.37 "National Branding Fee" means the recurring fee Franchisee is required to pay under section 5.2 to a National Branding Fund established under section 11.1.

19.38 "National Branding Fund" means a national and/or regional branding, marketing, or advertising fund established under section 11.1 for the purposes described in that section.

19.39 "Network" means the network of TruBlue Franchises established by Franchisor.

19.40 "Opening Date" means the date the Franchised Business first offers and is ready to provide Authorized Products and Services to the general public.

19.41 "Operating System" means the distinctive business methods and features of the Network that have been developed by Franchisor for the operation of TruBlue Franchises, including the Marks, the System Standards, and Franchisor's distinctive business format, which includes distinctive standards, methods, procedures, and specifications developed by Franchisor for the promotion and provision of services, distinctive advertising, specially-designed business forms for efficient business operation, Operations Manual, and training courses, all of which may be supplemented, modified, or withdrawn by Franchisor from time-to-time.

19.42 "Operations Manual" means the proprietary and confidential documentation, binders, folders, books, documents, files, CD-ROMs or materials in any form or medium whatsoever, within which are documented the Operating System, the manner of use of the Marks, the System Standards, processes,

procedures, trade secrets, instructions or any other information relating to the operation of a TruBlue Franchise.

19.43 "Ownership Interest" means a share of capital stock in a corporation, a partnership interest in a partnership, a membership interest in a limited liability company, or a right to a share of the revenues, profits, or assets of any other Business Organization (other than the right to receive Royalties under this agreement or any other franchise agreement).

19.44 "Person", whether or not capitalized, includes a corporation, limited liability company, partnership of any kind, joint venture, unincorporated association, estate, trust, charitable organization, government, governmental body and agency, commission, and any other entity and organization, as well as an individual.

19.45 "Post-Termination Provisions" are those obligations in this agreement that are intended by their nature to survive the expiration, transfer, repurchase or termination of this agreement for any reason. Post-Termination Provisions include the confidentiality, noncompetition, indemnification, de-identification, interpretation and dispute resolution provisions.

19.46 "Premises" is defined in Article 3.

19.47 "Pre-Opening Training" means the initial training program for new TruBlue Franchisees or their Designated Individuals as described in section 7.1(a).

19.48 "Principal" means a legal or beneficial owner of an Ownership Interest in a Business Organization.

19.49 "Principal List" means a list, certified by the Designated Individual, containing the full legal name, home address, home telephone number, and Ownership Interest of each Principal of Franchisee if it is a Business Organization. See section 7.12.

19.50 "Privacy" is defined in section 7.17(l).

19.51 "Royalty" means the recurring fee that Franchisee is required to pay Franchisor under section 5.1 in consideration of Franchisee's continued right to use the Marks.

19.52 "Shared Referral Source" means a person or organization that: (i) because of its purpose or the nature of its business, frequently encounters opportunities to recommend, to its customers, clients, patients, members, or to the general public, providers of services similar to the services offered by TruBlue Franchises, and (ii) though it may be physically located within one Franchise territory, either potentially or actually serves a geographic area that is larger than a single Franchise territory. Examples of Shared Referral Sources (by way of illustration and not limitation) are nursing homes, in-home healthcare and senior care providers, senior centers, senior advocacy organizations, senior care and healthcare agencies, hospitals, physicians, financial planners, real estate agents, home owners' and condominium owners' associations, temples, churches and mosques. See section 1.6.

19.53 "Special Account" means a special customer (which may be, but is not limited to, a national or regional customer, other large business, or government agency) designated as such by Franchisor from time-to-time in its Business Judgment. A Special Account will typically (though not necessarily) be a customer whose offices, stores, plants, buildings, or other physical facilities are not confined to the territory of a single TruBlue Franchise or the trading area of a single Franchisor-owned or Affiliate-owned business. See section 1.5.

19.54 "Successor Franchise" is a TruBlue Franchise that Franchisee may be granted under section 2.2 upon Franchisee's exercise of its option to renew the license granted under this agreement, as a successor to the Franchised Business, for an additional ten-year term following the expiration of this agreement.

19.55 "System Standards" means the uniform plans, specifications, standards, operating procedures and rules prescribed by Franchisor for the construction, development and operation of the Franchised Business and other TruBlue Franchises, as periodically supplemented, modified or withdrawn by Franchisor, in its Business Judgment, via the Operations Manual or otherwise communicated to Franchisee in writing. The System Standards constitute provisions of this agreement as if fully reproduced in this agreement.

19.56 "Technology Fee" means the monthly fee Franchisee may be required to pay Franchisor under section 5.3 for Internet marketing, Website hosting, search engine optimization, email addresses, software license or development fees, and other technology tools provided or developed by Franchisor.

19.57 "Telephone Numbers" means all telephone numbers (including land, wireless, "dial-around" and toll-free numbers) that Franchisee or any Principal of Franchisee has the right to use, and that (i) are or were at any time identified, listed, advertised, promoted, or published anywhere in conjunction with any of the Marks or as a telephone number used by the Franchised Business, or (ii) that were otherwise used in connection with the operation of the Franchised Business at any time.

19.58 "Term" means the Initial Term and Holdover Period, if any.

19.59 "Territory" means the geographic area for which Franchisee is granted limited rights of exclusivity under section 1.4. The Territory is described in Exhibit B.

19.60 "Transfer" means (i) any voluntary or involuntary, direct or indirect assignment, sale, gift, exchange, pledge, hypothecation, or other transfer of this agreement, of Franchisee, of the Franchised Business, of an Ownership Interest in Franchisee, or of any interest in any of the foregoing, and (ii) any other event that may create an Ownership Interest in Franchisee or change the legal or beneficial title to any Ownership Interest in Franchisee, including a merger or consolidation of Franchisee, the issuance of additional Ownership Interests in Franchisee, a transfer in a divorce, insolvency, corporate dissolution proceeding, or otherwise by operation of law, and a transfer by will, declaration of or transfer in trust, or under the laws of intestate succession.

19.61 "Transfer Fee" means the fee imposed by section 12.2(b)(9) as a condition to a Transfer by Franchisee. The Transfer Fee is $15,000 or 10% of all consideration of any kind payable to Franchisee in connection with the Transfer, whichever is greater, plus Franchisor's actual legal, administrative, and other expenses incurred in connection with the transfer.

19.62 "TruBlue Franchise" or "Franchise" is a business operating under a license granted by Franchisor that offers Authorized Products and Services using the Marks and Operating System. A business that offers some, but not all, Authorized Products and Services and that does not use the Marks is not a TruBlue Franchise.

19.63 "TruBlue Franchisee" is a person who owns and operates a TruBlue Franchise.

19.64 "TruBlue Website" is defined in section 11.8(b).

19.65 "Website**"** means an interactive electronic document, series of symbols or otherwise, that is contained in a network of computers and/or other devices liked by communications software, and includes Internet and World Wide Web home pages.

The parties are signing this agreement on the dates written below, the latest of which shall be the "Effective Date" of this agreement.

T.B. FRANCHISING SYSTEMS, INC.

By:_____

Title:_____

Date:_____

BUSINESS ORGANIZATION FRANCHISEE:

By:_____

Title:_____

Date:_____

INDIVIDUAL FRANCHISEE:

_____

*Signature*

Date:_____

INDIVIDUAL FRANCHISEE:

_____

*Signature*

Date:_____

FRANCHISE AGREEMENT
EXHIBIT A

# IDENTIFICATION OF FRANCHISEE(S)

INDIVIDUAL FRANCHISEE:

Name:_____ Date of Birth:_____

Home Address:_____

City:_____ State:_____ Postal Code:_____

Home Telephone:_____

Name:_____ Date of Birth:_____

Home Address:_____

City:_____ State:_____ Postal Code:_____

Home Telephone:_____

ORGANIZATION FRANCHISEE:

Name of Organization:_____

Address:_____

City:_____ State:_____ Postal Code:_____

Telephone:_____ EIN:_____

Date of Organization:_____ State of Organization:_____

Registered Agent:_____

Address of Agent:_____

City:_____ State:_____ Postal Code:_____

OFFICERS:

President:_____ Vice President:_____

Treasurer:_____ Secretary:_____

PRINCIPALS:

Name:_____ % Ownership:_____

Home Address:_____

City:_____ State:_____ Postal Code:_____

Home Telephone:_____

Name:_____ % Ownership:_____

Home Address:_____

City:_____ State:_____ Postal Code:_____

Home Telephone:_____

Name:_____ % Ownership:_____

Home Address:_____

City:_____ State:_____ Postal Code:_____

Home Telephone:_____

Name:_____ % Ownership:_____

Home Address:_____

City:_____ State:_____ Postal Code:_____

Home Telephone:_____

EACH OF THE UNDERSIGNED INDIVIDUAL FRANCHISEES, OR EACH OF THE UNDERSIGNED PRINCIPALS OF A BUSINESS ORGANIZATION FRANCHISEE, HEREBY CERTIFIES THAT THE FOREGOING INFORMATION IS ACCURATE AND COMPLETE TO THE BEST OF HIS OR HER KNOWLEDGE AND AGREES TO NOTIFY FRANCHISOR PROMPTLY OF ANY CHANGE IN ANY SUCH INFORMATION DURING THE TERM OF THE FRANCHISE AGREEMENT TO WHICH THIS EXHIBIT IS ATTACHED.

_____ _____

*Signature* *Signature*

Date:_____ Date:_____

_____ _____

*Signature* *Signature*

Date:_____ Date:_____

FRANCHISE AGREEMENT
EXHIBIT B

# PROTECTED TERRITORY

Franchise Location No. _____

The Territory described in section 1.2 of the Franchise Agreement to which this Exhibit B is attached shall consist of the following postal codes:

| | | | | | |
|---|---|---|---|---|---|
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

This Exhibit B is to be attached to, incorporated in and made a part of the Franchise Agreement between Franchisor and Franchisee.

The parties are signing this Exhibit B on the dates below.

T.B. FRANCHISING SYSTEMS, INC.

By:_____

Title:_____

Date:_____

BUSINESS ORGANIZATION FRANCHISEE:

By:_____

Title:_____

Date:_____

INDIVIDUAL FRANCHISEE:

_____
*Signature*

Date:_____

INDIVIDUAL FRANCHISEE:

_____
*Signature*

Date:_____

FRANCHISE AGREEMENT
EXHIBIT C

# REQUIRED INSURANCE

1. At all times during the Term, Franchisee shall maintain in full force, at its sole expense, the following minimum insurance coverages:

(a) All-risk insurance on all furniture, fixtures, equipment, supplies and other property used in the operation of the Franchised Business, for their full replacement cost.

(b) Commercial general liability insurance on an occurrence basis covering claims for bodily and personal injury, death, property damage, product liability, and contractual liability with a minimum per occurrence limit of $1,000,000 and a minimum general aggregate limit of $2,000,000 per policy year.

(c) Automobile liability insurance covering owned, hired, and non-owned vehicles with a minimum combined single limit for each accident of $1,000,000;

(d) Worker's compensation insurance that complies with the statutory requirements of the jurisdiction in which the Franchised Business is located and employers' liability insurance with a minimum limit of $100,000 or, if greater, the statutory minimum limit if required by applicable law.

(e) Employment Practices Liability Insurance with a $500,000 minimum limit covering defense costs and damages (whether paid pursuant to judgment or settlement) for claims of sexual harassment, discrimination and wrongful termination.

(f) A first-party and third-party Fidelity Bond (or Employee Dishonesty Insurance) with a minimum limit of $25,000 per incident. The policy must not contain a Conviction Clause.

2. Each insurance carrier providing coverage to Franchisee must have an A.M. Best rating of "A" or higher.

3. All policies must name T.B. FRANCHISING SYSTEMS, INC. as an additional insured. All policies must provide that Franchisor is to receive at least THIRTY DAYS' prior written notice of any modification, termination, expiration or cancellation of the policy.

4. Franchisee shall provide Franchisor with certificates of the required insurance coverage along with copies of the required insurance endorsements each year.

5. All policies must have a deductible of not more than $1,000 (except for Workers' Compensation Insurance). Coverage requirements and limits of liability are subject to change due to inflation, changes in standards of liability, higher damage awards, or other relevant changes in insurance marketplace conditions, the legal environment, and other circumstances.

# EXHIBIT B

ADDITIONAL TERRITORY RIDER

FRANCHISE LOCATION NO. _____

This rider is between T.B. FRANCHISING SYSTEMS, INC., an Ohio corporation ("Franchisor"), and _____ ("Franchisee").

Concurrently herewith, Franchisor and Franchisee are entering into a franchise agreement (the "Franchise Agreement").

Franchisor and Franchisee desire to modify the terms of the Franchise Agreement as set forth herein.

Therefore the parties agree to modify the Franchise Agreement as follows:

1. In addition to the area described on Exhibit B to the Franchise Agreement, Franchisee's Territory under the Franchise Agreement shall include the following postal codes:

| | | | | | |
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Franchisor and Franchisee agree that the area described above has an aggregate population of not more than _____.

2. Concurrently with the execution of this rider, Franchisee shall pay Franchisor an additional franchise fee in the amount of $_____ by ACH transfer. Franchisee acknowledges that the additional franchise fee is fully earned upon the execution of this rider in consideration of Franchisor's grant of the additional territory described in section 1 of this rider. The additional franchise fee is not refundable under any circumstances.

3. In the event of a conflict between the Franchise Agreement and this rider, the terms of this rider control. Franchisor and Franchisee hereby ratify and affirm the Franchise Agreement in all other respects.

The parties are signing this rider to be effective as of and from the latest date written below.

T.B. FRANCHISING SYSTEMS, INC., Franchisor

By: _____ Date: _____

Title: _____

INDIVIDUAL/PARTNERSHIP FRANCHISEE(S):

_____ Date: _____
Signature

_____ Date: _____
Signature

CORPORATE/LIMITED LIABILITY COMPANY FRANCHISEE:

_____
[Name of Franchisee]

By: _____ Date: _____

Title: _____

# EXHIBIT C

## IRREVOCABLE POWER OF ATTORNEY

[Business Entity Franchisee]

THIS POWER OF ATTORNEY is executed by _____ (the "Business Entity Franchisee") and by each of the undersigned owners of the Business Entity Franchisee ("Owners") in favor of **T.B. FRANCHISING SYSTEMS, INC.**, an Ohio corporation ("Franchisor"). The Business Entity Franchisee and the Owners are collectively referred to as the "Principals" throughout this instrument.

PREAMBLE:

A. Franchisor does business under, and licenses independently-owned franchisees to use, the name TRUBLUE.

B. Franchisor owns and has registered the TRUBLUE mark with the United States Patent and Trademark Office (Reg. Nos. 4,430,847 and 6,000,379).

C. Under a Franchise Agreement dated _____, Franchisor granted the Business Entity Franchisee the limited right to operate a home and property management services business (a "TruBlue Franchise") using Franchisor's Marks (defined in the last paragraph of this instrument) and unique business format.

D. The Business Entity Franchisee's use of Franchisor's Marks under the Franchise Agreement is conditioned upon, among other things, the execution of this Power of Attorney by all the Principals.

E. Each of the Principals acknowledges that Franchisor has the right and the obligation to control the use of its trademarks, and that the purpose of this Power of Attorney is to protect Franchisor's rights in its Marks.

THEREFORE, to induce Franchisor's execution of the Franchise Agreement and as additional consideration for the rights granted to the Business Entity Franchisee thereunder, each Principal does hereby irrevocably constitute and appoint Franchisor as its true and lawful attorney-in-fact and agent, in the Principal's individual name, place and stead, to do or cause to be done all things, and to execute, acknowledge, certify, deliver, accept, record and file all agreements, certificates, instruments and documents, as may be necessary or advisable for the purpose of transferring to Franchisor, or to any person or entity designated by Franchisor in its sole and unfettered discretion, all of the Principal's rights and interest in, title to, and control over:

1. Each of the following telephone numbers, each of which is or has been used in connection with the TruBlue Franchise operated by the Principal:

| | | |
|---|---|---|
| | | ; |

2. All other telephone numbers that, at any time after the date this Power of Attorney is executed, have been used in connection with a TruBlue Franchise operated by the Principal;

3. All Yellow Pages, White Pages, online directories, and other business listings that display or contain any of the telephone numbers listed or described in paragraphs 1 or 2 above;

4. All web sites, web pages, social media pages, web logs, banners, URLs, domain names, advertisements (including pay-per-click and Google keyword search programs and similar advertising programs), and other services and hyperlinks that (i) contain or display any of Franchisor's Marks, or (ii) use any of Franchisor's Marks as search keywords or metatags, or (iii) promote or relate to any TruBlue Franchise, or (iv) link to or from Franchisor's web site or any

other web site or web page owned, established, or controlled by Franchisor or its other franchisees; and

5. All comments or postings by the Principal on any web site, web page, social media site, web log, forum, or discussion group, if the comment or posting contains or references any of Franchisor's Marks or a hyperlink to or from Franchisor's web site or any other web site or web page owned, established, or controlled by Franchisor or its other franchisees.

Each Principal hereby grants Franchisor full power and authority to transfer, modify, cancel or remove any service, listing, link, registration or posting described above and to execute and deliver on the Principal's behalf any Transfer of Service Agreement and all other transfer documentation required by any telephone service provider, Internet service provider, email service, domain registrar, online directory, communication provider, search engine, regulatory agency or other provider of services, or any other party.

Each Principal further grants Franchisor full power and authority to cancel, revoke and remove any trade name, assumed name, fictitious name, business name, trademark or equivalent registration filed in the name of the Principal with the Secretary of State, Attorney General, Department of Commerce, or other agency or office of any state, or filed with the clerk or recorder of any county of any state, if the registration includes the name TRUBLUE or either of the words TRUE or BLUE or any of Franchisor's other Marks, and to execute and deliver on the Principal's behalf any cancellation, termination or modification request and all other documentation required by any such state or county office or any other party.

Each Principal further grants Franchisor full power and authority to do and perform any and all acts and things that, in Franchisor's sole and unfettered discretion, are necessary or advisable to be done in order to carry out the purposes of this Power of Attorney, as fully to all intents and purposes as the Principal might or could itself do, hereby ratifying and affirming all that Franchisor may lawfully do or cause to be done by virtue of this Power of Attorney and the powers herein granted.

During the term of this Power of Attorney, and regardless of whether a Principal has designated any other person to act as its attorney-in-fact or agent, no one dealing with Franchisor is required to ascertain the Franchisor's authority, see to the performance of the agency, or be responsible in any way for the proper application of funds or property paid or delivered to Franchisor or for the proper exercise of the authority granted to Franchisor hereunder. Anyone dealing with Franchisor shall be fully protected in acting and relying on Franchisor's certification that this Power of Attorney has not been revoked and is in full force and effect as of the date of such certification, and no Principal shall take any action against anyone who acts in reliance on such a certification or a copy of this Power of Attorney. Any instrument or document executed by Franchisor on behalf of any Principal will be deemed to include such a certification by Franchisor, whether or not expressed. This paragraph will survive the expiration of this Power of Attorney.

This Power of Attorney will expire on the twelfth anniversary of the date of the Franchise Agreement (indicated in paragraph C of the Preamble above). The expiration of this Power of Attorney will not affect the validity of any act of Franchisor that occurred before the date of expiration.

This instrument is to be construed and interpreted as an irrevocable Power of Attorney coupled with an interest. This Power of Attorney is a durable Power of Attorney and shall not be affected by the disability of any Principal or the lapse of time. The death of a Principal shall not revoke the power, authority or acts and actions of Franchisor who, without knowledge of the Principal's death, continues to act in good faith under this Power of Attorney, and any such actions so taken shall inure to the benefit of and be binding upon the Principal's heirs, successors, personal representatives and assigns. This Power of Attorney is delivered in the State of Ohio and the laws of the State of Ohio govern all questions as to the validity of this Power of Attorney and the construction of its provisions.

As used in this instrument, the term "Franchisor's Marks" means Franchisor's TRUBLUE trademark and other trademarks owned by Franchisor. Throughout this instrument the singular includes the plural and vice versa and the masculine includes the feminine or neuter and vice versa, wherever and whenever the context may require.

_____

[Print Name of Business Entity Franchisee]

_____

*Signature of Officer, Member or Partner*

Title:_____

Date:_____

T.B. FRANCHISING SYSTEMS, INC., Franchisor

By: _____

Title: _____

Date: _____

**EXECUTION OF THIS INSTRUMENT BY THE BUSINESS ENTITY FRANCHISEE MUST BE NOTARIZED**

STATE OF _____, COUNTY OF _____

On _____, before me, a Notary Public in and for said county and state, personally appeared _____, known to me or proven to me by satisfactory evidence to be the person whose name is subscribed to the foregoing instrument as _____ [*Title*] of the Business entity Franchisee named therein, and acknowledged the signing thereof to be his/her voluntary act and deed for the uses and purposes described therein.

_____

NOTARY PUBLIC

**INDIVIDUAL OWNERS OF THE BUSINESS ENTITY FRANCHISEE**

| | |
|---|---|
| _____<br>Signature<br>Date: _____ | _____<br>Signature<br>Date: _____ |
| _____<br>Signature<br>Date: _____ | _____<br>Signature<br>Date: _____ |

# EXHIBIT D

PERSONAL GUARANTY

In consideration of, and as an inducement to, the execution by T.B. FRANCHISING SYSTEMS, INC., an Ohio corporation ("Franchisor") of a franchise agreement effective on or about _____ (the "Agreement") between Franchisor and _____ ("Franchisee"), each of the undersigned Personal Guarantors hereby personally and unconditionally, jointly and severally:

1. guarantees to Franchisor and the Franchisor-Related Persons and each of their successors and assigns, for the term of the Agreement, and for any renewal/successor franchise term, 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, as currently set forth and as amended or otherwise changed in the future, including any successor franchise agreement;

2. agrees to be personally bound by, and personally liable for, the breach of, each and every provision in the Agreement (including all confidentiality, non-competition, indemnity, arbitration, and post-termination provisions) as currently set forth and as amended or otherwise changed in the future, including any successor franchise agreement; and

3. agrees to be personally bound by, and personally liable for, each past, current and future obligation of Franchisee to Franchisor and the Franchisor-Related Persons and each of their successors and assigns.

Each of the Personal Guarantors intends that the guarantees and other obligations in this Guaranty be unqualifiedly general and without limitation in scope, nature and effect. Franchisor and the Franchisor-Related Persons, and each of their successors and assigns, need not bring suit first against any one or all of the Personal Guarantors in order to enforce this Guaranty, and may enforce this Guaranty against any or all of the Personal Guarantors as they choose in their sole and absolute discretion.

Each of the Personal Guarantors waives: presentment, demand, notice of demand, dishonor, protest, nonpayment, default and all other notices (including, but not limited to, acceptance and notice of acceptance, notice of any contracts or commitments, notice of the creation or existence of any liabilities under the Agreement or otherwise and of the amounts, terms or otherwise thereof, notice of any defaults, disputes or controversies between Franchisor and Franchisee or otherwise, and any settlement, compromise or adjustment thereof); any right the Personal Guarantor may have to require that an action be brought against Franchisor, Franchisee or any other person as a condition of liability, and any and all other notices and legal or equitable defenses to which he or she may be entitled.

Each of the Personal Guarantors consents and agrees that:

1. his or her direct and immediate liability under this Guaranty is joint and several;

2. he or she will render any payment or performance required under the Agreement on demand if Franchisee fails or refuses to do so punctually;

3. his or her liability under this Guaranty is not contingent or conditioned on pursuit by Franchisor or otherwise of any remedies against Franchisee or any other person;

4. his or her liability will not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence that Franchisor or any other person 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 and any renewal/successor franchise term;

5. the liabilities and obligations of the Personal Guarantors, whether under this Guaranty or otherwise, will not be diminished or otherwise affected by the termination, rescission, expiration, renewal, award of a successor franchise, modification or otherwise of the Agreement;

6. capitalized terms not defined in this Guaranty are used as defined in the Agreement; and

7. the provisions of Article 16 of the Agreement are incorporated in and will apply to this Guaranty as if fully set forth herein and will apply to any dispute involving Franchisor, the Franchisor-Related Persons, any National Branding Fund, or any of their successors and assigns, on one side, and any of the Personal Guarantors on the other side.

In connection with this Guaranty and Franchisor (a) not requiring that the Franchise be initially awarded in the name of one or more of the Personal Guarantors and (b) not requiring the payment of a full transfer fee in connection with any related transfer from the Personal Guarantors to Franchisee, each of the Personal Guarantors hereby grants a General Release (as defined in the Agreement) of any and all claims, liabilities and obligations, of any nature whatsoever, however arising, known or unknown, against Franchisor, the Franchisor-Related Persons, any Brand Development Fund, and each of their successors and assigns.

In this Guaranty, the term "Franchisor-Related Persons" means Franchisor and each and all of the following, whether past, current, or future: persons acting through, in concert with, or as affiliates of Franchisor or of any of the foregoing; Principals, officers, directors, agents, attorneys, accountants, and employees of Franchisor or any of the foregoing; and predecessors, successors, or assigns of Franchisor or any of the foregoing. The word "person" includes individuals, corporations, limited liability companies, partnerships of any kind, unincorporated associations, joint ventures, governments, governmental bodies or agencies, commissions, estates, trusts, charitable organizations, and all other entities and organizations of any kind.

The undersigned are signing this Guaranty on the dates below.

**PERSONAL GUARANTOR**

_____

Personally and Individually (Printed Name)

_____

Personally and Individually (Signature)

Date:_____

HOME ADDRESS

_____

_____

_____

_____

TELEPHONE NO.:_____

PERCENTAGE OF OWNERSHIP
IN FRANCHISEE: _____%

**PERSONAL GUARANTOR**

_____

Personally and Individually (Printed Name)

_____

Personally and Individually (Signature)

Date:_____

HOME ADDRESS

_____

_____

_____

_____

TELEPHONE NO.:_____

PERCENTAGE OF OWNERSHIP
IN FRANCHISEE: _____%

# EXHIBIT E

NONDISCLOSURE AND NONCOMPETITION AGREEMENT

This agreement is between T.B. Franchising Systems, Inc. ("Franchisor"), an Ohio corporation, _____("Franchisee"), and _____and _____ (each individually a "Covenantor" and collectively "Covenantors").

RECITALS:

A. Pursuant to a Franchise Agreement dated evenly herewith or to an Assignment Agreement assigning the Franchise Agreement from Covenantor(s) to Franchisee, T.B. Franchising Systems, Inc. licensed Franchisee to operate a business that provides residential maintenance, modifications and repair, and senior/accessibility modification services, using Franchisor's unique franchise system and Franchisor's trade name and service marks TRUBLUE®, HOME SERVICE ALLY, and other proprietary marks.

B. Each Covenantor is an owner, director, or officer of Franchisee.

C. Franchisor has expended substantial amounts of time and money in developing the Marks and Franchisor's distinctive franchise system, including, without limitation, unique sales and marketing methods, pricing techniques, promotional materials, new product development, financial information, and procedures for the efficient operation of a Franchise, all of which Covenantor acknowledges to be confidential and proprietary information.

D. In connection with the operation of the Franchised Business, Covenantors will individually and collectively have access to such confidential and proprietary information.

E. As a condition precedent to granting the Franchise to Franchisee, and in order to prevent Covenantors from competing unfairly with Franchisor, Franchisee, and other TruBlue franchisees, all owners, directors, officers, and managers of Franchisee must agree to the covenants contained herein.

THEREFORE, each Covenantor hereby agrees as follows:

1. Confidentiality. Each Covenantor acknowledges the proprietary and confidential nature of Franchisor's Operations Manual, unique sales and marketing methods, pricing techniques, promotional materials, new product/service development, financial information, customer or referral lists, procedures for the efficient operation of a TruBlue Franchise, and any other methods, procedures, processes, techniques, information, knowledge, or know-how concerning Franchisor's franchise system or Franchisee's Franchise in particular that may not be commonly known to the public or to Franchisor's or Franchisee's competitors and that Franchisor or Franchisee have identified or may identify as proprietary and confidential information ("Trade Secrets"). Each Covenantor shall use such Trade Secrets solely for Franchisee's benefit and shall not, during the term of the Franchise Agreement or at any time thereafter, communicate, divulge, or use any Trade Secrets to or for the benefit of any other person, partnership, association or entity.

2. Intellectual Property. Each Covenantor acknowledges Franchisor's right, title, and interest in and to the service mark TRUBLUE®, Franchisor's logo, and certain other proprietary service marks, logos, symbols, and trade names presently used by Franchisor or that Franchisor may hereafter use or provide for use by Franchisee, and the identification, schemes, standards, specifications, operating procedures, and other concepts embodied in Franchisor's franchise system (the "Marks"). Covenantor further acknowledges that any use of the Marks outside the scope of the Franchise Agreement without Franchisor's prior written consent would be an infringement of Franchisor's rights in the Marks. Covenantor expressly covenants that he or she shall not, directly or indirectly, commit an act of infringement or contest, or aid in contesting, the validity or ownership of the Marks or take any other action in derogation thereof during the term of the Franchise Agreement or after the expiration or termination thereof.

3. Covenants During Term of Franchise Agreement. Each Covenantor agrees that, so long as the Franchise Agreement is in effect, he or she shall not, either directly or indirectly, for him or herself or through, on behalf of, or in conjunction with, any other person (including a spouse, child, parent, or sibling of a Covenantor) (each of which is a "Covered Person" for purposes of this agreement):

(a) divert or attempt to divert any business or client of the Franchised Business or of any other TruBlue Franchisee to a Competitive Business, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Marks and the Operating System;

(b) aid, assist, provide goods or services to (whether as an employee or independent contractor), or loan money to any Competitive Business;

(c) own, maintain, engage in, operate, or have any interest in a Competitive Business, except as may be authorized under another franchise agreement in effect between Franchisee (or Covenantor) and Franchisor;

(d) promote, sell, or provide for compensation any Permitted Products or Services, or otherwise operate the Franchised Business, within a protected territory licensed to another TruBlue Franchisee (except as may be expressly permitted by the Franchise Agreement or the Manual), or otherwise infringe upon rights granted under franchise agreements between Franchisor and other TruBlue Franchisees; or

(e) take any action injurious or prejudicial to the Operating System.

4. Covenants After Termination of Franchise Agreement.

(a) Each Covenantor agrees that he or she shall not, for a continuous and uninterrupted period commencing upon the earlier of:

(i) the expiration of the Franchise Agreement,

(ii) the termination (regardless of the cause) of the Franchise Agreement, or

(iii) the termination of Covenantor's relationship with Franchisee (as defined in section 4(d)) for any reason,

and ending on the second anniversary thereof (the "Restrictive Period"), directly or indirectly, for him/herself or through, on behalf of, or in conjunction with a Covered Person:

(1) except as may be authorized under another franchise agreement in effect between Franchisee (or Covenantor) and Franchisor (including a successor agreement upon the renewal of the Franchise granted under the Franchise Agreement), own, maintain, operate, engage in, or have any interest in a Competitive Business that is or is intended to be located, or that operates, in or within 15 miles of the geographical boundaries of Franchisee's Territory; or

(2) except as may be authorized under another franchise agreement in effect between Franchisee (or Covenantor) and Franchisor (including a successor agreement upon the renewal of the Franchise granted under the Franchise Agreement), own, maintain, operate, engage in, or have any interest in a Competitive Business that is or is intended to be located, or that operates, in or within 15 miles of the geographical boundaries of any other TruBlue Franchisee's protected territory; or

(3) be employed by, or be engaged on a self-employed basis in, a Competitive Business that is or is intended to be located, or that operates, in or within 15 miles of the geographical boundaries of Franchisee's Territory; or

(4) be employed by, or be engaged on a self-employed basis in, a Competitive Business that is or is intended to be located, or that operates, in or within 15 miles of the geographical boundaries of any other TruBlue Franchisee's protected territory; or

(5) divert or attempt to divert any business or client of the Franchised Business to a Competitive Business or, for the benefit of a Competitive Business, have any commercial dealings with anyone who was a client of or received services from the Franchised Business at any time during the one-year period prior to the beginning of the Restrictive Period; or

(6) except as may be authorized under another franchise agreement in effect between Franchisee (or Covenantor) and Franchisor (including a successor agreement upon the renewal of the Franchise granted under the Franchise Agreement), promote, sell, procure, provide or solicit referrals for, or offer to sell, procure, provide or solicit referrals for any Permitted Products or Services or any other products or services that are offered in the Franchised Business, from any Shared Referral Sources or in or within 15 miles of the geographical boundaries of Franchisee's or any other TruBlue Franchisee's Territory; or

(7) sell, assign or otherwise transfer any of the assets used in the Franchised Business (including the title or right to possession of the Franchise Premises), or transfer any Ownership Interest in Franchisee, to a third party which, in either case, would enable the third party to directly or indirectly carry on business activities that, if carried on by a Covered Person, would be a breach of this section 4(a).

(b) This section 4 will not apply to the beneficial ownership by Covenantor of less than 1% of the outstanding equity securities of any company that is registered under the Securities and Exchange Act of 1934.

(c) The time period referred to in subparagraph 4(a) will be stayed during any violation or breach of the terms thereof. The covenants in this section 4 will survive the expiration, termination, or transfer of this agreement.

(d) If Covenantor is an Owner of Franchisee, "the termination of Covenantor's relationship with Franchisee" occurs upon a Transfer of Covenantor's entire Ownership Interest in Franchisee. If Covenantor is an officer, director or manager of Franchisee, "the termination of Covenantor's relationship with Franchisee" occurs upon Covenantor's termination or resignation as officer, director or manager. If Covenantor has more than one relationship with Franchisee (e.g., Covenantor is both a Principal and an officer of Franchisee), "the termination of Covenantor's relationship with Franchisee" occurs upon the termination of Covenantor's last relationship with Franchisee.

5. The parties agree that the full extent of the damages that Franchisor will incur if a Covenantor fails to comply with their obligations under section 3 or 4 is difficult to ascertain, but the parties nevertheless desire certainty in this matter. Accordingly, if a Covenantor breaches or fails to comply with any of the provisions of section 3 or 4, they shall pay Franchisor, as liquidated damages and not as a penalty, a royalty equal to 15% of the gross amount of all income, sales, salary, wages, fees, dividends, distributions, and other compensation received or earned by Covenantor or any Covered Person, or to which any of those parties becomes entitled, as the result of the breach or noncompliance. The parties further agree that the royalty required by this paragraph is reasonable in light of the damages that Franchisor will incur. This payment is not exclusive of any other remedies that Franchisor may have, including equitable remedies, attorneys' fees, and costs.

6. Definition of Competitive Business. "Competitive Business" means a business (i) that offers, provides or sells any of the Permitted Products or Services; or (ii) that offers, provides or sells any products or services similar to those offered as part of the TruBlue franchise system; or (iii) in which Trade Secrets could be used to the disadvantage of Franchisor, Franchisee, or another TruBlue Franchise; or (iv) that

offers, provides or sells products or services that are otherwise competitive with or may be considered an alternative to any products or services offered by TruBlue Franchises; or (v) that franchises or licenses others to do any of the foregoing. Services that are "otherwise competitive with or may be considered an alternative" to services offered by TruBlue Franchises include services that offer or provide alternatives to home maintenance or fall prevention services or other Permitted Products or Services.

7. Reasonableness of Covenants. Each Covenantor acknowledges and agrees that the geographic and temporal restrictions imposed by sections 3 and 4 on his or her ability to compete with Franchisor, Franchisee and other TruBlue Franchisees are reasonable and necessary to protect Franchisor's and Franchisee's business interests in the relevant markets. Each Covenantor also acknowledges and agrees that he/she has sufficient resources, business experience, and opportunities to earn an adequate living while complying with the terms of those restrictions.

8. Reduction of Covenants by Franchisor. Each Covenantor acknowledges and agrees that Franchisor has the right, in its sole discretion, to reduce the scope of any covenant in sections 1 through 4, or any portion thereof, without Franchisee's or either Covenantor's consent, effective immediately upon receipt by Covenantor of written notice, and Covenantor shall comply forthwith with any covenant as so modified, which will be fully enforceable notwithstanding the provisions of section 12.

9. Injunctive Relief. Each Covenantor acknowledges that his/her violation of any of the covenants contained in this agreement would result in irreparable injury to Franchisor and Franchisee, for which no adequate remedy at law may be available, and accordingly consents to the issuance of, and agrees to pay all court costs and reasonable attorney fees incurred by Franchisor or Franchisee in obtaining, an injunction enjoining any conduct by Covenantor prohibited by the terms of this agreement. This remedy will be in addition to any and all other remedies that may be available to Franchisor or Franchisee.

10. Severability. Each of the covenants in this agreement contain different but overlapping restrictions that are to be enforced simultaneously whenever permitted by applicable laws and construed as severable and independent of any other covenant or provision of this agreement. If all or any portion of a covenant contained herein is held to be unreasonable or unenforceable by a court or agency having valid jurisdiction in an unappealed final decision to which either Franchisee or Franchisor is a party, each Covenantor expressly agrees to be bound by any lesser covenants subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenants were separately stated in and made a part of this agreement, and the remaining provisions of this agreement will be unaffected thereby.

11. No Waiver. No failure of one party to exercise any power reserved to it under this agreement, or to insist upon strict compliance by another party with any provision of this agreement, and no custom or practice of the parties in variance with the terms of this agreement, constitutes a waiver of a party's right to demand exact compliance with the terms of this agreement. A waiver by one party of any breach or nonperformance by another party is not binding unless in writing and executed by the party sought to be charged, and does not affect or impair the non-breaching party's right with respect to any subsequent breach or nonperformance of the same or of a different nature; nor does any delay, waiver, forbearance, or omission of one party to exercise any power or right arising out of any breach or nonperformance by another party of any provision of this agreement, affect or impair the non-breaching party's rights, nor shall such constitute a waiver by the non-breaching party of any right under this agreement or of the right to declare any subsequent breach or default.

12. Modification. Except as provided in section 8, this agreement may be modified or amended only by a written instrument signed by all of the parties.

13. Assignment. This agreement may not be assigned by any party without the prior written consent of the other parties, except that Franchisor may, without the other parties' consent, assign this agreement to an affiliate or pursuant to a corporate reorganization, merger, acquisition, sale of all or substantially all of its assets to which this agreement relates, or other business combination transaction. No assignment will be effective unless the assignee agrees in writing to assume all rights and obligations under this agreement.

14. Governing Law. The laws of the State of Ohio will govern all aspects of this agreement.

15. Jurisdiction. Franchisor may enforce the terms of this agreement in an action filed in any state or federal court located in the State of Ohio in the judicial district in which Franchisor has its principal place of business (presently Hamilton County, Ohio), and Franchisee and each Covenantor hereby irrevocably consent to the exercise of personal jurisdiction by any such court and irrevocably waive all defenses based upon lack of personal jurisdiction, improper venue, or inconvenient forum for purposes of carrying out this provision.

16. Construction. In this agreement, the words "include," "includes" and "including" are to be construed to include the words "without limitation", and the word "person" includes corporations, limited liability companies, partnerships of any kind, joint ventures, unincorporated associations, estates, trusts, charitable organizations, governments, governmental bodies and agencies, commissions, and all other entities and organizations, as well as individuals. Capitalized terms used but not defined in this agreement are used as defined in the Franchise Agreement.

17. Counterparts; Electronic Signatures. This agreement may be executed in two or more counterparts, each of which will be an original, but all of which together constitute one and the same instrument. The parties agree that this agreement may be electronically signed and that an electronic or facsimile signature, including a photocopied, faxed or electronically reproduced (such as PDF) copy of a handwritten signature, is binding for all purposes to the same extent as an original handwritten signature with regard to this agreement or any amendment hereto.

The parties are signing this agreement as of the dates below.

T.B. FRANCHISING SYSTEMS, INC., Franchisor:

Date: _____ By: _____

Title: _____

Franchisee:

Date: _____ By: _____

Title: _____

Date: _____ _____

Covenantor

Date: _____ _____

Covenantor

# EXHIBIT F

## GRANT OF FRANCHISOR CONSENT AND FRANCHISEE RELEASE

T.B. FRANCHISING SYSTEMS, INC. ("we," "us," "our," or "Franchisor") and the undersigned franchise, _____ ("you," "your," or "Franchisee"), currently are parties to a certain franchise agreement dated _____ (the "Franchise Agreement") for the operation of a TruBlue franchised business designated TruBlue franchise no. _____. You have asked us to take the following action or to agree to the following request: [*insert as appropriate for renewal or transfer situation*] _____. We have the right under the Franchise Agreement to obtain a general release from you (and, if applicable, your owners) as a condition of taking this action or agreeing to this request. Therefore, we are willing to take the action or agree to the request specified above if you (and if applicable, your owners) give us the release and covenant not to sue provided below in this document. You (and, if applicable, your owners) are willing to give us the release and covenant not to sue provided below as partial consideration for our willingness to take the action or agree to the request described above.

Consistent with the previous introduction, you, on your own behalf and on behalf of your successors, heirs, executors, administrators, personal representatives, agents, assigns, partners, shareholders, members, directors, officers, principals, employees, and affiliated entities (collectively, the "Releasing Parties"), hereby forever release and discharge us and our current and former officers, directors, shareholders, principals, employees, agents, representatives, affiliated entities, successors, and assigns (collectively, the "Franchisor Parties") from any and all claims, damages (known and unknown), demands, causes of action, suits, duties, liabilities, and agreements of any nature and kind (collectively, "Claims") that you and any of the other Releasing Parties now have, ever had, or, but for this document, hereafter would or could have against any of the Franchisor Parties (1) arising out of or related to the Franchisor Parties' performance of their obligations under the Franchise Agreement before the date of your signature below or (2) otherwise arising from or related to your and the other Releasing Parties' relationship, from the beginning of time to the date of your signature below, with any of the Franchisor Parties. You, on your own behalf and on behalf of the other Releasing Parties, further covenant not to sue any of the Franchisor Parties on any of the Claims released by this paragraph and represent that you have not assigned any of the Claims released by this paragraph to any individual or entity that is not bound by this paragraph.

We also are entitled to a release and covenant not to sue from your owners. By his, her, or their separate signature below, your transferring owners likewise grant to us the release and covenant not to sue provided above.

**********

Notwithstanding the above, nothing contained herein shall act as a release, estoppel or waiver of any claim or liability arising under the Maryland Franchise Registration and Disclosure Law.

This General Release Language does not apply with respect to claims arising under the Washington Franchise Investment Protection Act, RCW 19.100, and the rules adopted thereunder.

**********

# EXHIBIT G

FRANCHISEE ACKNOWLEDGMENT STATEMENT

As you are aware, you have or are preparing to enter into a Franchise Agreement with T.B. FRANCHISING SYSTEMS, INC. ("Franchisor") for the operation of a TRUBLUE franchise. The purpose of this questionnaire is to determine whether any statements or promises were made to you, either verbally or in writing, that Franchisor did not authorize and that may be untrue, inaccurate, or misleading. Please read each of the following questions carefully and provide honest and complete responses to each question.

1. Did you receive a copy of Franchisor's Franchise Disclosure Document at least 14 days before you signed the Franchise Agreement or the Remittance Form or paid any money for the franchise?

   YES ☐ NO ☐

2. Did you read the franchise contracts and their exhibits?

   YES ☐ NO ☐

3. Did you understand everything in the franchise contracts and their exhibits?

   YES ☐ NO ☐

   If "No," what parts of the franchise contracts or their exhibits do you NOT understand? (Attach additional pages if necessary.)

   _____

4. Have you discussed your purchase of a TRUBLUE franchise with an attorney, accountant, or other professional advisor?

   YES ☐ NO ☐

5. If you answered "No" to Question 4, do you understand that you may consult with an attorney, accountant, or other professional advisor?

   YES ☐ NO ☐

6. Do you understand the risks of investing in and operating a TRUBLUE franchise?

   YES ☐ NO ☐

7. Do you understand that the success or failure of your TRUBLUE franchise will depend in large part upon your skills and abilities, the number of hours you are willing to work, competition from other businesses, interest rates, the general state of the economy, inflation, labor and supply costs, and other general economic and business factors?

   YES ☐ NO ☐

8. Do you understand that you are responsible for investigating and complying with any and all laws, regulations, and licensing requirements that may apply in your territory?

   YES ☐ NO ☐

NOTE: QUESTIONS 9 THROUGH 14 DO NOT APPLY TO ANY INFORMATION YOU WERE GIVEN DIRECTLY BY A TRUBLUE FRANCHISEE.

Has any employee of Franchisor or other person speaking on behalf of Franchisor made any written or oral statement or promise regarding:

9. . . . the actual revenue or profits of a TRUBLUE franchise that is contrary to or different from the information in the Franchise Disclosure Document?

YES ☐ NO ☐

10. . . . the amount of money you can earn operating a TRUBLUE franchise that is contrary to or different from the information in the Franchise Disclosure Document?

YES ☐ NO ☐

11. . . . the amount of sales revenue your TRUBLUE franchise will or may generate that is contrary to or different from the information in the Franchise Disclosure Document?

YES ☐ NO ☐

12. . . . your initial investment to open a TRUBLUE franchise or the costs you may incur in operating a TRUBLUE franchise, that is contrary to or different from the information in the Franchise Disclosure Document?

YES ☐ NO ☐

13. . . . the advertising, marketing, training, support services, or assistance that Franchisor will provide you that is contrary to or different from the information in the Franchise Disclosure Document?

YES ☐ NO ☐

14. . . . any other aspect of a TRUBLUE franchise that is contrary to or different from the information in the Franchise Disclosure Document?

YES ☐ NO ☐

If you answered "Yes" to any of Questions 9 through 14, please provide a full explanation of your answer in the following space (attach additional pages if necessary, and refer to them in the space below). If you answered "No" to every Question 9 through 14, please leave the following space blank.

_____

_____

_____

You understand that your answers are important to us and that we will rely on them in entering into the Franchise Agreement with you.

By signing below, you represent that you have responded truthfully to the above questions.

Date:_____ _____

Signature

Date:_____ _____

Signature

[SIGNATURE PAGE TO FRANCHISEE ACKNOWLEDGMENT STATEMENT]

# EXHIBIT H

ASSIGNMENT AGREEMENT[1]

This assignment agreement, executed this _____ day of _____, 20____ by T.B. FRANCHISING SYSTEMS, INC., an Ohio corporation ("Franchisor"), _____, an individual resident of the State of _____ ("Assignor"), and _____, a(n) _____ corporation [*or* limited liability company]("Assignee");

WITNESSETH:

WHEREAS, Franchisor and Assignor entered into a franchise agreement on _____, 20____ (the "Franchise Agreement"), pursuant to which Franchisor licensed Assignor to operate a home and property management services business using Franchisor's trademark and trade names TRUBLUE and Franchisor's business format;

WHEREAS, Assignor owns _____% of the issued and outstanding stock [*or* ownership units] of Assignee;

WHEREAS, Assignor desires to assign, transfer, and delegate to Assignee all of Assignor's rights and obligations under the Franchise Agreement; and

WHEREAS, Assignee desires to assume all of Assignor's rights and obligations under the Franchise Agreement;

THEREFORE the parties agree as follows:

1. Assignment. Assignor assigns, conveys, and transfers to Assignee all of Assignor's rights, title, and interest in and to the Franchise Agreement and the franchise granted therein. Assignee assumes and undertakes to perform all of Assignor's obligations and liabilities under the Franchise Agreement and agrees to comply with and be bound by all the terms and conditions thereof.

2. Consent of Franchisor. Franchisor consents to the assignment, in accordance with the terms contained herein, to Assignee of Assignor's interest in the Franchise Agreement and the franchise granted therein.

3. Guaranty by Assignor. The assignment to Assignee of Assignor's interest in the Franchise Agreement shall not relieve Assignor from any liability or obligation contained therein. Assignor specifically guarantees to Franchisor the prompt payment of all royalty and other fees required to be paid by the Franchisee under the Franchise Agreement, and the performance of all the provisions of the Franchise Agreement for and during the term thereof (including any renewals or extensions thereof). Assignor acknowledges that he/she shall continue to be bound by all covenants, obligations, and commitments of the Franchisee contained in the Franchise Agreement including, without limitation, those covenants contained in Article 15 of the Franchise Agreement.

4. Representations of Assignee. In order to induce Franchisor to consent to the assignment by Assignor, Assignee represents as follows:

[1] This Assignment Agreement is required only if you sign your franchise agreement individually rather than in the name of a business entity.

(a) The assumption of Assignor's obligations under the Franchise Agreement and the execution of this Assignment Agreement have been duly authorized and approved by Assignee's Board of Directors [*or* Managing Member]; and

(b) Assignor is the owner of _____% of the issued and outstanding capital stock [*or* ownership units] of Assignee.

5. Release**.** By execution of this agreement, Assignor and Assignee, their respective members, shareholders, directors, agents, and employees, hereby release Franchisor, its shareholders, directors, officers, employees, affiliates, agents, successors and assigns (the "Released Parties"), from any and all debts, claims, demands, damages, losses, liabilities, actions, causes of action, awards, and suits of any kind, known or unknown, that they may now have against the Released Parties up to and including the final date of execution of this agreement.

IN WITNESS WHEREOF, the parties executed this Assignment Agreement, or caused it to be executed by their duly authorized agent, as of the date first set forth above.

T.B. FRANCHISING SYSTEMS, INC.

By: _____

ASSIGNOR(S)

_____
[Individual(s)]

_____
[Individual(s)]

ASSIGNEE

_____
*Print Corporation or Company Name*

_____
President [*or* Managing Member]

# EXHIBIT I

AGENTS FOR SERVICE OF PROCESS

*California*

Commissioner of Financial Protection & Innovation
2101 Arena Blvd.
Sacramento, CA 95834

*Hawaii*

Commissioner of Securities
Department of Commerce and Consumer Affairs
Business Registration Division
Securities Compliance Branch
335 Merchant Street, Room 203
Honolulu, HI 96813

*Illinois*

Illinois Attorney General
500 South Second Street
Springfield, IL 62706

*Indiana*

Administrative Office of the Secretary of State
201 State House
Indianapolis, IN 46204

*Maryland*

Maryland Securities Commissioner
200 St. Paul Place
Baltimore, MD 21202-2020

*Minnesota*

Minnesota Department of Commerce
85 7th Place East, Suite 280
St. Paul, MN 55101

*New York*

New York Secretary of State
99 Washington Avenue
Albany, NY 12231
518-473-2492

*North Carolina*
North Carolina Secretary of State
300 N. Salisbury Street
Raleigh, NC 27603-5909

*North Dakota*

Insurance Commissioner
600 East Boulevard Avenue, Dept. 401
Bismarck, ND 58505-0510

*Ohio*

Jeffrey D. Siehl
4755 Lake Forest Dr., Suite 100
Cincinnati, Ohio 45242

*Rhode Island*

Department of Business Regulation
Securities Division
John O. Pastore Complex
1511 Pontiac Avenue, Building 69-1
Cranston, RI. 02910

*South Dakota*

Division of Insurance
Securities Regulation
124 S. Euclid, Suite 104
Pierre, SD 57501

*Virginia*

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

*Washington*

Washington Department of Financial Institutions
Securities Division
150 Israel Road SW
Tumwater, WA 98501

*Wisconsin*

Commissioner of Securities
101 East Wilson Street
Madison, WI 53703

# EXHIBIT J

STATE FRANCHISE REGULATORS

*California*

Department of Financial Protection & Innovation
2101 Arena Blvd.
Sacramento, CA 95834
(866) 275-2677

*Connecticut*

Securities & Business Investments Division
Department of Banking
260 Constitution Plaza
Hartford, CT 06103-1800
(860) 240-8230

*Florida*

Dept. of Agriculture and Consumer Services
227 N. Burrough Street
City Centre Building, 7th Floor
Tallahassee, FL 32301
(904) 922-2770

*Georgia*

Office of Consumer Affairs
2 Martin Luther King Jr. Dr., Suite 356
Atlanta, GA 30334
(404) 656-1762

*Hawaii*

Commissioner of Securities
Department of Commerce & Consumer Affairs
Business Registration Division
Securities Compliance Branch
335 Merchant Street, Room 203
Honolulu, HI 96813
(808) 586-2722

*Illinois*

Office of the Attorney General
Franchise Division
500 South Second Street
Springfield, IL 62706
(217) 782-4465

*Indiana*

Indiana Securities Division
302 West Washington Street
Room E111
Indianapolis, IN 46204
(317) 232-6681

*Kentucky*

Office of the Attorney General
Consumer Protection Division
P.O. Box 2000
Frankfort, KY 40602-2000
(502) 573-2200

*Maryland*

Office of the Attorney General
Securities Division
200 Saint Paul Place
Baltimore, MD 21202-2020
(410) 576-6360

*Michigan*

Department of Attorney General
Consumer Protection Division
Antitrust and Franchise Unit
670 Law Building
Lansing, MI 48913
(517) 373-7117

*Minnesota*

Minnesota Department of Commerce
85 7th Place East, Suite 280
St. Paul, MN 55101
(651) 539-1638

*Nebraska*

Dept. of Banking & Finance
1230 O Street, Suite 400
Commerce Court
Lincoln, NE 68508
(402) 471-3445

*New York*

NYS Department of Law
Investment Protection Bureau
28 Liberty St., 21st Fl
New York, NY 10005
(212) 416-8285

*North Carolina*

Department of the Secretary of State
Securities Division
300 N. Salisbury Street
Raleigh, NC 27603-5909
(919) 733-3924

*North Dakota*

North Dakota Insurance & Securities Department
600 East Boulevard Avenue, Dept. 401
Bismarck, ND 58505-0510
(701) 328-2910

*Oregon*

Oregon Secretary of State
Corporation Division
255 Capitol Street, Northeast
Salem, OR 97310
(503) 986-2200

*Rhode Island*

Department of Business Regulation
Securities Division
John O. Pastore Complex
1511 Pontiac Avenue, Building 69-1
Cranston, RI. 02910
(401) 222-3048

*South Carolina*

Secretary of State
1205 Pendleton Street
525 Edger Brown Building
Columbia, SC 29201
(803) 734-1958

*South Dakota*

Division of Insurance
Securities Regulation
124 S. Euclid, Suite 104
Pierre, SD 57501
(605) 773-3563

*Texas*

Secretary of State
Statutory Document Section
P.O. Box 13563
Austin, TX 78711
(513) 475-1769

*Utah*

Department of Commerce
Division of Consumer Protection
160 East 300 South
P.O. Box 45804
Salt Lake City, UT 84145-0804
(801) 530-6601

*Virginia*

State Corporation Commission
Division of Securities & Retail Franchising
1300 East Main Street, 9th Floor
Richmond, VA 23219
(804) 371-9051

*Washington*

Department of Financial Institutions
Securities Division
150 Israel Road, SW
Tumwater, WA 98501
(360) 902-8760

*Wisconsin*

Department of Financial Institutions
Division of Securities
345 West Washington Avenue, 4th Floor
Madison, WI 53703
(608) 266-1064

CLARK SCHAEFER HACKETT
BUSINESS ADVISORS

# Exhibit K

**T. B. Franchising Systems, Inc.**

Financial Statements

December 31, 2025, 2024 and 2023

with Independent Auditors' Report

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CLARK SCHAEFER HACKETT
BUSINESS ADVISORS

One East Fourth Street, Suite 1200, Cincinnati, Ohio 45202
P. 513.241.3111 | F. 513.241.1212

**INDEPENDENT AUDITORS' REPORT**

To the Board of Directors
T. B. Franchising Systems, Inc.
Cincinnati, Ohio

**Opinion**
We have audited the accompanying financial statements of T. B. Franchising Systems, Inc. (an Ohio S-corporation), which comprise the balance sheets as of December 31, 2025, 2024, and 2023, and the related statements of operations and accumulated deficit, and cash flows for the years then ended and the related notes to the financial statements.

In our opinion, the 2025, 2024, and 2023 financial statements referred to above present fairly, in all material respects, the financial position of T. B. Franchising Systems, Inc. as of December 31, 2025, 2024, and 2023, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

**Basis for Opinion**
We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of T. B. Franchising Systems, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about T. B. Franchising Systems, Inc.'s ability to continue as a going concern within one year after the date that the financial statements were available to be issued.

**Auditors' Responsibilities for the Audit of the Financial Statements**
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the

aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

*Clark, Schaefer, Hackett & Co.*

Cincinnati, Ohio
March 17, 2026

T. B. Franchising Systems, Inc.
Balance Sheets
December 31, 2025, 2024 and 2023

| | | 2025 | 2024 | 2023 |
|---|---|---|---|---|
| Assets | | | | |
| Current assets: | | | | |
| Cash | $ | 997,803 | 938,167 | 549,085 |
| Restricted cash | | 233,064 | 83,543 | 16,002 |
| Accounts receivable | | 305,724 | 207,753 | 157,992 |
| Prepaid expenses | | 10 | 1,500 | 10,500 |
| | | 1,536,601 | 1,230,963 | 733,579 |
| Property and equipment: | | | | |
| Computer equipment | | 7,230 | 7,230 | 7,230 |
| Leasehold improvements | | 6,329 | 6,329 | 6,329 |
| | | 13,559 | 13,559 | 13,559 |
| Accumulated depreciation | | (13,559) | (13,559) | (13,559) |
| | | - | - | - |
| Other assets: | | | | |
| Franchise contract asset | | 368,493 | 185,001 | 127,078 |
| Operating right-of-use asset | | 167,474 | 157,746 | 7,762 |
| | | 535,967 | 342,747 | 134,840 |
| | $ | 2,072,568 | 1,573,710 | 868,419 |
| Liabilities and shareholders' equity (deficit) | | | | |
| Current liabilities: | | | | |
| Accounts payable | $ | 40,992 | 87,313 | 18,611 |
| Accrued expenses | | 89,684 | 108,394 | 81,227 |
| Note payable, current portion | | 42,474 | 42,474 | - |
| Unearned franchise fees | | 302,500 | 47,450 | 54,900 |
| Operating lease liability, current portion | | 67,725 | 42,714 | 8,217 |
| | | 543,375 | 328,345 | 162,955 |
| Long-term liabilities: | | | | |
| Note payable, less current portion | | - | 42,474 | - |
| Franchise contract liability | | 1,248,892 | 841,332 | 788,634 |
| Operating lease liability, less current portion | | 104,513 | 117,023 | - |
| | | 1,353,405 | 1,000,829 | 788,634 |
| | | 1,896,780 | 1,329,174 | 951,589 |
| Shareholders' equity (deficit): | | | | |
| Common shares | | 1,500 | 1,500 | 1,500 |
| Treasury shares | | (94,948) | (94,948) | (10,000) |
| Additional paid-in capital | | 757,132 | 757,132 | 757,132 |
| Accumulated deficit | | (487,896) | (419,148) | (831,802) |
| | | 175,788 | 244,536 | (83,170) |
| | $ | 2,072,568 | 1,573,710 | 868,419 |

See accompanying notes to the financial statements.

T. B. Franchising Systems, Inc.
Statements of Operations and Accumulated Deficit
Years Ended December 31, 2025, 2024 and 2023

| | | 2025 | 2024 | 2023 |
|---|---|---|---|---|
| Revenue: | | | | |
| Revenue from franchise agreements | $ | 3,667,474 | 2,606,944 | 2,160,985 |
| National Branding Fund revenue | | 717,909 | 565,751 | 490,090 |
| | | 4,385,383 | 3,172,695 | 2,651,075 |
| Expenses: | | | | |
| Advertising & marketing | | 860,502 | 521,610 | 432,365 |
| Bank & payroll fees | | 7,896 | 3,814 | 7,144 |
| Computer expenses | | 24,381 | 22,244 | 23,502 |
| Depreciation | | - | - | 294 |
| Dues & subscriptions | | 511 | 594 | 219 |
| Employee-related expenses | | 24,178 | 18,489 | 23,493 |
| Insurance | | 6,419 | 7,547 | 6,761 |
| Leased employees expenses | | 1,397,360 | 1,082,481 | 820,837 |
| Licenses | | 3,920 | 3,375 | 5,415 |
| National Branding Fund expenses | | 516,265 | 508,891 | 510,099 |
| Office & supplies | | 7,632 | 7,611 | 6,929 |
| Postage | | 3,275 | 3,904 | 2,997 |
| Professional fees | | 42,609 | 49,449 | 41,610 |
| Rent | | 55,263 | 46,428 | 43,496 |
| Repairs & maintenance | | 401 | 513 | 324 |
| Sales related expenses | | 284,971 | 236,773 | 306,428 |
| Telephone | | 11,477 | 5,679 | 5,972 |
| Training & meetings | | 109,412 | 98,421 | 85,118 |
| Total expenses | | 3,356,472 | 2,617,823 | 2,323,003 |
| Income from operations | | 1,028,911 | 554,872 | 328,072 |
| Other income (expense): | | | | |
| Interest income | | 13,659 | 10,499 | 3,868 |
| Other income (expense) | | - | - | (300) |
| State & local taxes | | (11,318) | (2,716) | (10,085) |
| Total other income (expense) | | 2,341 | 7,783 | (6,517) |
| Net income | $ | 1,031,252 | 562,655 | 321,555 |
| Accumulated deficit, beginning | | (419,148) | (831,802) | (1,058,357) |
| Distributions | | (1,100,000) | (150,001) | (95,000) |
| Accumulated deficit, ending | $ | (487,896) | (419,148) | (831,802) |

See accompanying notes to the financial statements.

T. B. Franchising Systems, Inc.
Statements of Cash Flows
Years Ended December 31, 2025, 2024 and 2023

| | | 2025 | 2024 | 2023 |
|---|---|---|---|---|
| Cash flows from operating activities | | | | |
| Net income | $ | 1,031,252 | 562,655 | 321,555 |
| Adjustment to reconcile net income to net cash provided by operating activities: | | | | |
| Depreciation | | - | - | 294 |
| Non-cash lease expense | | 2,773 | 1,536 | (2,198) |
| Net change in assets and liabilities: | | | | |
| Accounts receivable | | (97,971) | (49,761) | 38,833 |
| Prepaid expenses | | 1,490 | 9,000 | 3,600 |
| Other receivable | | - | - | 5,646 |
| Franchise contract asset | | (183,492) | (57,923) | (37,714) |
| Accounts payable | | (46,321) | 68,702 | 2,301 |
| Unearned revenue | | 255,050 | (7,450) | (37,900) |
| Franchise contract liability | | 407,560 | 52,698 | (35,757) |
| Accrued expenses | | (18,710) | 27,167 | (33,883) |
| Net cash provided by operating activities | | 1,351,631 | 606,624 | 224,777 |
| Cash flows from financing activities | | | | |
| Purchase of treasury stock | | - | (84,948) | - |
| Stock repurchase liability | | (42,474) | 84,948 | - |
| Distributions | | (1,100,000) | (150,001) | (95,000) |
| Net cash used by financing activities | | (1,142,474) | (150,001) | (95,000) |
| Change in cash and restricted cash | | 209,157 | 456,623 | 129,777 |
| Cash and restricted cash at beginning of year | | 1,021,710 | 565,087 | 435,310 |
| Cash and restricted cash at end of year | $ | 1,230,867 | 1,021,710 | 565,087 |
| Supplementary information: | | | | |
| Cash and restricted cash: | | | | |
| Cash | $ | 997,803 | 938,167 | 549,085 |
| Restricted cash | | 233,064 | 83,543 | 16,002 |
| Total cash and restricted cash | $ | 1,230,867 | 1,021,710 | 565,087 |

See accompanying notes to the financial statements.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

**Nature of business and trade name**
T. B. Franchising Systems, Inc. (the Company), is an S-corporation organized under the laws of the State of Ohio on May 2, 2011. The Company was organized to promote, sell, and support franchises operating under the trade names of Tru Blue™ and Tru Blue Home Ally™. The Company's franchisees provide total house care and senior home safety consulting services. The Company provides distinctive methods and procedures for business operations, specially designed business forms, instructional manuals, training courses, marketing systems, and specially designed procedures for promotion and rendering of services.

As of December 31, 2025, 2024 and 2023, the Company had 135, 104, and 94 franchises, respectively, operating in North America.

**Accounts receivable and allowance for credit losses**
Accounts receivable are uncollateralized customer obligations due under normal trade terms. The Company does not assess interest on past-due accounts. An allowance for credit losses is an estimate based upon historical account write-off trends, facts about the current financial condition of the debtor, forecasts of future operating results based upon current trends, and macroeconomic factors. Credit quality is monitored through the timing of payments compared to payment terms and known facts regarding the financial condition of debtors. Accounts receivable balances are charged off against the allowance for credit losses after recovery efforts have ceased. Management has reviewed the Company’s accounts receivable and determined that expected credit losses are not material.

**Property and equipment**
Property and equipment is recorded at cost. The cost of fixed assets is depreciated over the estimated useful lives of the related assets which range from 5 to 15 years. Depreciation is computed on the straight-line method for financial reporting. Maintenance and repair costs are charged to operations when incurred.

**Revenue recognition**
The Company derives its revenues primarily from the sale of franchises and related royalty and technology fee income. The Company charges a franchise fee of $49,900 ($44,900 prior to April 2024). The Company requires a $5,000 nonrefundable deposit, and the balance of the franchise fee must be paid in full prior to commencement of the training program. No financing is offered, and the entire fee is nonrefundable once the franchisee begins the upfront training. Franchisees are then required to pay continuing monthly royalties of the greater of $500 for 12 months and $1,000 thereafter or 6% of their gross revenue (which covers continued use of the Company's brand and service marks and ongoing services) and a $195 monthly technology fee (which covers software licensing and support). Franchise agreements typically have a 10-year term and can be renewed for two additional 10-year terms at no cost.

The Company's performance obligations under the franchise agreement consist of providing a license of the brand's intellectual property, a schedule of equipment necessary to operate the franchised business, initial training, advertising and promotional templates, a list of approved resources and vendors, periodic assistance as needed, and other materials and information deemed necessary.

The Company has identified its initial training program as a separate and distinct element of its contract satisfied at a point in time because upon completion, the franchisee has full knowledge of the Company's proprietary methods. Further, most of the Company's direct costs are associated with the recruiting and training of franchisees. The Company calculated the upfront revenue in reference to the total transaction price over the term of the initial franchise agreement and an allocation to the specific performance obligations based on their relative stand-alone values. Based on this calculation, the Company recognizes upfront revenue of 70% of the franchise fee. The contract liability resulting from the income deferral is amortized on a straight-line basis over the remaining nine years of the contract. Selling expenses paid when the franchise agreement is executed are recorded as a franchise contract asset and are amortized over the life of the agreement, consistent with the recognition of the deferred revenue.

The following table summarizes the assets and liabilities related to revenue from contracts with customers at December 31, 2025, 2024 and 2023:

| | December 31, 2025 | December 31, 2024 | December 31, 2023 | January 1, 2023 |
|---|---|---|---|---|
| Accounts receivable | $ 305,724 | 207,640 | 157,992 | 195,303 |
| Contract liabilities | $ 1,248,892 | 841,332 | 788,634 | 824,391 |
| Contract assets | $ 368,493 | 185,001 | 127,078 | 89,364 |

Revenue presented in the accompanying financial statements includes the following as of December 31:

| | 2025 | 2024 | 2023 |
|---|---|---|---|
| Revenue recognized at a point in time: | | | |
| Franchise fee income | $ 1,481,278 | 724,314 | 591,373 |
| Revenue recognized over time: | | | |
| Franchise fee income | 212,942 | 253,818 | 267,014 |
| Royalty income | 1,675,769 | 1,416,367 | 1,079,353 |
| National Branding Fund income | 717,909 | 565,751 | 490,090 |
| Other | 297,485 | 212,445 | 223,245 |
| | 2,904,105 | 2,448,381 | 2,059,702 |
| | $ 4,385,383 | 3,172,695 | 2,651,075 |

In the event a franchise agreement is terminated, any remaining deferred fees are recognized in the period of termination. Royalties are recognized as franchise sales are made and technology fees are recognized as revenue when earned.

**Income tax status**
The Company has elected, with the consent of its shareholders, to be taxed under provisions of Subchapter S of the Internal Revenue Code. Under those provisions, the Company will generally not pay federal and state income taxes on its taxable income. Instead, the shareholders are liable for individual federal income taxes on the Company's taxable income. Therefore, no provision or liability for federal income taxes has been included in these financial statements.

**Advertising expense**
Advertising costs are expensed as incurred.

**Leased employees**
The Company has contracted with a related party that leases employees. This firm has hired all the employees of the Company and is responsible for the payroll function including payroll taxes, benefits, and retirement.

**National Branding Fund**
The Company administers a National Branding Fund (NBF) on behalf of its franchisees. Each franchisee is required to contribute to the NBF, which is used to develop advertising and marketing materials and promote the Company's service marks and the franchisees' services on a local, regional, and national basis. All sums paid by franchisees to the NBF are maintained in an account separate from other moneys of the Franchisor. These funds are shown as restricted cash on the balance sheets as of December 31, 2025, 2024 and 2023.

The Company is deemed to be the principal in relation to the NBF and as such, advertising fund contributions and expenditures are reported on a gross basis in the statement of operations and accumulated deficit and statement of cash flows.

**Concentrations of credit risk**
The Company maintains cash in bank deposit accounts at financial institutions where the balances, at times, may exceed federally insured limits. Accounts at the institution are insured by the Federal Deposit Insurance Corporation up to $250,000. The Company has not experienced any losses and management believes it is not exposed to any significant credit risk of loss in cash.

There were no accounts receivable concentrations at December 31, 2025, 2024 and 2023. There were no revenue concentrations for the years ending December 31, 2025, 2024 and 2023.

**Use of estimates**
The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect amounts reported. Actual results may differ from those estimates.

**Leases**
The Company considers an arrangement a lease if, at inception, the arrangement transfers the right to control the use of an identified asset for a period of time in exchange for consideration. Under leasing standards, control is defined as having both the right to obtain substantially all of the economic benefits from use of the asset and the right to direct the use of the asset. Management only reassesses its determination if the terms and conditions of the contract are changed.

Operating leases are included in operating lease right-of-use (“ROU”) assets, other current liabilities, and operating lease liabilities in the balance sheets.

The lease term reflects the noncancellable period of the lease together with periods covered by an option to extend or terminate the lease when management is reasonably certain that it will exercise such option. The Company uses the risk-free rate for a period of time similar to the lease term, determined at the lease commencement date, in determining the present value of lease payments. The risk-free rate is used as the information necessary to determine the rate implicit in the lease and the Company’s incremental borrowing rate is not readily available. Lease expense for operating leases is recognized on a straight-line basis over the lease term. Short-term leases are less than one year without purchase or renewal options that are reasonably certain to be exercised and are recognized on a straight-line basis over the lease term. The right-of-use asset is tested for impairment in accordance with ASC 360.

**Subsequent events**
The Company evaluates events and transactions occurring subsequent to the date of the financial statements for matters requiring recognition or disclosure in the financial statements. The accompanying financial statements consider events through March 17, 2026, the date on which the financial statements were available to be issued.

## 2. SHAREHOLDERS' EQUITY & NOTE PAYABLE:

As of December 31, 2025 and 2024, the Company had 136.00 shares outstanding, consisting of 78.9 voting shares and 57.1 non-voting shares. As of December 31, 2023, there were 143.6 shares outstanding, consisting of 78.9 voting shares and 64.7 non-voting shares. The Company has authorized 1,500 common shares.

In 2020, 7.6 non-voting shares were purchased back from a shareholder for $10,000, which was recorded as treasury shares. In 2024, an additional 7.6 non-voting shares were purchased back from a shareholder for $84,948, which was recorded as treasury shares. The purchase is payable over 2 years. The payable balance at December 31, 2025 is $42,474, due to be repaid in 2026.

## 3. OPERATING LEASE AGREEMENT:

The Company rents office space from a related party under a lease agreement that originally expired April 30, 2024. The lease was revised during 2023 and expired February 29, 2024. On March 1, 2024, the Company entered into a new operating lease agreement with a related party for office space requiring escalating monthly rent which expires on May 31, 2028. Variable lease costs, such as the Company’s proportionate share of actual costs for utilities, common area maintenance, property taxes and insurance that are not included in the lease liability, are recognized in the period in which they are incurred. Short term lease cost represents the Company’s cost with respect to leases with a duration of 12 months or less and is not reflected on the Company’s balance sheet. The Company has no leases with variable costs or short-term leases at December 31, 2025.

Total operating lease expense for the year ended December 31, 2025, 2024, and 2023 was $64,662, $49,052, and $46,174, respectively.

The following summarizes the weighted-average remaining lease term and weighted-average discount rate as of December 31:

| | 2025 | 2024 | 2023 |
|---|---|---|---|
| Weighted-average remaining lease term | 2.42 years | 3.42 years | 0.17 years |
| Weighted-average discount rate | 4.17% | 4.17% | 0.87% |

The following is an analysis of maturities of the lease liability as of December 31, 2025:

| | |
|---|---|
| 2026 | $ 73,378 |
| 2027 | 75,580 |
| 2028 | 31,879 |
| Total lease payments | 180,837 |
| Less imputed interest | (8,599) |
| Total operating lease liability | $ 172,238 |

The following summarizes the supplemental cash flow information for the year ended December 31:

| | 2025 | 2024 | 2023 |
|---|---|---|---|
| Operating cash flows from operating lease | $ 61,889 | 47,516 | 48,371 |
| Right-of-use assets obtained in exchange for lease liabilities | $ - | 192,977 | - |
| Amortization of the right-of-use asset | $ (9,728) | 39,143 | 50,700 |
| Less change in the lease liability | 12,501 | (37,607) | (52,898) |
| Non-cash portion of lease expense | $ 2,773 | 1,536 | (2,198) |

**4. RELATED PARTY TRANSACTIONS:**

The Company leases office facilities from a related party under an agreement as disclosed in Note 3.

The Company shares their phone service, utilities, office supplies, and copier with other related parties that are owned by their shareholder. Each month the company that pays an expense will bill the other entities for their portions. The reimbursements for such costs have been recorded in the specific expense categories. In addition, the Company contracts with a related party for its leased employees.

During 2025, 2024 and 2023, the Company incurred leased employee wages and related expenses from a related party of $1,532,116, $1,217,465, and $1,002,839, respectively. During 2025, 2024 and 2023, the Company also paid marketing expenses of $51,400, $44,400, and $41,950, respectively, to related parties.

Amounts due from related parties in accounts receivable totaled $113 at December 31, 2024. There were no amounts due from related parties in accounts receivable at December 31, 2025 and 2023.

There were no amounts due to related parties in accounts payable at December 31, 2025, 2024 and 2023.



# T.B. Franchising Systems, Inc.
## Profit and Loss
### January 1-May 31, 2026

| | Total |
|---|---|
| Income | |
| 2010 Royalty Income | |
| 2010.01 Royalty Income | 808,080.09 |
| 2010.08 Royalty Income Adjustment | -2,285.00 |
| **Total for 2010 Royalty Income** | **$805,795.09** |
| 2620 Income - Franchise Fee | |
| 2620.10 Franchise Fee Income | 1,502,500.00 |
| 2620.11 Veterans Discount | -14,970.00 |
| 2620.12 Cash Discount | -45,000.00 |
| 2620.17 Additional Territory Discount | 48,412.50 |
| **Total for 2620 Income - Franchise Fee** | **$1,490,942.50** |
| 2710 Other Income - | |
| 2200 Right of First Refusal | $0.00 |
| 2710.01 Royalty Late Fee Income | 4,400.00 |
| 2710.02 Franchise Transfer Income | 20,166.66 |
| 2710.03 Technology Fee | 104,650.00 |
| 2710.05 Territory Termination Income | 27,500.00 |
| **Total for 2710 Other Income -** | **$156,716.66** |
| **Total for Income** | **$2,453,454.25** |
| **Gross Profit** | **$2,453,454.25** |
| Expenses | |
| 4000 Wage Expense | |
| 4001 Salaries & Wage Expense | |
| 4001.01 Accounting | 36,814.01 |
| 4001.02 Lead Generation | 57,591.68 |
| 4001.03 Operations | 288,382.14 |
| 4001.05 Legal | 17,556.72 |
| 4001.07 Sales | 182,208.92 |
| 4001.09 Administrative | 3,273.66 |
| 4001.10 HR | 10,818.04 |
| **Total for 4001 Salaries & Wage Expense** | **$596,645.17** |
| 4010 Commissions | 186,412.50 |
| 4020 401(k) Match | 5,092.08 |
| 4040 ADP Charge | 2,354.00 |
| 4050 Employee Screening | 112.00 |
| 4060 Employment Expense | |
| 4060.01 Career Builder | 187.49 |
| 4060.02 LinkedIn | 1,323.60 |

| | |
|---|---|
| 4060.06 Employment Expense - Other | 52.13 |
| **Total for 4060 Employment Expense** | **$1,563.22** |
| 4070 Other Labor | 12,250.00 |
| 4075 Home Office Support | 13,490.53 |
| 4204 Insurance - Health & Life | 18,710.98 |
| 4205 Taxes - Payroll | 61,251.50 |
| **Total for 4000 Wage Expense** | **$897,881.98** |
| 6001 Advertising & Marketing Expense | |
| 6013.99 Social Media Marketing - Other | 2,500.00 |
| 6100 Direct Marketing Expense | |
| 6102 Digital Advertising | |
| 6102.01 Google Ads - Display | 16,775.73 |
| 6102.99 Digital Advertising - Other | 8,803.74 |
| **Total for 6102 Digital Advertising** | **$25,579.47** |
| 6103 Social Media Marketing | |
| 6103.01 Facebook Awareness and Consideration | 70,357.67 |
| **Total for 6103 Social Media Marketing** | **$70,357.67** |
| 6104 Portal Marketing | |
| 6104.07 BizBuySell | 4,242.00 |
| 6104.32 FranchiseDirect.com | $0.00 |
| 6104.38 FranchiseGator | |
| 6104.41 FranchiseHelp | |
| 6104.43 Franchise Opp Network | 16,978.55 |
| 6104.99 Other | $0.00 |
| **Total for 6104 Portal Marketing** | **$21,220.55** |
| 6105 Subscription Marketing | |
| 6105.01 Entrepreneur.com | $0.00 |
| 6105.03 Franchise.org (IFA) | 2,584.00 |
| 6105.04 BeTheBoss | |
| **Total for 6105 Subscription Marketing** | **$2,584.00** |
| **Total for 6100 Direct Marketing Expense** | **$119,741.69** |
| 6200 In-Direct Marketing Expense | |
| 6201 Digital Marketing Tools | |
| 6201.01 Constant Contact | |
| 6201.03 Jotform Inc | 43.49 |
| 6201.06 Siteground Hosting | 79.71 |
| 6201.09 Answer Connect | 380.61 |
| 6201.12 Zapier | 514.78 |
| 6201.13 Canva | 7.50 |
| 6201.99 Digital Mkt Tools - Other | 8,790.66 |
| **Total for 6201 Digital Marketing Tools** | **$9,816.75** |
| 6202 AD - P/R Program | 11,900.00 |
| 6205 Fran Dev Websites | |

| | |
|---|---|
| 6205.10 Franchise Dev Web Site | 825.35 |
| **Total for 6205 Fran Dev Websites** | **$825.35** |
| 6207 FranConnect Smart Scheduler | 2,742.83 |
| **Total for 6200 In-Direct Marketing Expense** | **$25,284.93** |
| **Total for 6001 Advertising & Marketing Expense** | **$147,526.62** |
| 6002 Broker Expense | |
| 6206.01 Broker Fees | 588,475.00 |
| **Total for 6002 Broker Expense** | **$588,475.00** |
| 6005 Professional Services | |
| 6005.2 Accounting Charges | 7,198.47 |
| **Total for 6005 Professional Services** | **$7,198.47** |
| 6010 Sales Related and Travel | |
| 6010.01 Trade Shows | 6,186.67 |
| 6010.02 Travel | 521.97 |
| 6010.03 Sales Related Expense | 2,761.15 |
| 6010.04 Referral Fees | 15,000.00 |
| 6010.05 Franchisee Mapping Software | 6,201.35 |
| 6010.06 Franchisee Screening | 540.00 |
| 6010.07 MTT - Meet The Team | |
| 6010.09 Validation Fees | 5,001.00 |
| 6010.11 Professional Training | 103.52 |
| **Total for 6010 Sales Related and Travel** | **$36,315.66** |
| 6011 General Supply Expenses | |
| 6011.1 Toner | 383.85 |
| 6011.2 General Supplies & Services | 1,341.93 |
| 6011.3 Copy Expense | 1,245.33 |
| **Total for 6011 General Supply Expenses** | **$2,971.11** |
| 6015 Computer IT Services & Purchase | |
| 6015.02 Non Cap. Computer Equip. | 5,991.54 |
| 6015.03 Non Cap. Furn & Fix | 51.04 |
| 6015.04 Computer Supplies & Services | 1,213.10 |
| 6015.05 Orchestrate Services | 4,320.78 |
| 6015.07 QuickBooks License | 619.85 |
| 6015.09 Office 365 Business Premium | 1,020.52 |
| 6015.10 Drop Box Expense | 2,208.24 |
| **Total for 6015 Computer IT Services & Purchase** | **$15,425.07** |
| 6016 Dues & Subscriptions | 94.22 |
| 6028 Postage & Shipping | |
| 6028.2 Postage & Shipping Expense | 148.91 |
| 6028.5 UPS Shipping | 2,281.04 |
| **Total for 6028 Postage & Shipping** | **$2,429.95** |
| 6029 Franchisee Related Expense | |
| 6029.1 Franchisee Relations | 10,169.36 |

| | |
|---|---|
| 6029.5 Franchise Software | 55,449.61 |
| **Total for 6029 Franchisee Related Expense** | **$65,618.97** |
| 6210 Utilities | |
| 6210.3 Spectrum - Internet | 723.64 |
| 6210.6 Telephone - Fax Machine - Legal | 18.75 |
| 6210.8 Telephone - 8x8 Inc | 4,740.97 |
| **Total for 6210 Utilities** | **$5,483.36** |
| 6220 Training & Meeting Expenses | |
| 6220.01 Seminars / IFA / Conferences | 6,125.86 |
| 6220.02 National Meeting | 6.15 |
| 6220.04 Field Training | $0.00 |
| 6220.05 New Z Training | 32,897.72 |
| 6220.07 Employee Meeting | 3,280.18 |
| 6220.08 Presidents Meeting Expenses | $0.00 |
| 6220.09 Continuing Education | 2,228.21 |
| 6220.10 Presidents Leadership Meeting | 290.51 |
| 6220.12 Webinair Expense | $0.00 |
| **Total for 6220 Training & Meeting Expenses** | **$44,828.63** |
| 6230 Repairs & Maint. | |
| 6230.2 Repairs & Maint - Allocated | 431.01 |
| **Total for 6230 Repairs & Maint.** | **$431.01** |
| 6240 Rent Expense | 53.34 |
| 6241 Rent | 27,059.28 |
| 6245 Rent - Storage | 100.30 |
| **Total for 6240 Rent Expense** | **$27,212.92** |
| 6250 Insurance - General | 2,900.29 |
| 6250.1 Cincy Insurance | |
| **Total for 6250 Insurance - General** | **$2,900.29** |
| 6260 Other Operating Expenses | $0.00 |
| 6080 Bank Fees | 319.94 |
| 6082 Credit Card Fees - Stripe | 1,151.76 |
| 6261 Employee Relations | 1,246.97 |
| 6268 Licenses | 6,473.12 |
| **Total for 6260 Other Operating Expenses** | **$9,191.79** |
| 6400 Collection Agency Fees | |
| 6400.01 Collection Fees - Altus | 1,046.76 |
| **Total for 6400 Collection Agency Fees** | **$1,046.76** |
| **Total for Expenses** | **$1,855,031.81** |
| **Net Operating Income** | **$598,422.44** |
| Other Income | |
| 7030 Interest Income | 4,971.17 |
| **Total for Other Income** | **$4,971.17** |
| Other Expenses | |

| | |
|---|---|
| 7206 Taxes - General | 14,005.53 |
| **Total for Other Expenses** | **$14,005.53** |
| **Net Other Income** | **-$9,034.36** |
| **Net Income** | **$589,388.08** |

**Unaudited**

**THESE FINANCIAL STATEMENTS ARE PREPARED WITHOUT AN AUDIT. PROSPECTIVE FRANCHISEES OR SELLERS OF FRANCHISES SHOLD BE ADVISED THAT NO CERTIFIED PUBLIC ACCOUNTANT HAS AUDITED THESE FIGURES OR EXPRESSED HIS/HER OPINION WITH REGARD TO THE CONTENT OR FORM**

# T.B. Franchising Systems, Inc.
## Statement of Cash Flows
### January 1-May 31, 2026

| Full name | Total |
|---|---|
| OPERATING ACTIVITIES | |
| Net Income | 589,388.08 |
| Adjustments to reconcile Net Income to Net Cash provided by operations: | |
| 0200 Accounts Receivable | -31,724.69 |
| 0212 A/R - Journal Entries | -0.01 |
| 0220 Intercompany | -190.91 |
| 0220.10 Intercompany:Intercompany - TB NBF | 190.91 |
| 0650.06 Prepaid Exp - National Meeting:TB other expenses - National Conference | 9.70 |
| 1101 Accounts Payable | -37,185.96 |
| 1102 A/P - Journal Entries | -10,618.55 |
| 1210 Accrued Payroll | 54,373.93 |
| 1220 Franchise Fees | 166,620.00 |
| **Total for Adjustments to reconcile Net Income to Net Cash provided by operations:** | **$141,474.42** |
| **Net cash provided by operating activities** | **$730,862.50** |
| INVESTING ACTIVITIES | |
| 0271 Loans to NBF | 9,500.00 |
| **Net cash provided by investing activities** | **$9,500.00** |
| FINANCING ACTIVITIES | |
| 1803.1 Distribution:Distribution - GG | -580,147.06 |
| 1803.2 Distribution:Distribution - DM | -369,852.94 |
| 1803.4 Distribution:Distribution - ED | -50,000.00 |
| **Net cash provided by financing activities** | **-$1,000,000.00** |
| **NET CASH INCREASE FOR PERIOD** | **-$259,637.50** |
| **Cash at beginning of period** | **$997,802.47** |
| **CASH AT END OF PERIOD** | **$738,164.97** |

**Unaudited**

**THESE FINANCIAL STATEMENTS ARE PREPARED WITHOUT AN AUDIT. PROSPECTIVE FRANCHISEES OR SELLERS OF FRANCHISES SHOLD BE ADVISED THAT NO CERTIFIED PUBLIC ACCOUNTANT HAS AUDITED THESE FIGURES OR EXPRESSED HIS/HER OPINION WITH REGARD TO THE**

# EXHIBIT L

T.B. FRANCHISING SYSTEMS, INC.
FRANCHISEE LIST
December 31, 2025

As of the above date, there are a total of 140 TruBlue franchises of a type substantially similar to those offered in this disclosure document, 135 of which are operational. The names, addresses, and telephone numbers of the individual owners are listed below.

**ALABAMA**
Richard Scott
576 Hamilton Hills Court
Auburn, AL 36830
(334) 44-4214

Benny Wink
1401 Doug Baker Blvd, Ste 107-109
Birmingham, AL 35242
(205) 410-5123

**ARIZONA**
Donna & Jason Hudgens
12651 W Citrus Way
Litchfield Park, AZ 85340
(970) 402-2739

Andrew Seifried[7]
7707 N 13th Street
Phoenix, AZ 85340
(480) 619-1128

Cesar Javier Barra
2720 East Winchester Vista
Tucson, AZ 85713
(520) 338-0365

**CALIFORNIA**
Michael Craig II
1215 W Bushell Street
Anaheim, CA 92805
(310) 486-6547

Magued Rizk and Miriam Rizkalla
10401 Soutport Glen
Bakersfield, CA 93311
(412) 996-3255

Thatcher Thornburg
20127 Gilbert Drive
Canyon Country, CA 91351
(626) 390-3588

Anthony Runnels
12024 Rock Creek Court
Hawthorne, CA 90250
(310) 741-9930

Marcus Blanks
1091 Summit Oak Drive
Lake Forest, CA 92679
(513) 748-2410

Chris Lowry
105 Galena Court
Roseville, CA 95747
(916) 879-3733

Zolzaya Ochirbat
1401 21st Street Suite R
Sacramento, CA 95811
97688050182

Thomas Meissner & Elizabeth Estline[8]
9120 Judicial Drive #7510
San Diego, CA 92122
(619) 518-4932

Reza Kazemi[9]
30802 Ruth Court
Tracy, CA 95304
(209) 321-4960

Jennifer and Brian Wiesner
2342 Crestview Avenue
Upland, CA 91784
(909) 227-1476

**COLORADO**
Paul & Daniela Kullman[10]
6883 Johnson Street
Arvada, CO 80004
(303) 332-3002

Matthew Cawley[11]
4388 Sidewinder Loop
Castle Rock, CO 80108
(303) 870-7280

Aaron Buche[12]
2238 Fossil Creek Parkway
Fort Collins, CO 80528
(970) 682-5504

Miles & Cassondra Bottoms[13]
3110 Eldridge Street
Golden, CO 80401
(303) 990-2834

Jeff Sloan
5115 Kiowa Dr.
Greeley, CO 80634
(970) 324-0552

Henry "Brandon" and Rebecca Wright
1633 26th Avenue Ct
Greeley, CO 80634
(303) 718-9263

William Hefley
7933 Countryside Drive, Apt. 120
Niwot, CO 80503
(303) 775-1228

**CONNECTICUT**
Craig Dean Henry
85 Laurel Road
Harwinton, CT 06791
(860) 605-9001

[7] Owns 2 Territories
[8] Owns 2 Territories
[9] Owns 3 Territories
[10] Owns 3 Territories
[11] Owns 2 Territories
[12] Owns 2 Territories
[13] Owns 3 Territories

# EXHIBIT L

T.B. FRANCHISING SYSTEMS, INC.
FRANCHISEE LIST
December 31, 2025

As of the above date, there are a total of 140 TruBlue franchises of a type substantially similar to those offered in this disclosure document, 135 of which are operational. The names, addresses, and telephone numbers of the individual owners are listed below.

**FLORIDA**

Kelly Morrell
16445 Benes Roush Road
Brooksville, FL 34604
(352) 232-2522

Fernando Degwitz
2101 Brickell Avenue Apt 406
Miami, FL 33129
(305) 504-1558

Michael Holton[14]
16437 Magnolia Bluff Drive
Montverde, FL 34756
(404) 769-1963

Karla Paredes
376 Hickory Course Trail
Ocala, FL 34472
(352) 304-4836

Paul Hines
8202 Oak Dr.
Palmetto, FL 34221
(787) 478-6913

Raval Raman
7901 4th Street N
St. Petersburg, FL 33702
(647) 291-5146

Spencer and Angela Brooks[15]
6365 Bahia Del Mar Blvd 406J
St. Petersburg, FL 33715
(615) 585-4183

**GEORGIA**

Spencer Merrell
881 Lakeshore Drive
Berkeley Lake, GA 30096
(770) 330-9637

Charles Lutz
4910 Little Fox Trail
Gainesville, GA 30507
(770) 338-4200

Rachel and Marshall Brewer
761 Seven Lakes Boulevard
Martinez, GA 30907
(706) 831-5991

Jerome and Tracey Lowery
720 River Mist Drive
Suwanee, GA 30024
(470) 373-9403

**IDAHO**

Lake Bancroft[16]
10457 W Blackstone St.
Boise, ID 83714
(208) 999-2712

Brian and Stephanie Espinoza
5202 E. River Place
Post Falls, ID 83854
(303) 842-3165

**ILLINOIS**

RJ Dabney
10506 S Hoyne Avenue
Chicago, IL 60643
(773) 575-2657

Adam & Joseph Esposito
23W122 Summerhill Place
Glen Ellyn, IL 60137
(773) 858-9281

**INDIANA**

Marco Ramos
6124 Delaware Street
Merrillville, IN 46410
(219) 354-0604

Whitney Roberts
6101 Hardwick Drive
Whitestown, IN 46075
(317) 914-7978

Jason Bond[17]
1170 Princeton Place
Zionsville, IN 46077
(317) 418-1102

**IOWA**

JD Nelson and Scott Edwards
2623 Shady Lane Dr.
Norwalk, IA 50211
(515) 343-4090

Ryan Jennings
10424 SE Vandalia Drive
Runnells, IA 50237
(515) 883-0859

**KANSAS**

Jeffrey & William Kinkade[18]
8804 Redbud Lane
Lenexa, KS 66220
(913) 626-8078

Theodore Albright
939 W Golf Court
Valley Center, KS 67147
(316) 641-7957

**MARYLAND**

Karen Kiley
605 Linslade St.
Gaithersburg, MD 20878
(240) 426-3944

[14] Owns 2 Territories
[15] Owns 2 Territories
[16] Owns 2 Territories
[17] Owns 2 Territories
[18] Owns 2 Territories

# EXHIBIT L

T.B. FRANCHISING SYSTEMS, INC.
FRANCHISEE LIST
December 31, 2025

As of the above date, there are a total of 140 TruBlue franchises of a type substantially similar to those offered in this disclosure document, 135 of which are operational. The names, addresses, and telephone numbers of the individual owners are listed below.

**MASSACHUSETTS**
Brian Keaney
41 Birch Street
Needham Heights, MA 02494
(617) 775-0710

Steven Nardi
120 Black Pond Lane
Taunton, MA 02780
(774) 406-1753

**MICHIGAN**
Archie Williams
19441 Ardmore
Detroit, MI 48235
(248) 716-4864

Robert Kniss
12745 S Saginaw St., Ste 806-367
Grand Blanc MI 48439
(810) 516-1277

Blake Ostling
2505 Showtime Drive #129
Lansing, MI 48912
(989) 710-1048

Michelle and Kier Cook
33391 Sienna Drive
Romulus, MI 48174
(734) 890-7195

**MINNESOTA**
Jennifer and Timothy Bauernfeind[19]
17831 76th Ave N
Maple Grove, MN 55311
(763) 300-7317

Chris Prescott[20]
1617 Island Court
Waconia, MN 55387
(612) 998-5674

**MISSOURI**
Matthew Haddox
618 Spring Meadows Drive
Ballwin, MO 63011
(314) 369-2356

Bret and Beth Morrison
5380 S. Rock Quarry Road
Columbia, MO 65201
(573) 619-3373

**NEVADA**
Dustin and Ceanne Brasher
17475 Cold Spring Dr.
Reno, NV 89508
(775) 223-6350

**NEW HAMPSHIRE**
Alejandro Gutsztat
84 W Broadway Suite 200
Derry, NH 03038
(551) 273-2773

**NEW JERSEY**
David Motyka[21]
1369 Wesminster Avenue
Brick, NJ 08724
(732) 865-5570

Liz Rabban[22]
27 Sycamore Terrace
Livingston, NJ 07039
(201) 704-6817

Renzo Contreras
109 Morningside Road
Paramus, NJ 07652
(201) 394-2350

Daniel Mannella[23]
1 S Sacramento Ave.
Ventnor City, NJ 08406
(215) 817-5993

**NEW YORK**
Jean Soong & Wei Jian Huang
137 Montague Street Unit 135
Brooklyn, NY 11201
(929) 308-5388

Danielle Rosemond & Usman Khan
1424 Manor Court
Merrick, NY 11566
(646) 321-2201

Deborah Khan & Franklin Pena
8802 97th Avenue
Ozone Park, NY 11416
(347) 886-8889

Nicholas Maenza & Alexandra Balan
655 Rock Cut Road
Walden, NY 12586
(914) 419-4556

Willie & Khristian King
542 Seabrook Drive
Williamsville, NY 14221
(716) 940-7427

**NORTH CAROLINA**
Stephen Veiga
221 South Shore Drive
Belmont, NC 28012
(904) 910-6666

Brian Sacco
4108 Crossgate Road
Charlotte, NC 28226
(704) 705-0005

[19] Owns 3 Territories
[20] Owns 2 Territories
[21] Owns 2 Territories
[22] Owns 3 Territories
[23] Owns 2 Territories

# EXHIBIT L

T.B. FRANCHISING SYSTEMS, INC.
FRANCHISEE LIST
December 31, 2025

As of the above date, there are a total of 140 TruBlue franchises of a type substantially similar to those offered in this disclosure document, 135 of which are operational. The names, addresses, and telephone numbers of the individual owners are listed below.

Todd Cook
240 Shoford Everhart Lane
Lexington, NC 27292
(336) 357-0447

Wendy Linker
2926 Sweetgrass Lane
Monroe, NC 28112
(704) 291-0171

Jeffrey Pittman
6416 Old Fort Road
Wilmington, NC 28411
(910) 746-2266

Robert Campbell
401 S 7th Street
Wilmington, NC 28401
(910) 264-0732

**OHIO**
Shawn Simmons
2881 Townline Road
Madison, OH 44057
(440) 520-3377

Jon Baughman
540 Randy Drive
Newark, OH 43055
(740) 334-7293

Jason Rowland
11207 Worthington Way
North Royalton, OH 44133
(330) 389-0169

Sandra Kirkwood
851 Roberts Street
Sheffield Lake, OH 44054
(216) 309-5900

**PENNSYLVANIA**
Rik Law
1113 Wilderness Trail
Downingtown, PA 19335
(484) 885-9679

John R. Brethour, Jr.
730 Newling Road East
Easton, PA 18040
(610) 258-5787

Paula Pasquinelli
506 Lace Bark Court
Gibsonia, PA 15044
(412) 443-2748

**SOUTH CAROLINA**
Brian Sacco
4108 Crossgate Road
Charlotte, NC 28226
(704) 705-0005

**SOUTH DAKOTA**
John Dawes
500 S Minnesota Avenue
Sioux Falls, SD 57110
(605) 595-4216

**TENNESSEE**
Dara James[24]
832 High Point Ridge Rd.
Franklin, TN 37069
(615) 423-5632

Trey & Bernard Keith
2016 Hawks Nest Drive
Hermitage, TN 37076
(615) 308-2034

Diana Gail Winton
7502 South Dent Road
Hixson, TN 37343
(423) 304-3257

David and Casie Leach
2389 Highway 156
South Pittsburg, TN 37380
(423) 504-0807

**TEXAS**
Arturo Lopez[25]
1003 Ridgeley Drive
Houston, TX 77055
(832) 413-2313

Rogelio Godoy & Maribel Alexandra Martinez Tabares
2802 Halton Court
Kingwood, TX 77345
(346) 791-7553

Vijay Guru
602 Buena Onda Way
Lakeway TX, 78738
(408) 444-1814

Yuki Kosaka
405 State Highway 121 Suite A250
Lewisville, TX 75067
(214) 556-6173

Kevin Mottle
314 Leaning Tree
Marble Falls, TX 78654
(512) 922-0336

Daniel Alejandro Lecuona
6201 Windhaven Pkwy, #3312
Plano, TX 75093
(469) 931-6979

Jay Ericson
2700 Gentle Creek Trail
Prosper, TX 75078

[24] Owns 2 Territories

[25] Owns 4 Territories

# EXHIBIT L

T.B. FRANCHISING SYSTEMS, INC.
FRANCHISEE LIST
December 31, 2025

As of the above date, there are a total of 140 TruBlue franchises of a type substantially similar to those offered in this disclosure document, 135 of which are operational. The names, addresses, and telephone numbers of the individual owners are listed below.

(214) 563-0088

Nathan Kear
1087 Private Road 3702
San Antonio, TX 78253
(830) 399-2588

Darrel Ferguson
171 Bykerwood
Spring Branch, TX 78070
(361) 438-0560

Forrest Haverin
22 Watertree Drive
The Woodlands, TX 77380
(512) 585-8546

**UTAH**
Thomas Kinnick
254 W Williams Lane
Grantsville, UT 84029
(435) 841-1992

Pedro Claudino
7533 Center View Court Suite R
West Jordan, UT 84084
351937012109

**VERMONT**
Zachary Dunn
184 Prospect Parkway
Burlington, VT 05401
(802) 377-1897

**VIRGINIA**
Michael Smith & Jodi Phillips
3636 Pannell Lane
Culpeper, VA 22701
(254) 702-2050

Veronica Harsley-Dean
8001 George Fox Place
Lorton, VA 22079
(703) 899-7090

Brad McNamara & Amanda Etheredge
5707 Fox Gate Ln
Midlothian, VA 23112
(804) 334-9198

Chad Akers and Carmen Hendricks
10516 Samaga Drive
Oakton, VA 22124
(703) 272-7099

Daniel McMurtry
3552 Penarth Rd SW
Raonoke, VA 24014
(540) 309-9585

Neil Burnette
8048 Clubhouse Drive
Suffolk, VA 23433
(757) 470-1182

Timothy Diemont
3632 Hampton Way
Yorktown, VA 23693
(757) 643-7744

**WASHINGTON**
Steven Magyar
7010 East Fairmont Lane
Spokane, WA 99217
(303) 250-7752

**WEST VIRGINIA**
Arlene Fernandez-Anderson
154 Revere Drive
Charles Town, WV 25414
(301) 676-6300

**WISCONSIN**
Marco Malacara
10912 64th Street
Kenosha, WI 53142
(262) 705-0338

As of the above date, we have entered into 5 franchise agreements with franchise owners that are not yet operational. The name, address, and telephone number of these owners are listed below.

Shane Godding
893 Valley Road
Fairfield, CT 06825
(203) 331-2795

Gregory Bock
9 Francis Lane
Chester, NJ 07930
(908) 872-1911

David Schleider
3513 Briarcliff Acres Dr.
Lincolnton, NC 28092
(704) 740-7651

James Colligan
8340 Nantahalan Dr.
Raleigh, NC 27612
(858) 964-8801

Veronica Figueroa
1008 Summer Glen
Georgetown, TX 78628
(469) 288-0203

# EXHIBIT M

FRANCHISEES WHO HAVE LEFT THE SYSTEM

Below are Franchisees who have left the system as of the year ending December 31, 2024 or who have not communicated with us within 10 weeks of the issuance of the disclosure document. If you buy a franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

James Whitaker
Avondale, AZ 85392
(714) 501-2759

Sheri & Robert Harvey[26]
Santee, CA 92071
(619) 757-7503

Vince Maffeo[27]
El Dorado Hills, CA 95762
(916) 214-6864

Aaron Buche[28]
Fort Collins, CO 80528
(970) 682-5504

Anthony Preston[29]
Hudson, FL 34667
(561) 654-1503

Brandon Moxam & Bart Wakeman
Winter Haven, FL 33880
(863) 289-0117

Gregg Erickson
Suwanee, GA 30024
(336) 541-0592

Travis Dillon & Michael Nuffer[30]
Lawrence, KS 66047
(785) 423-0960

Daniel Marques
Norwell, MA 02061
(413) 222-1302

Ryan Reinke
Lincoln, NE 68521
(402) 304-4343

Philip Sargent[31]
Lindenwold, NJ 08021
(505) 216-6648

Ricky Lee James
Hendersonville, NC 28791
(828) 777-5416

Pamela & Quinn Malone[32]
Willoughby, OH 44094
(440) 478-1526

Arturo Lopez[33]
Houston, TX 77055
(832) 413-2313

Jason Kear
Knoxville, TN 37922
(865) 335-5217

Brian McNabb[34]
Williston, VT 05495
(802) 233-2698

Nathan Paul Hokenson
Gig Harbor, WA 98335
(253) 432-9600

---

[26] Sold Territory
[27] Sold 3 Territories
[28] Sold 5 Territories
[29] Owned 2 Territories
[30] Sold Territory
[31] Sold Territory
[32] Sold Territory
[33] Sold Territory
[34] Sold Territory

**EXHIBIT N**

# TRUBLUE OPERATIONS MANUAL
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# EXHIBIT O

## ADDITIONAL DISCLOSURES FOR THE MULTISTATE FRANCHISE DISCLOSURE DOCUMENT OF T.B. FRANCHISING SYSTEMS, INC.

The following are additional disclosures required by certain state franchise laws. A particular state's disclosures only apply if you are covered by that state's franchise law.

### CALIFORNIA

The following additional disclosures are required by the California Franchise Relations Act:

**Registration of this franchise does not constitute approval, recommendation, or endorsement by the Commissioner.**

We will comply with all appropriate laws governing any direct financing offered by us to you, including, if applicable, the California Finance Lenders Law.

California law may require an interest rate lower than 18%, in which case the interest rate will be the highest rate allowed by law.

The maximum rate of interest permitted in California may fluctuate below 12%.

California Business and Professions Code Sections 20000 through 22243 provide rights to the franchisee 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 contains a covenant not to compete that extends beyond the termination of the franchise. This provision may not be enforceable under California law.

The franchise agreement requires binding arbitration. The arbitration will occur in Hamilton County, Ohio, and the fees and expenses for arbitration shall be paid by the losing party. This provision may not be enforceable under California law. California Business and Professions Code Sections 20000 through 22243 provide rights to the franchisee concerning the arbitration of disputes between the franchisee and franchisor. If the franchise agreement contains a provision that is inconsistent with the law, the law will control.

California Business and Professions Code Sections 20000 through 22243 provide rights to the franchisee concerning the choice of forum for disputes between the franchisee and the franchisor. If the franchise agreement contains a provision that is inconsistent with the law, the law will control.

The Franchise Agreement requires application of the laws of the State of Ohio. This provision may not be enforceable under California law. California Business and Professions Code Sections 20000 through 22243 provide rights to the franchisee concerning the choice of which state's law governs your franchise agreement. If the franchise agreement contains a provision that is inconsistent with the law, the law will control.

The following URL address is for the franchisor's website: www.TruBlueAlly.com

THE FRANCHISOR'S WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION AT www.dfpi.ca.gov.

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

Any provision of a franchise agreement, franchise disclosure document, acknowledgment, questionnaire, or other writing, including any exhibit thereto, disclaiming or denying any of the following shall be deemed contrary to public policy and shall be void and unenforceable:

(a) Representations made by the franchisor or its personnel or agents to a prospective franchisee.

(b) Reliance by a franchisee on any representations made by the franchisor or its personnel or agents.

(c) Reliance by a franchisee on the franchise disclosure document, including any exhibit thereto.

(d) Violations of any provision of this division.

**CALIFORNIA ADDENDUM TO FRANCHISE AGREEMENT**

The Franchise Agreement to which this addendum is attached is amended as follows to comply with the California Franchise Relations Act:

1. Section 16.2 is amended by the addition of the following sentences:

   "California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning the arbitration of disputes between the franchisee and franchisor. If the franchise agreement contains a provision that is inconsistent with the law, the law will control."

2. Section 18.3 is amended by the addition of the following sentences:

   "California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning the choice of which state's law governs your franchise agreement. If the franchise agreement contains a provision that is inconsistent with the law, the law will control."

3. Section 18.4 is amended by the addition of the following sentences:

   "California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning the choice of forum for disputes between the franchisee and the franchisor. If the franchise agreement contains a provision that is inconsistent with the law, the law will control."

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

5. Franchisor and Franchisee hereby ratify and affirm the Franchise Agreement in all other respects.

The parties are signing this addendum concurrently with the Franchise Agreement to which it is attached.

FRANCHISEE(S):

_____

Signature

_____

Signature

FRANCHISOR:

T.B . FRANCHISING SYSTEMS, INC.

By:_____

Its:_____

**FLORIDA**

A General Contractors License is required to provide many TruBlue services. Florida contractor licensing requirements vary based on the type and scope of work being performed. Each franchisee is responsible for confirming that their specific services and business structure comply with applicable state and local requirements before performing work that may require a license.

Florida allows certain work of a casual or minor nature to be performed without a contractor's license, when the total contract price is less than $2,500, including labor, materials, and other items. There are important limitations on this exemption:

- The entire job must be less than $2,500, including labor and materials
- A larger project cannot be divided into multiple contracts under $2,500 to avoid licensing requirements
- Work that requires a permit may not be included in the exemption
- The business cannot advertise or represent itself as a licensed contractor or as being qualified to perform work that requires a contractor's license
- Certain trades and scopes of work may require separate licensing regardless of the project's size

A TruBlue franchise owner that does not have its own General Contractors License may:

a. hire a properly licensed Florida contract as a W-2 employee who can qualify the TruBlue business, subject to Florida's qualifying-agent requirements.

b. Use a placement service that can assist in matching the business with a licensed contractor who may be able to qualify the company. Florida generally requires four years of qualifying experience or an approved combination of education and experience. An owner maybe able to work toward the experience necessary for his or her own license while operating under a licensed qualifying agent. There are several ways to meet this requirement, such as:

    - Four years of qualifying construction experience, with at least one year generally being supervisory/foreman experience
    - College education can substitute for up to three years of the experience requirement, but at least one year of qualifying supervisory/foreman construction experience is still required
    - Military service can substitute for up to three years of the experience requirement, with at least one additional year of qualifying foreman experience required
    - Other combinations of college education, skilled-worker experience and foreman experience may also satisfy Florida requirements

c. Operate as a subcontractor under a designated third-party, subject to licensing structure, approval, terms, and requirements.

**HAWAII**

The following additional disclosures are required by the Hawaii Franchise Investment Law:

**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 REGULATORY AGENCIES OR A FINDING BY THE DIRECTOR OF REGULATORY AGENCIES 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 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.**

1. The following list reflects the status of our franchise registrations in the states which have franchise registration laws:

- This registration is effective in the states of California, Hawaii, Illinois, Indiana, Maryland, Minnesota, Nebraska, New York, Virginia, Washington, and Wisconsin.
- There are no other states in which a proposed registration or filing is or will be on file.
- There are no states which have refused, by order or otherwise, to register these franchises.
- There are no states which have revoked or suspended the right to offer these franchises.

2. The release required as a condition of renewal, assignment, and transfer will not apply to any liability arising under the Hawaii Franchise Investment Law.

**HAWAII ADDENDUM TO FRANCHISE AGREEMENT**

This addendum, executed and agreed to concurrently with the Franchise Agreement to which it is attached, amends the Franchise Agreement as follows:

1. In recognition of the requirements of the Hawaii Franchise Investment Law, Hawaii Revised Statutes, Title 26, Chapter 482E *et seq.*, the Franchise Agreement is amended as follows:

(a) The Hawaii Franchise Investment Law provides rights to you concerning non-renewal, termination and transfer of the Franchise Agreement. If the Franchise Agreement contains a provision that is inconsistent with the Hawaii Franchise Investment Law, the Hawaii Franchise Investment Law will control.

(b) A general release required as a condition of the renewal, assignment, or transfer of the Franchise Agreement or the franchise granted thereunder shall not apply to any claim or liability arising under the Hawaii Franchise Investment Law.

2. Each provision of this addendum is effective only to the extent that the jurisdictional requirements of the Hawaii Franchise Investment Law are met independently of this addendum. To the extent this addendum is deemed to be inconsistent with any terms or conditions of the Franchise Agreement or any exhibit or attachment thereto, the terms of this addendum shall govern.

The parties are signing this addendum concurrently with the Franchise Agreement to which it is attached.

FRANCHISEE(S):

_____

*Signature*

_____

Signature

FRANCHISOR:

T. B FRANCHISING SYSTEMS, INC.

By:_____

Its:

**ILLINOIS**

Illinois law governs the franchise agreements.

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

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

Franchisees rights upon termination and non-renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

In conformance with Section 41 of the Illinois Franchise Disclosure Act, 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.

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

**ILLINOIS**

Illinois law governs the franchise agreements.

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

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

Franchisees rights upon termination and non-renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

In conformance with Section 41 of the Illinois Franchise Disclosure Act, 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.

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

FRANCHISEE(S):

_____
Signature

_____
Signature

FRANCHISOR:

T.B. FRANCHISING SYSTEMS, INC.

By: _____

Its: _____

**INDIANA**

The following additional disclosures are required by the Indiana Franchise Disclosure Law and the Indiana Deceptive Franchise Practices Law:

THE STATE OF INDIANA HAS STATUTES WHICH MAY SUPERSEDE THE FRANCHISE AGREEMENT IN YOUR RELATIONSHIP WITH THE FRANCHISOR, INCLUDING THE AREAS OF TERMINATION AND RENEWAL OF YOUR FRANCHISE [INDIANA CODE §§23-2-2.5-1 THROUGH 23-2-2.5-50]. THIS STATE ALSO HAS COURT DECISIONS WHICH MAY SUPERSEDE THE FRANCHISE AGREEMENT IN YOUR RELATIONSHIP WITH THE FRANCHISOR, INCLUDING THE AREAS OF TERMINATION AND RENEWAL OF YOUR FRANCHISE. THE STATE OF INDIANA HAS A STATUTE WHICH RESTRICTS OR PROHIBITS THE IMPOSITION OF LIQUIDATED DAMAGE PROVISIONS [INDIANA CODE §23-2-2.7(10)]. A PROVISION IN THE FRANCHISE AGREEMENT WHICH TERMINATES THE FRANCHISE UPON THE BANKRUPTCY OF THE FRANCHISEE MAY NOT BE ENFORCEABLE UNDER TITLE 11, UNITED STATES CODE §101.

A general release required as a condition of renewal and/or assignment/transfer shall not apply to any claim or liability arising under the Indiana Franchise Disclosure Law and the Indiana Deceptive Franchise Practices Law.

The franchise agreement does not expressly give you the right to terminate, but Indiana law may give you the right to terminate if we commit a substantial breach of the franchise agreement.

Any provision in the franchise agreement or franchise development agreement that requires the application of the laws of another state or designates jurisdiction or venue in a forum outside the State of Indiana is void with respect to a claim otherwise enforceable under the Indiana Franchise Disclosure Law or the Indiana Deceptive Franchise Practices Law.

In the event of a conflict of laws, the provisions of the Indiana Franchise Disclosure Law and the Indiana Deceptive Franchise Practices Law will prevail.

**INDIANA**

The Franchise Agreement to which this Addendum is attached is amended as follows to comply with the Indiana Franchise Disclosure Law and the Indiana Deceptive Franchise Practices Law.

1. A general release required as a condition of renewal and/or assignment/transfer shall not apply to any claim or liability arising under the Indiana Franchise Disclosure Law and the Indiana Deceptive Franchise Practices Law.

2. Any provision in this Agreement that requires the application of the laws of another state or designates jurisdiction or venue in a forum outside the State of Indiana is void with respect to a claim otherwise enforceable under the Indiana Franchise Disclosure Law or the Indiana Deceptive Franchise Practices Law.

3. In the event of a conflict of laws, the provisions of the Indiana Franchise Disclosure Law and the Indiana Deceptive Franchise Practices Law shall prevail.

4. Section 10.2 is replaced with the following:

> "Franchisee acknowledges that any failure to comply with Section 10.1 of this Agreement will cause Franchisor irreparable injury. Accordingly, Franchisor shall have the right to seek specific performance of, or an injunction against a violation of, the requirements of Section 10.1. Franchisee agrees to pay all court costs and reasonable attorneys' fees incurred by Franchisor in successfully obtaining any such specific performance or injunctive relief."

5. Section 15.9 is replaced with the following:

> "Franchisee acknowledges that Franchisee's violation of the terms of this Article 15 would result in irreparable injury to Franchisor for which no adequate remedy at law may be available. Accordingly, Franchisor shall have the right to seek specific performance of, or an injunction against a violation of, the requirements of this Article 15. Franchisee agrees to pay all court costs and reasonable attorneys' fees incurred by Franchisor in successfully obtaining any such specific performance or injunctive relief."

6. Section 16.1 is replaced with the following:

> "Franchisor shall be entitled, without bond, to seek temporary and permanent injunctions and orders of specific performance enforcing the provisions of this Agreement relating to: (a) Franchisee's use of the Marks; (b) the obligations of Franchisee upon the termination or expiration of this Agreement; (c) the obligations of Franchisee under Sections 15.2, 15.3, or 15.4 of this Agreement; or (d) an assignment of this Agreement or any ownership interest therein; or (e) as necessary to prohibit any act or omission by Franchisee or its employees: (i) that would constitute a violation of any applicable law, ordinance, or regulation: (ii)

which is dishonest or misleading to Franchisor and/or Franchisor's other franchisees; or (iii) which, in Franchisor's reasonable judgment, may harm,

tarnish, impair or reflect unfavorably upon the reputation, name, services or operation of the franchised business, Franchisor, the System or the Marks."

7. The fourth sentence of Article 17 is replaced with the following:

"Franchisee shall indemnify and hold Franchisor harmless from and against any and all claims, debts, liabilities or obligations arising directly or indirectly from, as a result of or in connection with Franchisee's operation of the franchised business (excluding, however, liabilities caused by (i) Franchisee's proper reliance on or use of procedures or materials provided by Franchisor or (ii) Franchisor's negligence), and shall pay all costs (including, without limitation, attorney and accountant fees) incurred by Franchisor in defending against and/or responding to them."

**The parties are signing this addendum concurrently with the attached Franchise Agreement.**

FRANCHISEE(S):

_____
Signature

_____
Signature

FRANCHISOR:

T.B. FRANCHISING SYSTEMS, INC.

By: _____

Its: _____

**STATE OF MARYLAND ADDENDUM**

The following additional disclosures are required by the Maryland Franchise Registration and Disclosure Law:

Item 17. RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

A franchisee may sue 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.

The release required as a condition of renewal and/or assignment/transfer will not apply to any liability arising under the Maryland Franchise Registration and Disclosure Law.

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

**MARYLAND ADDENDUM TO TRUBLUE FRANCHISE AGREEMENT**

The following terms and conditions amend the Franchise Agreement to which this Addendum is attached, for the purpose of complying with the Maryland Franchise Registration and Disclosure Law, and are hereby incorporated into the Franchise Agreement by this reference. The terms of this Addendum control in the event of conflicting terms in the Franchise Agreement.

1. A general release required as a condition of renewal and/or assignment/transfer shall not apply to any claim or liability arising under the Maryland Franchise Regulation and Disclosure Law.

2. A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

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

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

The parties are signing this addendum concurrently with the Franchise Agreement to which it is attached.

FRANCHISEE(S):

_____
Signature

_____
Signature

FRANCHISOR:

T.B. FRANCHISING SYSTEMS, INC.

By: _____

Its: _____

**MINNESOTA**

The following additional disclosures are required by the Minnesota Franchise Act:

1. GOVERNING LAW, CHOICE OF FORUM, JURISDICTION AND VENUE

Minn. Stat. Sec. 80C.21 and Minn. Rule 2860.4400J prohibit TBFS from requiring litigation to be conducted outside Minnesota. In addition, nothing in the disclosure document or agreement can abrogate or reduce any of franchisee's rights as provided for in Minnesota Statutes, Chapter 80C, or franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

2. NOTICE OF TERMINATION AND NON-RENEWAL

With respect to franchises governed by Minnesota law, TBFS will comply with Minn. Stat. Sec. 80C14, Subds. 3, 4, and 5 which require, except in certain specified cases, that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the franchise agreement.

3. RIGHT TO USE TRADEMARKS, SERVICE MARKS TRADE NAMES, LOGOTYPES OR OTHER COMMERCIAL SYMBOLS

TBFS will protect the franchisee's right to use the trademarks, service marks, trade names, logotypes or other commercial symbols and/or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name.

4. WAIVING OF RIGHTS, POSTING BOND

Minnesota law prohibits a franchisee from waiving his rights to a jury trial or waiving his rights to any procedure, forum or remedies provided for by the laws of the jurisdiction, or consenting to liquidated damages, termination penalties, or judgment notes. The franchisee cannot consent to TBFS obtaining injunctive relief, however, TBFS may seek injunctive relief. A court will determine if a bond is required. Any language to the contrary in the disclosure document or franchise agreement is null and void.

5. GENERAL RELEASE

Minn. Rule 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release. Any provision in the Franchise Agreement to the contrary is void.

**6. STATUTE OF LIMITATIONS**

Minn. Stat. Sec. 80C.17, Subd. 5 provides that an action may be commenced to enforce any provision of the Minnesota Franchise Act (Minn. Stat. Secs. 80C.01 to 80C.22, inclusive) or any rule or order thereunder within three years after the cause of action accrues. Any language to the contrary in the Franchise Disclosure Document or the Franchise Agreement is null and void.

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

**MINNESOTA**

This addendum is attached to and incorporated in the T.B. Franchising Systems, Inc. ("TBFS") Franchise Disclosure Document and Franchise Agreement as required by the Minnesota Franchise Act and the administrative rules and regulations relating thereto. The terms of this addendum shall control in the event of conflicting terms in the Franchise Disclosure Document or Franchise Agreement.

1. GOVERNING LAW, CHOICE OF FORUM, JURISDICTION AND VENUE

Minn. Stat. Sec. 80C.21 and Minn. Rule 2860.4400J prohibit TBFS from requiring litigation to be conducted outside Minnesota. In addition, nothing in the disclosure document or agreement can abrogate or reduce any of franchisee's rights as provided for in Minnesota Statutes, Chapter 80C, or franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

2. NOTICE OF TERMINATION AND NON-RENEWAL

With respect to franchises governed by Minnesota law, TBFS will comply with Minn. Stat. Sec. 80C14, Subds. 3, 4, and 5 which require, except in certain specified cases, that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the franchise agreement.

3. RIGHT TO USE TRADEMARKS, SERVICE MARKS TRADE NAMES, LOGOTYPES OR OTHER COMMERCIAL SYMBOLS

TBFS will protect the franchisee's right to use the trademarks, service marks, trade names, logotypes or other commercial symbols and/or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name.

4. WAIVING OF RIGHTS, POSTING BOND

Minnesota law prohibits a franchisee from waiving his rights to a jury trial or waiving his rights to any procedure, forum or remedies provided for by the laws of the jurisdiction, or consenting to liquidated damages, termination penalties, or judgment notes. The franchisee cannot consent to TBFS obtaining injunctive relief, however, TBFS may seek injunctive relief. A court will determine if a bond is required. Any language to the contrary in the disclosure document or franchise agreement is null and void.

5. GENERAL RELEASE

Minn. Rule 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release. Any provision in the Franchise Agreement to the contrary is void.

6. The payment of initial franchise fees by you to us shall be deferred until all of our initial obligations to you under the Franchise Agreement have been fulfilled.

7. STATUTE OF LIMITATIONS

Minn. Stat. Sec. 80C.17, Subd. 5 provides that an action may be commenced to enforce any provision of the Minnesota Franchise Act (Minn. Stat. Secs. 80C.01 to 80C.22, inclusive) or a rule or order thereunder within three years after the cause of action accrues. Any language to the contrary in the Franchise Disclosure Document or the Franchise Agreement is null and void.

**8. THESE FRANCHISES HAVE BEEN REGISTERED UNDER THE MINNESOTA FRANCHISE ACT. REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF COMMERCE OF MINNESOTA OR A FINDING BY THE COMMISSIONER THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.**

**THE MINNESOTA FRANCHISE ACT MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHSE IN THIS STATE WHICH IS SUBJECT TO REGISTRATION WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, AT LEAST 7 DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST 7 DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION, BY THE FRANCHISEE, WHICHEVER OCCURS FIRST, A COPY OF THIS PUBLIC OFFERING STATEMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE FRANCHISE. THIS PUBLIC OFFERING STATEMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR AN UNDERSTANDING OF ALL RIGHTS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.**

The parties are signing this addendum concurrently with the Franchise Agreement to which it is attached.

FRANCHISEE(S): FRANCHISOR:

T.B. FRANCHISING SYSTEMS, INC.

_____
Signature

By:_____

_____ Its: _____
Signature

**NEW YORK**

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

2. The following is to be added at the end of Item 3:

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

> A. No such party has an administrative, criminal or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable civil or misdemeanor allegations.
>
> B. No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.
>
> C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10-year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.
>
> D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation or trade practice

law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

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

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687(4) and 687(5) be satisfied.

4. 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.

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

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

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

7. Receipts –Any sale made must be in compliance with § 683(8) of the Franchise Sale Act (N.Y. Gen. Bus. L. § 680 et seq.), which describes the time period a Franchise Disclosure Document (offering prospectus) must be provided to a prospective franchisee before a sale may be made. New York law requires a franchisor to provide the Franchise Disclosure Document at the earliest of the first personal meeting, ten (10) business days before the execution of the franchise or other agreement, or the payment of any consideration that relates to the franchise relationship.

**NEW YORK ADDENDUM TO FRANCHISE AGREEMENT**

The following terms amend the Franchise Agreement to which this addendum is attached, for the purpose of complying with the New York General Business Law and the New York State Franchise Regulations, and are hereby incorporated into the Franchise Agreement by this reference. The terms in this addendum control in the event of conflicting terms in the Franchise Agreement.

1. Section 2.2(d) of the Franchise Agreement shall be amended by adding the following language:

> "Provided, however, that all rights arising in Franchisee's favor from the provisions of Article 33 of the General Business Laws of the State of New York ("GBL") and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of GBL, sections 687.4 and 687.5 be satisfied."

2. Franchisor and Franchisee hereby ratify and affirm the Franchise Agreement in all other respects.

**The parties are signing this addendum concurrently with the Franchise Agreement to which it is attached.**

FRANCHISEE(S):

_____
Signature

_____
Signature

FRANCHISOR:

T.B. FRANCHISING SYSTEMS, INC.

By: _____

Its : _____

**NORTH DAKOTA**

The following additional disclosures are required by the North Dakota Franchise Investment Law:

ITEM 17 RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

Non-competition covenants such as the one mentioned in Item 17(r) and in Section 15.3 are generally considered unenforceable in the State of North Dakota.

The release required as a condition of renewal and/or assignment/transfer, as stated in Item 17 (c) and Section 2.2(d), will not apply to any liability arising under the North Dakota Franchise Investment Law.

Any provision of the franchise agreement restricting jurisdiction or venue to a forum outside the State of North Dakota or requiring the application of the laws of a state other than North Dakota is void.

Any provision of the franchise agreement requiring you to waive the right to a trial by jury is void.

Any provision of the franchise agreement requiring you to waive exemplary or punitive damages is void.

Any provision of the franchise agreement requiring you to consent to a statute of limitations that is shorter than the applicable North Dakota statute of limitations is void.

Any provision of the franchise agreement requiring you to consent to termination or liquidated damages is void.

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

The payment of initial fees by you to us shall be deferred until all of our initial obligations to you under the Franchise Agreement have been fulfilled and you commence doing business.

**NORTH DAKOTA ADDENDUM TO FRANCHISE AGREEMENT**

The Franchise Agreement to which this addendum is attached is amended as follows to comply with the North Dakota Franchise Investment Law:

1. A general release required as a condition of renewal and/or assignment/transfer shall not apply to any claim or liability arising under the North Dakota Franchise Investment Law.

2. Any provision of this agreement restricting jurisdiction or venue to a forum outside the State of North Dakota or requiring the application of the laws of a state other than North Dakota is void.

3. Section 15.3 shall be amended by adding the following sentence:

   "Covenants not to compete such as the one described above are generally considered unenforceable in the State of North Dakota.

4. Sections 16.4, 16.5, and 16.6 are deleted in their entirety.

5. Section 15.3(c), requiring liquidated damages, is deleted in its entirety.

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

7. The payment of initial fees by you to us shall be deferred until all of our initial obligations to you under the Franchise Agreement have been fulfilled and you commence doing business.

The addendum is signed concurrently with the attached Franchise Agreement.

FRANCHISEE(S):

_____
*Signature*

_____
*Signature*

FRANCHISOR:

T.B. FRANCHISING SYSTEMS, INC.

By: _____

Its:_____

**FOR RESIDENTS OF THE STATE OF SOUTH DAKOTA**

The following additional disclosures are required by the South Dakota Franchise Act:

Covenants not to compete upon the termination or expiration of a franchise agreement are generally unenforceable in South Dakota, except in certain instances as provided by law.

Any provision in the franchise agreement restricting jurisdiction or venue to a forum outside of South Dakota or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under the South Dakota Franchise Act. Issues regarding 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; but as to contractual and all other matters, all provisions of the franchise agreement will be subject to the governing law of the State of Ohio.

Pursuant to SDCL 37-5B, any condition, stipulation or provision purporting to waive compliance with any provision of this chapter or any rule or order thereunder is void. Any acknowledgement provision, disclaimer or integration clause or a provision having a similar effect in a franchise agreement does not negate or act to remove from judicial review any statement, misrepresentation or action that would violate this chapter or a rule or order under this chapter.

In the event that either party shall make demand for arbitration, such arbitration shall be conducted in a mutually agreed upon site in accordance with Section 11 of the Commercial Arbitration Rules of the American Arbitration Association.

The Franchisor will defer collection of the initial franchise fee until such time as the franchise is operational.

**SOUTH DAKOTA ADDENDUM TO FRANCHISE AGREEMENT**

The Franchise Agreement to which this addendum is attached is amended as follows to comply with the South Dakota Franchise Act, South Dakota Codified Laws, Title 37, Chapter 37-5B, Sections 37-5B-1 through 37-5B-53:

1. Covenants not to compete upon termination or expiration of a franchise agreement are generally unenforceable in South Dakota, except in certain instances as provided by law.

2. In the event that either party shall make demand for arbitration, the arbitration shall be conducted in a mutually agreed upon site in accordance with Section 11 of the Commercial Arbitration Rules of the American Arbitration Association.

3. The law regarding 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; but as to contractual and all other matters, this Agreement and all provisions of this instrument will be and remain subject to the application, construction, enforcement, and interpretation under the governing law of the State of Ohio. Any provision in the franchise agreement restricting jurisdiction or venue to a forum outside of South Dakota or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under the South Dakota Franchise Act.

4. The Franchisor will defer collection of the initial franchise fee until such time as the franchise is operational.

5. To the extent this addendum is inconsistent with any terms or conditions of the Franchise Agreement or exhibits or attachments thereto, the terms of this addendum shall govern.

The parties are signing this addendum concurrently with the Franchise Agreement to which it is attached.

FRANCHISEE(S):

_____
Signature

_____
Signature

FRANCHISOR:

T.B. FRANCHISING SYSTEMS, INC.

By: _____

Its : _____

**VIRGINIA**

THE FOLLOWING DISCLOSURES ARE REQUIRED UNDER THE VIRGINIA RETAIL FRANCHISING ACT, AND SHALL SUPERSEDE ANY INCONSISTENT DISCLOSURES CONTAINED IN THE FRANCHISE DISCLOSURE DOCUMENT.

ITEM 5. INITIAL FEES

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

ITEM 17 RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

In addition to the other curable defaults listed in row (g) of the table in Item 17 of the franchise disclosure document, you also have 30 days to cure any failure to comply with the franchise agreement, operations manual, or operating standards.

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for T.B. Franchising Systems, Inc. for use in the Commonwealth of Virginia shall be amended as follows:

Additional Disclosure: The following statements are added to Item 17.h. Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any ground for default or termination stated in the franchise agreement does not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

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

**VIRGINIA ADDENDUM TO FRANCHISE AGREEMENT**

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

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

FRANCHISEE(S):

_____
Signature

_____
Signature

FRANCHISOR:

T.B. FRANCHISING SYSTEMS, INC.

By: _____

Its : _____

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

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

1. **Conflict of Laws**. In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, chapter 19.100 RCW will prevail.

2. **Franchisee Bill of Rights**. RCW 19.100.180 may supersede provisions in the franchise agreement or related agreements concerning your relationship with the franchisor, including in the areas of termination and renewal of your franchise. There may also be court decisions that supersede the franchise agreement or related agreements concerning your relationship with the franchisor. Franchise agreement provisions, including those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.

3. **Site of Arbitration, Mediation, and/or Litigation**. In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

4. **General Release**. A release or waiver of rights in the franchise agreement or related agreements purporting to bind the franchisee to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rules or orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).

5. **Statute of Limitations and Waiver of Jury Tria**l. Provisions contained in the franchise agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

6. **Transfer Fees**. Transfer fees are collectable only to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

7. **Termination by Franchisee**. The franchisee may terminate the franchise agreement under any grounds permitted under state law.

8. **Certain Buy-Back Provisions**. Provisions in franchise agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term of the franchise agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.

9. **Fair and Reasonable Pricing**. Any provision in the franchise agreement or related agreements that requires the franchisee to purchase or rent any product or service for more than a fair and reasonable price is unlawful under RCW 19.100.180(2)(d).

10. **Waiver of Exemplary & Punitive Damages**. RCW 19.100.190 permits franchisees to seek treble damages under certain circumstances. Accordingly, provisions contained in the franchise agreement or elsewhere requiring franchisees to waive exemplary, punitive, or similar damages are void, except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2).

11. **Franchisor's Business Judgement**. Provisions in the franchise agreement or related agreements. stating that the franchisor may exercise its discretion on the basis of its reasonable business judgment may be limited or superseded by RCW 19.100.180(1), which requires the parties to deal with each other in good faith.

12. **Indemnification**. Any provision in the franchise agreement or related agreements requiring the franchisee to indemnify, reimburse, defend, or hold harmless the franchisor or other parties is hereby modified such that the franchisee has no obligation to indemnify, reimburse, defend, or hold harmless the franchisor or any other indemnified party for losses or liabilities to the extent that they are caused by the indemnified party's negligence, willful misconduct, strict liability, or fraud.

13. **Attorneys' Fees**. If the franchise agreement or related agreements require a franchisee to reimburse the franchisor for court costs or expenses, including attorneys' fees, such provision applies only if the franchisor is the prevailing party in any judicial or arbitration proceeding.

14. **Noncompetition Covenants**. Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed $250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provision contained in the franchise agreement or elsewhere that conflicts with these limitations is void and unenforceable in Washington.

15. **Nonsolicitation Agreements**. RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

16. **Questionnaires and Acknowledgments**. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have

the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

17. **Prohibitions on Communicating with Regulators**. Any provision in the franchise agreement or related agreements that prohibits the franchisee from communicating with or complaining to regulators is inconsistent with the express instructions in the Franchise Disclosure Document and is unlawful under RCW 19.100.180(2)(h).

18. **Advisory Regarding Franchise Brokers**. Under the Washington Franchise Investment Protection Act, a "franchise broker" is defined as a person that engages in the business of the offer or sale of franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. If a franchisee is working with a franchise broker, franchisees are advised to carefully evaluate any information provided by the franchise broker about a franchise.

The undersigned parties do hereby acknowledge receipt of this Addendum.

Dated this _____ day of _____ 20_____.

| | |
|---|---|
| _____ | _____ |
| Signature of Franchisor Representative | Signature of Franchisee Representative |
| _____ | _____ |
| Title of Franchisor Representative | Title of Franchisee Representative |

**WISCONSIN**

The following additional disclosures are required by the Wisconsin Franchise Investment Law and the Wisconsin Fair Dealership Law:

THE WISCONSIN FAIR DEALERSHIP LAW SUPERSEDES ANY PROVISION OF THE FRANCHISE AGREEMENT THAT IS INCONSISTENT WITH THAT LAW. THE STATE OF WISCONSIN MAY ALSO HAVE COURT DECISIONS WHICH MAY SUPERSEDE THE FRANCHISE RELATIONSHIP IN RELATIONSHIP WITH THE FRANCHISOR, INCLUDING THE AREAS OF TERMINATION AND RENEWAL OF YOUR FRANCHISE. THE STATE OF WISCONSIN MAY HAVE COURT DECISIONS WHICH RESTRICT THE IMPOSITION OF LIQUIDATED DAMAGES. THE IMPOSITION OF LIQUIDATED DAMAGES IS ALSO RESTRICTED BY FAIR PRACTICE LAWS, CONTRACT LAW, AND STATE AND FEDERAL COURT DECISIONS. A PROVISION IN THE FRANCHISE AGREEMENT WHICH TERMINATED THE FRANCHISE UPON THE BANKRUPTCY OF THE FRANCHISEE MAY NOT BE ENFORCEABLE UNDER TITLE 11, UNITED STATES CODE §101. THE STATE OF WISCONSIN MAY HAVE COURT DECISIONS LIMITING THE FRANCHISOR'S ABILITY TO RESTRICT YOUR ACTIVITY AFTER THE FRANCHISE AGREEMENT HAS ENDED.

We may revoke our approval of any previously approved supplier at any time if the quality of the product or the supplier's financial condition or ability to satisfy your requirements do not continue to meet our satisfaction.

# EXHIBIT P

## TRUBLUE WINNER'S CIRCLE PROGRAM

Addendum to Franchise Agreement

This addendum is between T.B. FRANCHISING SYSTEMS, INC., an Ohio corporation ("Franchisor"), and the party or parties identified as "Franchisee" below.

PREAMBLE:

A. Franchisor and Franchisee are parties to a "Franchise Agreement" under which Franchisor licensed Franchisee to operate a TruBlue franchised business (the "Franchised Business") using Franchisor's trademarks and unique business format.

B. The parties desire to modify the Franchise Agreement as provided in this addendum.

THEREFORE the parties hereby amend the Franchise Agreement as follows:

1. This addendum is an integral part of, and is incorporated into, the Franchise Agreement. Nevertheless, this addendum supersedes any inconsistent or conflicting provisions of the Franchise Agreement.

2. To make this addendum easier to read and understand, certain terms have been defined below and will be capitalized throughout the addendum. Capitalized terms that are not defined below may be defined in the section where they first appear. Capitalized terms used but not defined in this addendum are used as defined in the Franchise Agreement.

(a) The "Commencement Date" is the first day of the first month following the month in which Franchisee or its Designated Individual completes the initial training program described in section 7.1 of the Franchise Agreement.

(b) A "Year" is a one-year period beginning on the Commencement Date or the anniversary of the Commencement Date. The parties acknowledge that a "Year" as defined in this Addendum may not necessarily coincide with a calendar year. For example, a Year may be the period from April 1, 2025 through March 31, 2026, or from July 1, 2025 through June 30, 2026.

(c) The "Rebate Period" begins on the Commencement Date and ends on the day before the fifth anniversary of the Commencement Date.

3. As an incentive for Franchisee to fully develop the Franchised Business and the Territory, if Franchisee attains:

(a) at least $900,000 of cumulative Gross Revenues during the two-Year period after the Commencement Date, then Franchisor will rebate to Franchisee $10,000 of the Franchise Fee;

(b) at least $1,500,000 of cumulative Gross Revenues during the three-Year period after the Commencement Date and qualified for a rebate under subparagraph (a), then Franchisor will rebate to Franchisee an additional $10,000 of the Franchise Fee;

(c) at least $2,250,000 of cumulative Gross Revenues during the four-Year period after the Commencement Date and qualified for a rebate under subparagraph (a)-(b), then Franchisor will rebate to Franchisee an additional $10,000 of the Franchise Fee; and

(d) at least $3,000,000 of cumulative Gross Revenues during the five-Year period after the Commencement Date and qualified for a rebate under subparagraphs (a)-(c), then Franchisor will rebate to Franchisee the remainder of the Franchise Fee paid by Franchisee.

If Franchisee does not have sufficient Gross Revenues to qualify for any one of the rebates in subparagraph (a) – (c) above, then Franchisee will be ineligible for any additional rebates thereafter, regardless of Franchisee's subsequent Gross Revenues. Rebates shall be paid within 90 days after the respective anniversary date of the Commencement Period regardless of when the Gross Revenue target was attained, provided that Franchisee is in full compliance with the Franchise Agreement.

4. Strict Compliance. To be eligible to receive any rebates under this addendum, Franchisee must (a) strictly and timely comply with all obligations under any agreement or instrument between Franchisee and Franchisor throughout the entire Rebate Period, including, by way of example, timely reporting Gross Revenues, timely paying all Royalties, National Branding Fees, Technology Fees, and other amounts due under the Franchise Agreement, (b) have attended all franchise system national conferences and regional conferences and all required on-site training centers, and (c) execute a general release in a form prescribed by Franchisor prior to each rebate. If the Franchise Agreement is terminated for any reason prior to the end of its initial term, then Franchisee must return all rebates to Franchisor. If Franchisee commits any default of any agreement or instrument between Franchisee and Franchisor during the Rebate Period, then, in addition to all other remedies Franchisor may have under the Franchise Agreement, at law, or in equity, this addendum shall be irrevocably null and void.

5. To the extent that any provision of the Franchise Agreement is inconsistent with this addendum, the provision is hereby modified to the extent necessary to conform to the terms of this addendum. The parties hereby ratify and affirm the Franchise Agreement in all other respects.

The parties are signing this addendum on the dates below.

| T.B. FRANCHISING SYSTEMS, INC. | FRANCHISEE |
|---|---|
| By:_____ | By:_____ |
| Title:_____ | Title:_____ |
| Date:_____ | Date:_____ |
| | By:_____ |
| | Title:_____ |
| | Date:_____ |

# EXHIBIT Q

REMITTANCE FORM

T.B. FRANCHISING SYSTEMS, INC.
4755 Lake Forest Drive, Suite 100
Cincinnati, Ohio 45242

Sir or Madam:

I am enclosing payment in the amount of $_____ as a payment to be applied toward the initial franchise fee for a TRUBLUE franchise. I understand and agree that you will reserve, for THIRTY DAYS after your receipt of my payment, all portions of the territory I have selected below not previously sold or otherwise reserved as of the date you receive my payment. I further understand and agree that this payment is fully-earned and non-refundable, in consideration of your removal of the territory from the market for thirty days and your lost or deferred opportunity to franchise it to others.

Please reserve the following territory for me:_____ [insert county or city]

I understand and agree, if not already completed, that the final boundaries of my territory will be determined within the next thirty days after your receipt of this Remittance Form accompanied by my payment, and that the final territory will be subject to availability as of the date you accept this payment. I agree that if I do not enter into a Franchise Agreement with you within thirty days after your receipt of the enclosed payment, you may keep my payment and sell the territory described above without further obligation to me. This Remittance Form constitutes the entire agreement between us relating to my payment, and supersedes all prior agreements and representations, oral or otherwise. This agreement is governed by the laws of the State of Ohio, without regard to its conflict of laws principles. The courts of Hamilton County, Ohio, have exclusive jurisdiction in any controversy relating to or arising out of this agreement. I understand and certify that no representations concerning the franchise we are acquiring have been made by T.B. Franchising Systems, Inc. or any of its agents or representatives, other than those contained in its franchise disclosure document. In particular, no representations have been made to us concerning the financial prospects of the franchise we are acquiring that is contrary or different from that contained in the FDD. Nothing in this Remittance Form shall act as a release, estoppel, or waiver of any liability arising under any state franchise registration or disclosure law.

_____ _____

Signature Signature

## State Effective Dates

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

| State | Effective Date |
|---|---|
| California | May 20, 2026 |
| Hawaii | July 7, 2026 |
| Illinois | April 14, 2026 |
| Indiana | April 30, 2026 |
| Maryland | May 14, 2026 |
| Michigan | April 10, 2026 |
| Minnesota | April 29, 2026 |
| New York | May 29, 2026 |
| North Dakota | April 14, 2026 |
| Rhode Island | April 21, 2026 |
| South Dakota | April 14, 2026 |
| Virginia | May 12, 2026 |
| Washington | May 13, 2026 |
| Wisconsin | April 14, 2026 |

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

## Item 23. RECEIPTS

This disclosure document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this disclosure document and all agreements carefully. If T.B. Franchising Systems, Inc. offers you a franchise, it must provide this disclosure document to you 14 days before you sign a binding agreement or make a payment with the franchisor or an affiliate in connection with the proposed franchise sale. Under Michigan, New York, Oklahoma, Rhode Island or Washington law, if applicable, T.B. Franchising Systems, Inc. must provide this disclosure document to you at your first personal meeting to discuss the franchise, if earlier.

If T.B. Franchising Systems, Inc. does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate state agency listed on Exhibit J.

The name, principal business address, and telephone number of each franchise seller offering the franchise is: Sean Fitzgerald, President, Melissa Young, Vice President of Franchise Development, and:

Name: _____ Title: _____

The issuance date of this Franchise Disclosure Document is April 13, 2026, as amended September 1, 2026.

We authorize the respective state officials listed on Exhibit J to receive service of process for us in each particular state.

I have received a disclosure document dated April 13, 2026, as amended September 1, 2026 that included the following Exhibits:

| | |
|---|---|
| A Franchise Agreement | J State Franchise Regulators |
| B Additional Territory Rider | K Financial Statements |
| C Power of Attorney | L Franchisee List |
| D Personal Guaranty | M Franchisees Who Have Left the System |
| E Restrictive Covenant Agreement | N Table of Contents of Operations Manual |
| F Form of General Release | O State-Specific Additional Disclosures/Riders |
| G Franchisee Acknowledgment Statement | P Addendum |
| H Assignment Agreement | Q Remittance Form |
| I Agents for Service of Process | |

_____ _____ _____

Date Signature Print Name

| Date | Signature | Print Name |
| --- | --- | --- |

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| Date | Signature | Print Name |
|---|---|---|
| Date | Signature | Print Name |