

FRANCHISE DISCLOSURE DOCUMENT



Elite Ops Franchising, LLC
A Maryland limited liability company
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Baltimore, MD 21202
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As an Elite Ops franchisee, you will operate a pest control and exterminating business under the trade name “Elite Ops Exterminators”.

The total investment necessary to begin operation of an Elite Ops Exterminators franchise is \$90,350 to \$146,800. This includes \$33,700 to \$34,600 that must be paid to the franchisor or affiliate.

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

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, please contact Darrell Profit at 300 E. Lombard St, Suite 840, Baltimore, MD 21202 and 202-587-2781.

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

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

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

Issuance date: May 5, 2024

How to Use This Franchise Disclosure Document

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

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibit F.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit D 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 Elite Ops Exterminators 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 an Elite Ops Exterminators franchisee?	Item 20 or Exhibit F lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About *This Franchise*

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

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by arbitration or litigation only in Washington, D.C. 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 Washington, D.C., than in your own state.
2. **Short Operating History.** The franchisor is at an early stage of development and has a limited operating history. This franchise is likely to be a riskier investment than a franchise in a system with a longer operating history.
3. **Financial Condition.** The franchisor's financial condition, as reflected in its financial statements (see Item 21), calls into question the franchisor's financial ability to provide services and support to you.

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

**(THE FOLLOWING APPLIES TO TRANSACTIONS GOVERNED BY
THE MICHIGAN FRANCHISE INVESTMENT LAW ONLY)**

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

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

- (a) A prohibition on the right of a franchisee to join an association of franchisees.
- (b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protection 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 sub-franchisor.
- (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, the franchisee may request the franchisor to arrange for the escrow of initial investment and other funds paid by the franchisee until the obligations, if any, of the franchisor to provide real estate, improvements, equipment, inventory, training or other items included in the franchise offering are fulfilled. At the option of the franchisor, a surety bond may be provided in place of escrow.

The fact that there is a notice of this offering on file with the attorney general does not constitute approval, recommendation, or endorsement by the attorney general.

Any questions regarding this notice should be directed to:

State of Michigan Department of Attorney General
 G. Mennen Williams Building, 7th Floor
 525 W. Ottawa Street
 Lansing, Michigan 48909
 Telephone Number: (517) 373 7117

TABLE OF CONTENTS

<u>Item</u>	<u>Page</u>
Item 1 THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES ...	1
Item 2 BUSINESS EXPERIENCE	2
Item 3 LITIGATION	2
Item 4 BANKRUPTCY	3
Item 5 INITIAL FEES	3
Item 6 OTHER FEES.....	3
Item 7 ESTIMATED INITIAL INVESTMENT	8
Item 8 RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES.....	10
Item 9 FRANCHISEE’S OBLIGATIONS	12
Item 10 FINANCING	13
Item 11 FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS, AND TRAINING	14
Item 12 TERRITORY.....	18
Item 13 TRADEMARKS.....	20
Item 14 PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION.....	21
Item 15 OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS	23
Item 16 RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL.....	24
Item 17 RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION	25
Item 18 PUBLIC FIGURES	29
Item 19 FINANCIAL PERFORMANCE REPRESENTATIONS	29
Item 20 OUTLETS AND FRANCHISEE INFORMATION	31
Item 21 FINANCIAL STATEMENTS.....	34
Item 22 CONTRACTS	34
Item 23 RECEIPTS.....	34

EXHIBITS

- A. State Administrators and Agents for Service of Process
 - B. Franchise Agreement (with Guaranty and Non-Compete Agreement)
 - C. Form of General Release
 - D. Financial Statements
 - E. Operating Manual Table of Contents
 - F. Current and Former Franchisees
 - G. EFT Authorization Form
 - H. State Addenda to Disclosure Document
 - I. State Addenda to Franchise Agreement
- State Effective Dates
Receipt (2 copies)

Item 1

THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

In this disclosure document, “we”, “us,” or “our” refers to Elite Ops Franchising, LLC. “You” means the person to whom we grant a franchise. If you are a corporation, limited liability company, or other entity, each owner of the franchise entity must sign our Guaranty and Non-Compete Agreement, which means that all of the franchise agreement’s provisions also will apply to your owners.

Us, Any Parents, and Certain Affiliates

Our name is Elite Ops Franchising, LLC. Our principal business address is 300 E. Lombard St, Suite 840, Baltimore, MD 21202. We do not have any parent entities. We do not have any affiliates that offer franchises in any line of business or provide products or services to our franchisees.

Our Predecessors

We do not have any predecessors.

Our Business Name

We use the names “Elite Ops Franchising, LLC” and “Elite Ops Exterminators”. We do not intend to use any other names to conduct business.

Agent for Service of Process

Our agent for service of process in Washington, D.C. is Darrell Profit, and the agent’s principal business address is 300 E. Lombard St, Suite 840, Baltimore, MD 21202. Our agents for service of process in other states are disclosed in Exhibit A.

Business Organization

We are a Maryland limited liability company. We were formed on March 4, 2021.

Information About Our Business and the Franchises Offered

We do not operate businesses of the type being franchised.

We do not have any other business activities. We have not offered franchises in other lines of business.

If you sign a franchise agreement with us, you will develop and operate a pest control and extermination business under the trade name Elite Ops Exterminators.

The general market for franchises that provide pest control and extermination services is in large metropolitan statistical areas that have a large population with strong urban development and have a growing rental market, as well as food industry establishments and managed facilities

who require some form of pest control. This market is well developed. Our customers are residential homeowners, multi-unit residential property managers and commercial building managers and facility directors. Sales are not seasonal.

You will compete against national chains, regional chains, and independent owners that provide pest control and extermination services. Some of these competitors are franchised.

Laws and Regulations

Each state has specific licensing requirements for pest control businesses. You will need a state Commercial Pesticide Applicator License (or a similarly-named license, depending on the state) for your business. Depending on the state, your employees may need their own licenses in order to perform certain work. You will need to comply with environmental laws and regulations, including regulations of the Environmental Protection Agency and similar state agencies, regarding the use, storage, and disposal of pesticides. You alone are responsible for investigating and complying with all applicable laws and regulations, including those that apply to your particular state. You should consult with a legal advisor about legal requirements that may apply to your business, including any permits and licenses necessary to operate in your market.

Prior Business Experience

We have offered franchises since July 2022. None of our affiliates has offered franchises in other lines of business. None of our affiliates provides products or services to our franchisees.

Our affiliate, Elite Ops Exterminators, Inc. has operated Elite Ops Exterminators in Washington, D.C. since May 2017. This affiliate has the same business address as us.

Item 2 BUSINESS EXPERIENCE

Darrell Profit – Chief Executive Officer. Darrell Profit has been our Chief Executive Officer in Washington, D.C. since our inception. He has owned and operated Elite Ops Exterminators, Inc., located in Washington, D.C. since April 1, 2017. From March 1, 2007 to March 30, 2017, he was Chief Technician of Conquest Pest Control, located in Washington, D.C.

Item 3 LITIGATION

Conquest Pest Control vs. Elite Ops Exterminators, Inc. and Darrell Profit Jr., Superior Court of the District of Columbia, May 26, 2017, Case Number 17-0003699. While employed by Conquest Pest Control, Mr. Profit had signed an employment agreement with a 5-year limit on post-employment competition within a 20-mile radius and on soliciting certain customers. After he left Conquest Pest Control in March 2017 and founded our affiliate, Elite Ops Exterminators, Inc., Conquest Pest Control filed this suit alleging breach of contract, breach of fiduciary duty, breach of duty of loyalty, misappropriation of trade secrets, and tortious interference with business relations. The case went to trial on June 18, 2019. On May 30, 2022, the court issued an Order

finding that Mr. Profit had breached the contract by violating the non-compete agreement, while finding in favor of Mr. Profit on all other claims. In May 2024, the court determined that Mr. Profit was not liable for any damages based on the breach of contract.

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

Item 4 BANKRUPTCY

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

Item 5 INITIAL FEES

Franchise Fee

When you sign your franchise agreement, you must pay us a lump sum payment of \$30,000 as the initial franchise fee. This fee is uniform and is not refundable.

Software Fee

You will pay us \$3,000 for our field management software system and training. This payment is due when you come to our initial training program. It is not refundable. There is an additional monthly payment for continued use of the field management software.

Uniforms and Apparel

You will purchase your initial uniforms, hats, and other apparel from us. The cost will range from \$700 to \$800 per person, for a total of \$700 (if you are the sole employee to start) to \$1,600 (for you plus one initial employee), payable in a lump sum. You will pay for the initial apparel upon ordering. This payment is not refundable.

Item 6 OTHER FEES

Type of Fee	Amount	Due Date	Remarks
Royalty	7% of your gross sales; minimum of \$1,000 per month after your first year	Monthly, on the 15 th day of the following month	See Note 1 and Note 2.
Marketing Fund Contribution	1% of your gross sales	Monthly, on the 15 th day of the following month	

Type of Fee	Amount	Due Date	Remarks
Market Cooperative Contribution	As determined by the cooperative. Currently, none.	Monthly, on the 15 th day of the following month	We have the right to establish local or regional advertising cooperatives. If you are a member of a cooperative, you and other members may vote to require each member to contribute between 1% and 5% of gross sales to the cooperative.
Replacement / Additional Training fee	Currently, \$800	Prior to attending training	If you send a manager or other employee to our training program after you open, we will charge our then-current training fee.
Technology Fee	Currently, \$250 per month for up to 3 users, \$450 per month for 4-6 users, \$600 per month for 7-9 users; additional amounts for additional users.	Monthly, on the 15 th day of the following month	We reserve the right to charge a commercially reasonable fee for software and other technology products and services we provide. The technology fee will not necessarily be a pass-through of our exact costs. We may add, remove, or alter the software or technology products or services that we provide. Currently, in exchange for the Technology Fee we provide you with the license the field management software that you will use to run your business.
Third party vendors	Pass-through of costs, plus reasonable administrative charge. Currently, none.	Varies	We have the right to require franchisees to use third-party vendors and suppliers that we designate. Examples can include computer support vendors, mystery shopping, and customer feedback systems. The vendors and suppliers may bill franchisees directly, or we have the right to collect payment for these vendors together with a reasonable markup or charge for administering the payment program.
Software subscription	Currently, \$200 per month	Monthly	We require you to use certain software as described in Item 11. You pay subscription fees directly to the software supplier, and not to us.

Type of Fee	Amount	Due Date	Remarks
Non-compliance fee	\$500 per instance	On demand	We may charge you \$500 for any aspect of your business which is not in compliance with our system specifications or the franchise agreement and you fail to correct the non-compliance after 30 days' notice. Thereafter, we may charge you \$250 per week until you correct such non-compliance.
Reimbursement	Amount that we spend on your behalf, plus 10%	Within 15 days of invoice	If we pay any amount that you owe or are required to pay to a third party, you must reimburse us.
Late fee	\$100 plus interest on the unpaid amount at a rate equal to 18% per year (or, if such payment exceeds the maximum allowed by law, then interest at the highest rate allowed by law)	On demand	We may charge a late fee if you fail to make a required payment when due.
Insufficient funds fee	\$30 (or, if such amount exceeds the maximum allowed by law, then the maximum allowed by law)	On demand	We may charge an insufficient funds fee if a payment made by you is returned because of insufficient funds in your account.
Costs of collection or enforcement	Our actual costs	As incurred	Payable if we incur costs (including reasonable attorney fees) in attempting to collect amounts you owe to us, or otherwise enforcing your franchise agreement
Convention fee	As determined by us; currently, none.	Prior to convention	If we elect to conduct a national or regional meeting or convention, we will charge you the attendance fee even if you do not attend. You are responsible for all travel and living expenses of attending any such meeting or convention.
Breach of territory fee	The greater of (i) \$500 or (ii) 75% of the amount paid by the customer outside of your territory.	On demand	If you serve a customer outside of your territory without our prior written permission, we may impose this fee.

Type of Fee	Amount	Due Date	Remarks
Special support fee	Our then-current fee, plus our expenses. Currently, \$600 per day.	On demand	If we provide in-person support to you in response to your request, we may charge this fee plus any out-of-pocket expenses (such as travel, lodging, and meals for employees providing onsite support).
Customer complaint resolution	Our expenses		We may take any action we deem appropriate to resolve a customer complaint about your business. If we respond to a customer complaint, we may require you to reimburse us for our expenses.
Records audit	Our actual cost	On demand	Payable only if (1) we audit you because you have failed to submit required reports or other non-compliance, or (2) the audit concludes that you under-reported gross sales by more than 3% for any month.
Special evaluation fee	Currently \$600, plus our out-of-pocket costs	On demand	Payable only if we conduct an in-person evaluation of your business because of a governmental report, customer complaint or other customer feedback, or your default or non-compliance with any system specification.
Non-compliance cure costs and fee	Our out-of-pocket costs and internal cost allocation, plus 10%	When billed	We may cure your non-compliance on your behalf (for example, if you do not have required insurance, we may purchase insurance for you), and you will owe our costs plus a 10% administrative fee.
Transfer fee	\$10,000 plus any broker fees and other out-of-pocket costs we incur	When transfer occurs	Payable if you sell your business.
Temporary management fee	10% of gross sales plus our expenses	On demand	We have the right to temporarily manage your business and charge this fee if (i) you die or become incapacitated, (ii) we exercise our right to purchase your business after your franchise agreement ends, or (iii) you operate the business in a dangerous manner.

Type of Fee	Amount	Due Date	Remarks
Liquidated damages	An amount equal to royalty fees and marketing fund contributions for the lesser of (i) 2 years or (ii) the remaining weeks of the franchise term.	On demand	Payable if we terminate your franchise agreement because of your default, or if you terminate the franchise agreement without the right to do so.
Indemnity	Our costs and losses from any legal action related to the operation of your franchise or any act by you or your employees.	On demand	You must indemnify and defend (with counsel reasonably acceptable to us) us and our affiliates against all losses in any action by or against us related to, or alleged to arise out of, the development or operation of your franchise, or any act or omission by you or any employee of your business (unless caused by our intentional misconduct or gross negligence).
Prevailing party's legal costs	Our attorney fees, court costs, and other expenses of a legal proceeding, if we are the prevailing party	On demand	In any legal proceeding (including arbitration), the losing party must pay the prevailing party's attorney fees, court costs and other expenses.

All fees are payable only to us (other than software subscription charges). All fees are imposed by us and collected by us (other than software subscription charges). All fees are non-refundable. We do not represent that all fees are uniform for all franchisees; we reserve the right to change, waive, or eliminate fees for any one or more franchisees as we deem appropriate.

There are currently no marketing cooperatives, purchasing cooperatives, or other cooperatives that impose fees on you.

Notes

1. "Gross Sales" is defined in our franchise agreement as the total dollar amount of all sales generated through your business for a given period, including, but not limited to, payment for any services or products sold by you, whether for cash or credit. It also includes any proceeds you receive from business interruption insurance. Gross Sales does not include (i) bona fide refunds to customers, (ii) sales allowances and discounts, or (iii) sales taxes collected.

2. You must report your gross sales to us each month. If you fail to report your gross sales, we will withdraw estimated royalty fees and marketing fund contributions based on 125% of the most recent gross sales you reported. We will true-up the actual fees after you report gross sales.

3. We currently require you to pay royalty fees and other amounts due to us by pre-authorized bank draft. However, we can require an alternative payment method. If we permit you to pay by credit card or any other method which causes us to incur a processing fee, you will be responsible for the amount of the processing fee.

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 (see Note 1)	\$30,000 - \$30,000	Check or electronic transfer	Upon signing the franchise agreement	Us
Software Fee	\$3,000 - \$3,000	Check or electronic transfer	Upon attending training	Us
Rent (see Note 2)	\$0 - \$1,000	Check, debit, and/or credit	Upon signing lease	Landlord
Computer Systems	\$3,200 - \$5,000	Check, debit, and/or credit	As incurred	Vendors and suppliers
Insurance (12 months)	\$1,200 - \$5,000	Check	Upon ordering	Insurance company
Vehicle (see Note 3)	\$25,000 - \$50,000	Check	Upon purchase	Vendor
Vehicle Decal/Signage	\$750 - \$1,200	Check, debit, and/or credit	Upon ordering	Vendor
Uniforms (per person)	\$700 - \$1,600	Check or wire transfer	Upon ordering	Us
Equipment and Inventory (see Note 4)	\$5,000 - \$7,000	Check, debit, and/or credit	Upon ordering	Vendors
Licenses and Permits	\$500 - \$1,000	Check	Upon application	Government
Professional Fees (lawyer, accountant, etc.)	\$1,000 - \$3,000	Check, debit, and/or credit	As incurred or when billed	Professional service firms
Market Introduction Program (see Note 2)	\$3,000 - \$6,000	Check, debit, and/or credit	As incurred or when billed	Vendors and suppliers

Type of expenditure	Amount	Method of payment	When due	To whom payment is to be made
Travel, lodging and meals for initial training	\$2,000 - \$8,000	Cash, debit or credit	As incurred	Airlines, hotels, and restaurants
Additional funds (for first 3 months) (see Note 6)	\$15,000 - \$25,000	Varies	Varies	Employees, suppliers
Total	\$90,350 - \$146,800			

Notes

1. None of the expenditures in this table will be refundable. Neither we nor any affiliate finances any part of your initial investment.

2. The low-end estimate assumes you will manage your business from home. The high-end estimate assumes a small professional office for one person.

3. You must have at least one full-size (1,500-pound capacity) pick-up truck, either new or less than three years old. Your vehicles must at all times be in excellent or better condition, clean, dent-free, and otherwise presenting a professional appearance. We do not require any particular make or model, but it must be all black (including bumpers), either painted or vehicle wrapped.

4. This estimate represents the cost of spray tanks, applicators, and approximately one month of consumables and other supplies for one person.

5. You must spend at least \$3,000 on your market introduction program. We suggest you spend about \$6,000.

6. This includes any other required expenses you will incur before operations begin and during the initial 3-month period of operations, such as payroll, additional inventory, and other operating expenses in excess of income generated by the business. It does not include any salary or compensation for you. It does not include any loan repayments your business may have. In formulating the amount required for additional funds, we relied on the following factors, basis, and experience: the development of an Elite Ops Exterminators business by our affiliate, and our general knowledge of the industry.

Item 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Generally

We have the right to require you to purchase or lease all goods, services, supplies, fixtures, equipment, inventory, computer hardware and software, real estate, or comparable items related to establishing or operating your business (1) either from us or our designee, or from suppliers approved by us, or (2) according to our specifications. You must comply with any changes we make in the future to these requirements.

Specific Obligations

The following are our current specific obligations for purchases and leases:

A. Insurance. You must obtain insurance as described in the Franchise Agreement and in our Manual, which includes (i) Commercial General Liability insurance, including products liability coverage, and broad form commercial liability coverage, written on an “occurrence” policy form in an amount of not less than \$1,000,000 single limit per occurrence and \$2,000,000 aggregate limit, (ii) Business Automobile Liability insurance including owned, leased, non-owned and hired automobiles coverage in an amount of not less than \$1,000,000, and (iii) Workers Compensation coverage as required by state law. Your policies (other than Workers Compensation) must list us and our affiliates as an additional insured, must include a waiver of subrogation in favor of us and our affiliates, must be primary and non-contributing with any insurance carried by us or our affiliates, and must stipulate that we receive 30 days’ prior written notice of cancellation.

B. Computer software and hardware. You must purchase and use the computer software and hardware that we specify. See Item 11 for more details.

C. Vehicle. Your service vehicle must be a full-size (1,500-pound capacity) pick-up truck, either new or less than three years old. Your vehicle must at all times be in excellent or better condition, clean, dent-free, and otherwise presenting a professional appearance. We do not require any particular make or model, but it must be all black (including bumpers), either painted or vehicle wrapped.

D. Uniforms. You must purchase your initial inventory of uniforms, hats, and other apparel from us. After you open, you may purchase such gear directly only from vendors that we approve, and only in the designs we approve or designate.

E. Advertising and Marketing. Except as otherwise provided in the Brand Standards Manual and advertising or marketing materials that we furnish to you, you must submit all advertising and marketing materials to us for our written approval before use. You must ensure that all advertising or marketing materials that you use are clear, factual, ethical, and not misleading; comply with our brand standards; and comply with all laws. We have the right to establish and control all digital marketing.

Us or our Affiliates as Supplier

Except as described in this Item, neither we nor any affiliate is currently a supplier of any good or service that you must purchase, although we reserve the right to be a supplier (or the sole supplier) of a good or service in the future.

Ownership of Suppliers

None of our officers owns an interest in any supplier to our franchisees (except that Darrell Profit, our Chief Executive Officer, owns us, and we supply you initial inventory of uniform, hats and other apparel).

Alternative Suppliers

If you want to use a supplier that is not on our list of approved suppliers, you must request our approval in writing. We have the sole discretion to approve or reject an alternative supplier. We may condition our approval on criteria we deem appropriate, such as evaluations of the supplier's capacity, quality, financial stability, reputation, and reliability; inspections; product testing, and performance reviews. Our criteria for approving suppliers are not available to you. We permit you to contract with alternative suppliers who meet our criteria only if you request our approval in writing, and we grant approval. There is no fee for us to review or approve an alternate supplier. We will provide you with written notification of the approval or disapproval of any supplier you propose within 30 days after receipt of your request. We may grant approvals of new suppliers or revoke past approvals of suppliers on written notice to you, or by updating our Manual.

Issuing Specifications and Standards

We issue specifications and standards to you for applicable aspects of the franchise in our Manual and/or in written directives. We may issue new specifications and standards for any aspect of our brand system, or modify existing specifications and standards, at any time by revising our Manual and/or issuing new written directives (which may be communicated to you by any method we choose). We will generally (but are not obligated to) issue new or revised specifications only after evaluating the intended changes. We may also conduct limited market testing in one or more outlets.

Revenue to Us and Our Affiliates

We currently do not derive revenue from the required purchases and leases by franchisees, other than your initial uniforms, hats, and other apparel. However, the franchise agreement does not prohibit us from doing so.

Proportion of Required Purchases and Leases

We estimate that the required purchases and leases to establish your business are 50% to 80% of your total purchases and leases to establish your business.

We estimate that the required purchases and leases of goods and services to operate your business are 50% to 80% of your total purchases and leases of goods and services to operate your business.

Payments by Designated Suppliers to Us

We do not currently receive payments from any designated suppliers based on purchases by you or other franchisees. However, the franchise agreement does not prohibit us from doing so. We have the right to earn a profit from any product we supply or from designated suppliers. We are not required to give you an accounting of any payments we receive from designated suppliers, nor are we required to share any benefits of supplier payments with you or with any other franchisee.

Purchasing or Distribution Cooperatives

No purchasing or distribution cooperative currently exists.

Negotiated Arrangements

We have negotiated a purchase arrangement with Target Specialty Products.

Benefits Provided to You for Purchases

We do not provide any material benefit to you based on your purchase of particular goods or services, or your use of particular suppliers.

Item 9 FRANCHISEE'S OBLIGATIONS

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

Obligation	Section in agreement	Disclosure document item
a. Site selection and acquisition/lease	§ 6.1	Item 11
b. Pre-opening purchase/leases	§§ 6.2, 6.3	Items 5, 7, 8 and 11
c. Site development and other pre-opening requirements	Article 6	Items 5, 7, 8 and 11
d. Initial and ongoing training	§§ 5.2, 6.4, 7.6	Items 5, 6, 8 and 11
e. Opening	§§ 6.5, 6.6	Items 7, 8 and 11
f. Fees	Article 4, §§ 5.3, 7.8, 8.4, 10.5, 11.2, 11.3, 11.13, 14.5, 15.2, 16.1, 17.6	Items 5, 6 and 7

Obligation	Section in agreement	Disclosure document item
g. Compliance with standards and policies/operating manual	§§ 6.3, 7.1, 7.3, 7.5, 7.7, 7.9 – 7.13, 7.15, 9.1, 9.2, 10.1, 10.4, 11.1	Items 8, 11 and 14
h. Trademarks and proprietary information	Article 12, § 13.1	Items 13 and 14
i. Restrictions on products/services offered	§ 7.3	Items 8, 11 and 16
j. Warranty and customer service requirements	§§ 7.3, 7.8, 7.9	Item 8
k. Territorial development and sales quotas	§ 2.2	Item 12
l. Ongoing product/service purchases	Article 8	Items 6 and 8
m. Maintenance, appearance, and remodeling requirements	§§ 7.12, 7.13, 15.2	Items 6, 7 and 8
n. Insurance	§ 7.15	Items 6, 7 and 8
o. Advertising	Article 9	Items 6, 7, 8 and 11
p. Indemnification	Article 16	Items 6 and 8
q. Owner's participation/management/staffing	§§ 2.4, 7.5	Items 15
r. Records and reports	Article 10	Item 11
s. Inspections and audits	§§ 10.5, 11.2	Items 6 and 11
t. Transfer	Article 15	Items 6 and 17
u. Renewal	§ 3.2, 18.11	Item 17
v. Post-termination obligations	Article 13, §§ 14.3, 14.4	Item 17
w. Non-competition covenants	§ 13.2	Item 17
x. Dispute resolution	Article 17	Items 6 and 17

Item 10 FINANCING

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

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

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

Our Pre-Opening Obligations

Before you open your business:

A. *Your site.* We anticipate that you will initially manage your business from your home (if permitted by local law) or from a small office setting. Therefore, we do not own your site and we do not assist you in (i) locating your site and negotiating the purchase or lease of the site, (ii) conforming the premises to local ordinances and building codes and obtaining any required permits, or (iii) constructing, remodeling, or decorating the premises.

B. *Hiring and training employees.* All hiring decisions and conditions of employment are your sole responsibility. (Section 7.5)

C. *Necessary equipment, signs, fixtures, opening inventory, and supplies.* We will provide you a list of our specifications and approved suppliers for equipment, signs, fixtures, opening inventory, and supplies necessary to open your business. (Section 5.2) We do not provide these items directly; we only provide the names of approved suppliers. We do not deliver or install these items.

D. *Operating Manual.* We will give you access to our Operating Manual in such format as we deem appropriate. (Section 5.1)

E. *Initial Training Program.* We will conduct our initial training program. (Section 5.2). The current initial training program is described below.

F. *Business plan review.* If you request, we will review your pre-opening business plan and financial projections. (Section 5.2)

G. *Market introduction plan.* We will advise you regarding the planning and execution of your market introduction plan. (Section 5.2)

H. *On-site opening support.* We will have a representative provide on-site support for two days in connection with your business opening. To the extent that any governmental authority determines or recommends that travel or meeting in-person is not recommended or is otherwise prohibited due to any pandemic or epidemic, we will provide such opening support via telephone or video conference calls. (Section 5.2)

Length of Time to Open

The typical length of time between signing the franchise agreement and the opening of your business is 3 months. Factors that may affect the time period include your ability to obtain financing, obtain business permits and licenses, schedule initial training, and hire employees.

Our Post-Opening Obligations

After you open your business:

A. *Developing products or services you will offer to your customers.* Although it is our intent to refine and develop products or services that you will offer to your customers, the franchise agreement does not obligate us to do so.

B. *Hiring and training employees.* All hiring decisions and conditions of employment are your sole responsibility. (Section 7.5)

C. *Improving and developing your business; resolving operating problems you encounter.* If you request, we will provide advice to you (by telephone or electronic communication) regarding improving and developing your business, and resolving operating problems you encounter, to the extent we deem reasonable. If we provide in-person support in response to your request, we may charge a fee (currently \$600 per day) plus any out-of-pocket expenses (such as travel, lodging, and meals for our employees providing onsite support). (Section 5.3)

D. *Establishing prices.* You will determine your own prices. Upon your request, we will provide recommended prices for products and services, and we may strongly encourage certain pricing. (Section 5.3).

E. *Establishing and using administrative, bookkeeping, accounting, and inventory control procedures.* To the extent we determine, we will provide you our recommended procedures for administration, bookkeeping, accounting, and inventory control. (Section 5.3). We may make any such procedures part of required (and not merely recommended) procedures for our system.

F. *Marketing Fund.* We will administer the Marketing Fund (Section 5.3). We will prepare an unaudited annual financial statement of the Marketing Fund within 120 days of the close of our fiscal year and will provide the financial statement to you upon written request. (Section 9.3)

G. *Website.* We will maintain a website for the Elite Ops Exterminators brand, which will include your business information and telephone number. (Section 5.3)

Advertising

Our obligation. We will use the Marketing Fund only for marketing and related purposes and costs. Media coverage is primarily local. We use outside vendors and consultants to produce advertising. We are not required to spend any amount of advertising in the area or territory where any particular franchisee is located. We will maintain the brand website (which will be paid for by the Marketing Fund). We have no other obligation to conduct advertising.

Your own advertising material. You may use your own advertising or marketing material only with our approval. To obtain our approval, you must submit any proposed advertising or marketing material at least 14 days prior to use. If we do not respond, the material is deemed rejected. If you develop any advertising or marketing materials, we may use those materials for

any purpose, without any payment to you. We have the right to establish and control all social media accounts and other digital marketing. You must ensure that all advertising or marketing materials that you use are clear, factual, ethical, and not misleading; comply with our brand standards; and comply with all laws.

Advertising council. We do not have an advertising council composed of franchisees. The franchise agreement does not give us the power to form an advertising council.

Local or Regional Advertising Cooperatives. We do not currently have any local or regional advertising cooperatives. We have the right to require you to participate in a local or regional advertising cooperative. We will define the area of the cooperative based on media markets, or other geographic criteria that we deem appropriate. Each franchisee in the area would have one vote per outlet (unless the franchisee is in default under its franchise agreement). The amount you must contribute to the cooperative will be determined by vote of the members, but not less than 1% of gross sales and not more than 5% of gross sales. If our own outlets are members of a cooperative, they must contribute to the cooperative on the same basis as franchisees, and they will vote on the same basis as other members. We administer the cooperative, but we have the right to delegate responsibility for administration to an outside company such as an advertising agency or accounting firm, or to the franchisee members of the cooperative. We have the right to require the cooperative to operate from written bylaws or other governing documents that we determine. The documents are not currently available for you to review. Cooperatives will prepare annual financial statements which will be made available for review only by us and by the members of the cooperative. We have the power to require cooperatives to be formed, changed, dissolved, or merged.

Marketing Fund. You and all other franchisees must contribute to our Marketing Fund. Your contribution is 1% of gross sales per month. We reserve the right to have other franchisees contribute a different amount or at a different rate. Outlets that we or our affiliates own are not obligated to contribute to the Marketing Fund. We administer the fund. The fund is not audited. We will make unaudited annual financial statements available to you upon written request.

We did not spend any money from the Marketing Fund in our most recently concluded fiscal year.

If less than all marketing funds are spent in the fiscal year in which they accrue, the money will remain in the Marketing Fund to be spent in the next year.

No money from the Marketing Fund is spent principally to solicit new franchise sales.

Market introduction plan. You must develop a market introduction plan and obtain our approval of the plan at least 30 days before the projected opening date of your business.

Required spending. After you open, you must spend at least 1% of gross sales each month on marketing your business.

Computer Systems

You will use our required field service management software as your primary operating system. The system enables to you manage booking, scheduling, dispatch, invoicing, payments, and other functions. The system will generate and store data related to clients and business reporting.

You will pay us for your license to the field service management software. Currently, the monthly cost is \$250 for up to 3 users, \$450 for 4-6 users, \$600 per month for 7-9 users, and additional amounts for larger numbers of users.

You must also use QuickBooks, which currently costs \$90 per month for the “Plus” plan.

You will need to provide a smartphone to each field technician. If your field tech will be doing customer sales, we require you to provide your field tech with a laptop also. We estimate the cost of a smartphone and laptop computer for you and for one employee will be \$3,200 to \$5,000.

We are not obligated to provide any ongoing maintenance, repairs, upgrades, or updates. We do not require you enter to into any such contract with a third party, except for your monthly subscription to QuickBooks.

You must upgrade or update any system when we determine. There is no contractual limit on the frequency or cost of this obligation.

We estimate that the annual cost of the field management software and QuickBooks will be \$4,080 to \$8,280.

You must give us independent access to the information that will be generated or stored in these systems. The information that we may access will include sales, customer data, and reports. There is no contractual limitation on our right to access the information.

Operating Manual

See Exhibit E for the table of contents of our Operating Manual as of the date of this disclosure document, with the number of pages devoted to each subject. The Operating Manual has 209 pages.

Training Program

Our training program consists of the following:

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Core Pest Services/Procedures	10	25	Washington, DC
Communications/Sales	10	5	Washington, DC
Operations/Management	10	5	Washington, DC
Administration/Certifications	10	5	Washington, DC
TOTALS:	40	40	

Training classes will be scheduled in accordance with the needs of new franchisees. We anticipate holding training classes three to six times per year. Training will be held at our offices and business location in Washington, D.C. We reserve the right to vary the length and content of the initial training program based on the experience and skill level of any individual attending the initial training program.

The instructional materials consist of the Operating Manual and other materials, lectures, discussions, and on-the-job demonstration and practice.

Training classes will be led by Darrell Profit. His experience is described in Item 2. He has 18 years of experience in our industry, and 7 years of experience with us or our affiliates.

There is no fee for up to four people to attend training. You must pay the travel and living expenses of people attending training.

You must attend training. If you will not be the principal provider of services to customers, you also must have one employee who is a principal provider of services attend training. You may send any additional people to training that you want (up to the maximum described above). You must complete training to our satisfaction at least four weeks before opening your business.

If you send an additional employee to training after opening, we may charge you our then-current training fee, which is currently \$800 per person.

We may require you to attend an annual convention for Elite Ops Exterminators, which will include additional training.

Item 12 TERRITORY

Your Location

We anticipate that you will manage from your home or from a small office setting. Your primary office must be located in your territory.

Grant of Territory

Your franchise agreement will specify a territory, which will have a population of approximately 200,000 to 250,000 people. We may adjust the territory population in the event the territory to be franchised is primarily commercial, such as a downtown location. The boundaries of your territory will be specified by zip codes, county or city lines, or some other limit.

Relocation; Establishment of Additional Outlets

You may relocate your business headquarters anywhere in your territory.

You do not have the right to establish additional franchised outlets or expand into additional territory. If you desire to do so, you must (1) meet our then-current criteria for new franchisees, (2) be in compliance with your franchise agreement at all times since opening your business, (3) have demonstrated your capability to operate a multi-territory franchise successfully, and (4) obtain our agreement.

Options to Acquire Additional Franchises

You do not receive any options, rights of first refusal, or similar rights to acquire additional franchises.

Exclusivity

We grant you an exclusive territory. In your territory, we will not establish either a company-owned or franchised outlet selling the same or similar goods or services under the same or similar trademarks or service marks as an Elite Ops Exterminators outlet. Continuation of your territorial exclusivity does not depend on any contingency. There are no circumstances that permit us to modify your territorial rights.

Restrictions on Us from Soliciting or Accepting Orders in Your Territory

Except as described in this paragraph, we will not serve customers in your territory, nor authorize another party to serve customers in your territory, under our Elite Ops Exterminators brand. However, we may serve (or authorize other franchisees to serve) customers in your territory if you are in default, or if you are incapable of meeting customer demand in your territory. We may also serve (or authorize another franchisee to serve) a particular customer in your territory if you fail to properly serve such customer, or if we reasonably believe that you will not properly serve such customer. We reserve the right to use other channels of distribution, such as the internet, catalog sales, telemarketing, or other direct marketing sales, to make sales within your territory (i) using our principal trademarks, but only for sales of products or services different from the ones you will offer, and (ii) using trademarks different from the ones you will use. In the circumstances where the franchise agreement does not prohibit us from soliciting or accepting orders from inside your territory, we do not pay any compensation to you.

Soliciting by You Outside Your Territory

You cannot solicit or market to potential customers outside of your territory, except for solicitations or marketing which are primarily targeted inside the territory and which incidentally reach potential customers outside of the territory. You do not have the right to use other channels of distribution, such as the internet, catalog sales, telemarketing, or other direct marketing, to make sales outside your territory. You cannot serve customers outside of your territory without our prior written permission. We may withdraw permission at any time.

Competition by Us Under Different Trademarks

Neither we nor any of our affiliates operates, franchises, or has plans to operate or franchise a business under a different trademark selling goods or services similar to those you will offer. However, the franchise agreement allows us to do so.

Item 13 TRADEMARKS

Principal Trademark

The following is the principal trademark that we license to you. This trademark is owned by our affiliate, Elite Ops Exterminators, Inc. It is registered on the Principal Register of the United States Patent and Trademark Office.

Trademark	Registration Date	Registration Number
Elite Ops Exterminators, Inc.	November 7, 2017	5327192
Elite Ops Exterminators	October 17, 2023	7193962

The Section 8 (6-year) affidavit for “Elite Ops Exterminators, Inc.” has been filed. The registration has not yet been renewed.

Determinations

There are no currently effective material determinations of the United States Patent and Trademark Office, the Trademark Trial and Appeal Board, or any state trademark administrator or court. There are no pending infringement, opposition, or cancellation proceedings.

Litigation

There is no pending material federal or state court litigation regarding our use or ownership rights in a trademark.

Agreements

Elite Ops Exterminators, Inc., our affiliate, owns the trademarks described in this Item. Under an Intercompany License Agreement between us and Elite Ops Exterminators, Inc., we have

been granted the exclusive right to sublicense the trademarks to franchisees throughout the United States. The agreement is of perpetual duration. It may be modified only by mutual consent of the parties. It may be canceled by our affiliate only if (1) we materially misuse the trademarks and fail to correct the misuse, or (2) we discontinue commercial use of the trademarks for a continuous period of more than one year. The Intercompany License Agreement specifies that if it is ever terminated, your franchise rights will remain unaffected.

Protection of Rights

We protect your right to use the principal trademarks listed in this Item, and we protect you against claims of infringement or unfair competition arising out of your use of the trademarks, to the extent described in this section.

The franchise agreement obligates you to notify us of the use of, or claims of rights to, a trademark identical to or confusingly similar to a trademark licensed to you. The franchise agreement does not require us to take affirmative action when notified of these uses or claims. We have the right to control any administrative proceedings or litigation involving a trademark licensed by us to you.

If you use our trademarks in accordance with the franchise agreement, then (i) we will defend you (at our expense) against any legal action by a third party alleging infringement by your use of the trademark, and (ii) we will indemnify you for expenses and damages if the legal action is resolved unfavorably to you.

Under the franchise agreement, we may require you to modify or discontinue using a trademark, at your expense. You will have a reasonable period of time to comply with the change, not to exceed 90 days. After such period, you would no longer have the right to use the unmodified or discontinued trademark. Your rights under the franchise agreement do not change, other than the modification or discontinuation of the trademark.

Superior Prior Rights and Infringing Uses

We do not know of either superior prior rights or infringing uses that could materially affect your use of the principal trademarks.

Item 14 PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

Patents

We do not own rights in, or licenses to, patents that are material to the franchise. We do not have any pending patent applications.

Copyrights

All of our original works of authorship fixed in a tangible medium of expression are automatically protected under the U.S. Copyright Act, whether or not we have obtained

registrations. This includes our Operating Manual as well as all other sales, training, management and other materials that we have created or will create. You may use these copyrighted materials during the term of the franchise, in a manner consistent with our ownership rights, solely for your franchised business.

We do not have any registered copyrights. There are no pending copyright applications for our copyrighted materials. There are no currently effective determinations of the U.S. Copyright Office (Library of Congress) or any court regarding any copyright.

There are no agreements currently in effect that limit our right to use or license the use of our copyrighted materials.

We have no obligation to protect any of our copyrights or to defend you against claims arising from your use of copyrighted items. The franchise agreement does not require us to take affirmative action when notified of copyright infringement. We control any copyright litigation. We are not required to participate in the defense of a franchisee or indemnify a franchisee for expenses or damages in a proceeding involving a copyright licensed to the franchisee. We may require you to modify or discontinue using the subject matter covered by any of our copyrights, at your expense.

We do not know of any copyright infringement that could materially affect you.

Proprietary Information

We have a proprietary, confidential Operating Manual and related materials that include guidelines, standards and policies for the development and operation of your business. We also claim proprietary rights in other confidential information or trade secrets that include all methods for developing and operating the business, and all non-public plans, data, financial information, processes, vendor pricing, supply systems, marketing systems, formulas, techniques, designs, layouts, operating procedures, customer data, information and know-how.

All customer data and point-of-sale data generated by your business is confidential information and is exclusively owned by us. We license such data back to you without charge solely for your use in connection with your Elite Ops business.

You (and your owners, if the franchise is owned by an entity) must protect the confidentiality of our Operating Manual and other proprietary information, and you must use our confidential information only for your franchised business. We may require your managers and key employees to sign confidentiality agreements.

You must disclose to us all ideas, plans, improvements, concepts, methods, and techniques relating to your Elite Ops business that you conceive or develop. We will automatically own all such innovations, and we will have the right to incorporate any innovations into our system for use by all franchisees, without any compensation to you.

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

Your Participation

You are required to participate personally in the direct operation of your business, and you must devote substantial time and attention to the business.

If you are the sole owner of the business, then you are deemed the “Principal Executive”. If the business is owned through a corporation or limited liability company, you must designate one owner as your “Principal Executive”. The Principal Executive is the owner primarily responsible for the business and has decision-making authority on behalf of the business. The Principal Executive must own at least 30% of the business. The Principal Executive must complete our initial training program. The Principal Executive must complete any post-opening training programs that we develop in the future. The Principal Executive must make reasonable efforts to attend all in-person meetings and remote meetings (such as telephone or video conference calls), including regional or national brand conferences, that we require. The Principal Executive cannot fail to attend more than three consecutive required meetings.

If your business is owned by an entity, all owners of the business must sign our Guaranty and Non-Compete Agreement (see Attachment 2 to Exhibit B). We do not require owners’ spouses to sign a personal guaranty unless the spouse is also an owner.

“On-Premises” Supervision

When your business performs services for a customer, you are not required to personally conduct “on-premises” supervision of your business. However, we recommend on-premises supervision by you.

There is no limit on who you can hire as an on-premises supervisor or general manager, and such person is not required to be an owner of the franchise; however, each person acting as on-premises supervisor or general manager (whether that is you or a hired person) must successfully complete our training program.

If the franchise business is owned by an entity, we do not require that the general manager/on-site supervisor own any equity in the entity.

Restrictions on Your Manager

If we request, you must have your general manager/on-site supervisor (and other key employees that we reasonably designate) sign a confidentiality and non-compete agreement. We will not require you to enter into a confidentiality and non-compete agreement that violates applicable state law or that prohibits a person from being employed by another Elite Ops Exterminators franchisee. We do not require you to place any other restrictions on your manager or on-site supervisor.

Item 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must offer for sale only goods and services that we have approved.

You must offer for sale all goods and services that we require. We have the right to change the types of authorized goods or services, and there are no limits on our right to make changes.

We do not restrict your access to customers, except that all sales must be made to customers in your territory.

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Item 17
RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION
THE FRANCHISE RELATIONSHIP

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

Provision	Section in franchise or other agreement	Summary
a. Length of the franchise term	§ 3.1	10 years from date of franchise agreement.
b. Renewal or extension of the term	§ 3.2	You may obtain a successor franchise agreement for up to two additional 5-year terms.
c. Requirements for franchisee to renew or extend	§§ 3.2, 18.11	For our franchise system, “renewal” means that at the end of your term, you sign our successor franchise agreement for an additional 5-year term. You may be asked to sign a contract with materially different terms and conditions than your original contract. To renew, you must give advance notice to us; be in compliance with all contractual obligations to us and third parties; must have substantially complied with the franchise agreement and other agreements with us throughout the term; have not defaulted more than twice under the franchise agreement; complied with all requirements of ethics and values; conform your business to then-current standards for new franchisees; sign then-current form of franchise agreement and related documents (including personal guaranty); sign general release (unless prohibited by applicable law). If you continue operating your franchise after the expiration of the term without a renewal agreement, then we may either terminate your operation at any time or deem you to have renewed your agreement for a 5-year term.

Provision	Section in franchise or other agreement	Summary
d. Termination by franchisee	§ 14.1	If we violate a material provision of the franchise agreement and fail to cure or to make substantial progress toward curing the violation within 30 days after notice from you.
e. Termination by franchisor without cause	Not Applicable	
f. Termination by franchisor with cause	§ 14.2	We may terminate your franchise agreement for cause, subject to any applicable notice and cure opportunity.
g. “Cause” defined--curable defaults	§ 14.2	Non-payment by you (10 days to cure); violate franchise agreement other than non-curable default (30 days to cure).
h. “Cause” defined--non-curable defaults	§ 14.2	Misrepresentation when applying to be a franchisee; knowingly submitting false information; bankruptcy; fail to open by the specified deadline; violation of law; violation of confidentiality; violation of non-compete; violation of ethics and values; violation of transfer restrictions; cease operations; slander or libel of us; refusal to cooperate with our audit or evaluation; operate in a manner dangerous to health or safety (if not corrected within 48 hours); three defaults in 12 months; cross-termination; charge or conviction of a felony, or accusation of an act that is reasonably likely to materially and unfavorably affect our brand; any other breach of franchise agreement which by its nature cannot be cured.
i. Franchisee’s obligations on termination/non-renewal	§§ 14.3 – 14.6	Pay all amounts due; return Manual and proprietary items; cancel assumed names; cancel or transfer phone, post-office boxes, directory listings, and other digital marketing accounts; cease doing business; remove identification; purchase option by us.
j. Assignment of contract by franchisor	§ 15.1	Unlimited

Provision	Section in franchise or other agreement	Summary
k. “Transfer” by franchisee - defined	Article 1	For you (or any owner of your business) to voluntarily or involuntarily transfer, sell, or dispose of, in any single or series of transactions, (i) substantially all of the assets of the business, (ii) the franchise agreement, (iii) any direct or indirect ownership interest in the business, or (iv) control of the business.
l. Franchisor’s approval of transfer by franchisee	§ 15.2	No transfers without our approval.
m. Conditions for franchisor’s approval of transfer	§ 15.2	Pay transfer fee; buyer meets our standards; buyer is not a competitor of ours; buyer and its owners sign our then-current franchise agreement and related documents (including personal guaranty); you’ve made all payments to us and are in compliance with all contractual requirements; buyer completes training program; you sign a general release (subject to state law); business complies with then-current system specifications.
n. Franchisor’s right of first refusal to acquire franchisee’s business	§ 15.5	If you want to transfer your business (other than to your co-owner or to your spouse, sibling, or child), we have a right of first refusal.
o. Franchisor’s option to purchase franchisee’s business	§ 14.6	When your franchise agreement expires or is terminated, we will have the right to purchase any or all of the assets of your Elite Ops Exterminators business.
p. Death or disability of franchisee	§§ 2.4, 15.4	If you die or become incapacitated, a new principal executive acceptable to us must be designated to operate the business, and your executor must transfer the business to an approved new owner within nine months. We have the right to temporarily operate the business if you die or become incapacitated.
q. Non-competition covenants during the term of the franchise	§ 13.2	Neither you, any owner of the business, or any spouse of an owner may have ownership interest in, or be engaged or employed by, any competitor.

Provision	Section in franchise or other agreement	Summary
r. Non-competition covenants after the franchise is terminated or expires	§ 13.2	For two years, neither you, any owner of the business, or any spouse of an owner may have ownership interest in, lend money or provide financial assistance to, provide services to, or be employed by a competitor operating in your former territory or the territory of any other Elite Ops Exterminators business operating on the date of termination or expiration.
s. Modification of the agreement	§ 18.4	No modification or amendment of the franchise agreement will be effective unless it is in writing and signed by both parties. This provision does not limit our right to modify the Manual or system specifications.
t. Integration/merger clause	§ 18.3	Only the terms of the franchise agreement and other written agreements are binding (subject to state law). Any representations or promises outside of the disclosure document and franchise agreement may not be enforceable. However, no claim made in any franchise agreement is intended to disclaim the express representations made in this Disclosure Document.
u. Dispute resolution by arbitration or mediation	§ 17.1	All disputes are resolved by arbitration (except for injunctive relief) (subject to applicable state law).
v. Choice of forum	§§ 17.1; 17.5	Arbitration will take place where our headquarters is located (currently, Washington, D.C., (subject to applicable state law). Any legal proceedings not subject to arbitration will take place in the District Court of the United States, in the district where our headquarters is then located, or if this court lacks jurisdiction, the state courts of the state and county where our headquarters is then located (subject to applicable state law).
w. Choice of law	§ 18.8	The laws of the District of Columbia (subject to applicable state law)

For additional disclosures required by certain states, refer to Exhibit H - State Addenda to Disclosure Document

**Item 18
PUBLIC FIGURES**

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

**Item 19
FINANCIAL PERFORMANCE REPRESENTATIONS**

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

The following tables show certain financial performance information for the Elite Ops Exterminators business operated by our affiliate, Elite Ops Exterminators, Inc., in Washington, D.C.

Table 1 – 2023 Financial Performance

The following table shows sales and certain expenses of the Elite Ops Exterminators business in 2023.

	2023
Gross Sales	\$1,086,124
Certain Expenses	
Cost of Goods Sold	\$53,684
Technician Labor	\$261,271
Other Payroll Expenses	\$430,418
Vehicles	\$55,477
Marketing	\$18,859
Fees as if a Franchise	
Royalty (7%):	\$76,029
Marketing Fund Contribution (1%)	\$10,861
Full Time Vehicles Deployed:	4.5

Table 2 – 2023 Sales Breakdowns

The following table shows different breakdowns of the 2023 sales by the Elite Ops Exterminators business.

	Sales	% of Sales
Recurring Services	\$705,586	65.0%
One-Time Services	\$380,539	35.0%

	Sales	% of Sales
Residential Services	\$596,973	55.0%
Commercial Services	\$489,151	45.0%

	Sales	% of Sales
Washington DC Services	\$624,261	88.5%
Maryland Services	\$43,555	6.2%
Virginia Services	\$37,770	5.4%

Notes:

1. The foregoing information represents past financial performance of the Elite Ops Exterminators business operated by our affiliate, Elite Ops Exterminators, Inc., based in Washington, D.C. It is not a projection of future performance. This business has been operating since May 2017. It was the only Elite Ops Exterminators business in operation in each of the years shown above.

2. “Gross Sales” is all income (sales) generated by the business, less discounts and credits granted to customers.

3. “Cost of Goods” is the cost of extermination equipment and pesticides. It does not include other supplies necessary to operate your business.

4. In “Other Payroll Expenses”, we included salary of the owner of our affiliate (which was \$206,372 in 2023), as well as office staff. It includes payroll taxes and health insurance contributions to employees.

5. In “Certain Expenses – Vehicles”, we included expenses for gas and fuel, repair and maintenance, registration, and insurance. It does not include any purchase or lease costs.

6. The following characteristic of our affiliate’s business is different from the franchise you will operate: our affiliate’s business does not have a specific territorial boundary. It offers services in the Washington, D.C. metro area.

7. Not all expenses to operate this Elite Ops Exterminators business are included in Table 1. We have not included, among other things, rent, professional expenses, insurance, office supplies, software, and other items you will need to operate your business.

One outlet has sold and earned this amount. Your individual results may differ. There is no assurance that you’ll sell or earn as much.

Written substantiation of the information contained in this Item 19 will be made available to prospective franchisees upon reasonable request.

Other than the preceding financial performance representation, Elite Ops Franchising, LLC does not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Darrell Profit, 300 E. Lombard St, Suite 840, Baltimore, MD 21202, and 202-587-2781, the Federal Trade Commission, and the appropriate state regulatory agencies.

Item 20 OUTLETS AND FRANCHISEE INFORMATION

**Table 1
Systemwide Outlet Summary
For Years 2021 to 2023**

Column 1 Outlet Type	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets at the End of the Year	Column 5 Net Change
Franchised	2021	0	0	0
	2022	0	0	0
	2023	0	0	0
Company-Owned	2021	1	1	0
	2022	1	1	0
	2023	1	1	0
Total Outlets	2021	1	1	0
	2022	1	1	0
	2023	1	1	0

**Table 2
Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)
For Years 2021 to 2023**

Column 1 State	Column 2 Year	Column 3 Number of Transfers
N/A	2021	0
	2022	0

Column 1 State	Column 2 Year	Column 3 Number of Transfers
	2023	0
Total	2021	0
	2022	0
	2023	0

Table 3
Status of Franchised Outlets
For Years 2021 to 2023

Column 1 State	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets Opened	Column 5 Termi- Nations	Column 6 Non- Renewals	Column 7 Reacquired by Franchisor	Column 8 Ceased Operations – Other Reasons	Column 9 Outlets at End of the Year
N/A	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
Totals	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0

Table 4
Status of Company-Owned Outlets
For Years 2021 to 2023

Column 1 State	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets Opened	Column 5 Outlets Reacquired From Franchisee	Column 6 Outlets Closed	Column 7 Outlets Sold to Franchisee	Column 8 Outlets at End of the Year
Washington, DC	2021	1	0	0	0	0	1
	2022	1	0	0	0	0	1
	2023	1	0	0	0	0	1
Totals	2021	1	0	0	0	0	1
	2022	1	0	0	0	0	1
	2023	1	0	0	0	0	1

Table 5
Projected Openings As Of December 31, 2023

Column 1 State	Column 2 Franchise Agreements Signed but Outlet Not Opened	Column 3 Projected New Franchised Outlets in the Next Fiscal Year	Column 4 Projected New Company- Owned Outlets in the Next Fiscal Year
Maryland	0	1	0
Pennsylvania	0	1	0
Virginia	0	1	0
Totals	0	3	0

Current Franchisees

Exhibit F contains the names of all current franchisees (as of the end of our last fiscal year) and the address and telephone number of each of their outlets.

Former Franchisees

Exhibit F contains the name, city and state, and current business telephone number, or if unknown, the last known home telephone number of every franchisee who had an outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during the most recently completed fiscal year or who have not communicated with us within 10 weeks of the disclosure document issuance date.

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

Confidentiality Clauses

In the last three fiscal years, no franchisees have signed any contract, order, or settlement provision that directly or indirectly restricts a current or former franchisee from discussing his or her personal experience as a franchisee in our system with any prospective franchisee.

Franchisee Organizations

There are no trademark-specific franchisee organizations associated with our franchise system.

Item 21
FINANCIAL STATEMENTS

We have not been in business for three years or more, and therefore cannot include all financial statements required by the Franchise Rule of the Federal Trade Commission. Exhibit D contains our audited financial statements for the years ending December 31, 2023, December 31, 2022, and December 31, 2021, and our unaudited interim financial statements for the period from January 1, 2024 to March 31, 2024.

Item 22
CONTRACTS

Copies of all proposed agreements regarding this franchise offering are attached as the following Exhibits:

- B. Franchise Agreement (with Guaranty and Non-Compete Agreement)
- C. Form of General Release
- G. EFT Authorization Form
- I. State Addenda to Franchise Agreement

Item 23
RECEIPTS

Detachable documents acknowledging your receipt of this disclosure document are attached as the last two pages of this disclosure document.

EXHIBIT A

STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS

We may register this Disclosure Document in some or all of the following states in accordance with the applicable state law. If and when we pursue franchise registration, or otherwise comply with the franchise investment laws, in these states, the following are the state administrators responsible for the review, registration, and oversight of franchises in each state and the state offices or officials that we will designate as our agents for service of process in those states:

State	State Administrator	Agent for Service of Process (if different from State Administrator)
California	Commissioner of Financial Protection and Innovation Department of Financial Protection and Innovation 2101 Arena Blvd. Sacramento, CA 95834 866-275-2677 www.dfpi.ca.gov Ask.DFPI@difpi.ca.gov	
Hawaii	Department of Commerce and Consumer Affairs Business Registration Division Commissioner of Securities P.O. Box 40 Honolulu, HI 96810 (808) 586-2722	Commissioner of Securities Department of Commerce and Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, HI 96813
Illinois	Franchise Bureau Office of Attorney General 500 South Second Street Springfield, IL 62706 (217) 782-4465	
Indiana	Franchise Section Indiana Securities Division Secretary of State Room E-111 302 W. Washington Street Indianapolis, IN 46204 (317) 232-6681	
Maryland	Office of the Attorney General Division of Securities 200 St. Paul Place Baltimore, MD 21202-2020 (410) 576-6360	Maryland Commissioner of Securities 200 St. Paul Place Baltimore, MD 21202-2020
Michigan	Michigan Attorney General's Office Consumer Protection Division Attn: Franchise Section 525 W. Ottawa Street Williams Building, 1st Floor Lansing, MI 48933 (517) 373-7117	

State	State Administrator	Agent for Service of Process (if different from State Administrator)
Minnesota	Minnesota Department of Commerce Securities-Franchise Registration 85 7 th Place East, Suite 280 St. Paul, MN 55101-2198 (651) 539-1500	Commissioner of Commerce Minnesota Department of Commerce 85 7 th Place East, Suite 280 St. Paul, MN 55101-2198 (651) 539-1500
New York	NYS Department of Law Investor Protection Bureau 28 Liberty St. 21st Floor New York, NY 10005 212-416-8222	Secretary of State 99 Washington Avenue Albany, NY 12231
North Dakota	North Dakota Securities Department 600 East Boulevard Ave., State Capital Fifth Floor, Dept. 414 Bismarck, ND 58505-0510 (701) 328-4712	
Oregon	Department of Consumer & Business Services Division of Finance and Corporate Securities Labor and Industries Building Salem, Oregon 97310 (503) 378-4140	
Rhode Island	Department of Business Regulation Securities Division 1511 Pontiac Avenue Building 68-2 Cranston, RI 02920-4407 (401) 462-9527	
South Dakota	Division of Insurance 124 South Euclid Suite 104 Pierre, SD 57501-3185 (605) 773-3563	
Virginia	State Corporation Commission 1300 East Main Street 9th Floor Richmond, VA 23219 (804) 371-9051	Clerk of the State Corporation Commission 1300 East Main Street, 1st Floor Richmond, VA 23219
Washington	Department of Financial Institutions Securities Division P.O. Box 41200 Olympia, WA 98504-1200 (360) 902-8760	Department of Financial Institutions Securities Division 150 Israel Rd SW Tumwater, WA 98501 (360) 902-8760
Wisconsin	Division of Securities Department of Financial Institutions 4822 Madison Yards Way Madison, WI 53705 (608) 266-0448	Division of Securities Department of Financial Institutions 4822 Madison Yards Way Madison, WI 53705 (608) 261-7577

EXHIBIT B

FRANCHISE AGREEMENT



FRANCHISE AGREEMENT

SUMMARY PAGE	
1. Franchisee	_____
2. Initial Franchise Fee	\$_____
3. Business Location	_____
4. Territory	_____
5. Opening Deadline	_____
6. Principal Executive	_____
7. Franchisee's Address	_____

FRANCHISE AGREEMENT

This Agreement is made between Elite Ops Franchising, LLC, a Maryland limited liability company (“EOF”), and Franchisee effective as of the date signed by EOF (the “Effective Date”).

Background Statement:

A. EOF and its affiliate Elite Ops Exterminators, Inc., have created and own a system (the “System”) for developing and operating pest control and exterminating businesses under the trade name “Elite Ops Exterminators”.

B. The System includes (1) methods, procedures, and standards for developing and operating an Elite Ops Exterminators business, (2) particular products and services, (3) the Marks, (4) training programs, (5) business knowledge, (6) marketing plans and concepts, and (7) other mandatory or optional elements as determined by EOF from time to time.

C. The parties desire that EOF license the Marks and the System to Franchisee for Franchisee to develop and operate an Elite Ops Exterminators business on the terms and conditions of this Agreement.

ARTICLE 1. DEFINITIONS

“**Action**” means any action, suit, proceeding, claim, demand, governmental investigation, governmental inquiry, or judgment, or appeal thereof, whether formal or informal.

“**Advertising and Promotional Content**” means all advertising, marketing, promotional, customer relationship management, public relations, and other brand-related programs, materials, and content relating to Elite Ops Exterminators or the Business, including without limitation any printed materials (such as business cards, signs, counter cards, banners, posters, displays, window clings, leaflets, direct mail materials, coupons, and published advertisements); promotional items (such as branded specialty and novelty items, products, and clothing); audio or video advertising (such as radio, television, or podcast ads or online video postings); and Digital Marketing.

“**Approved Vendor**” means a supplier, vendor, or distributor of Inputs which has been approved by EOF.

“**Business**” means the Elite Ops Exterminators business owned by Franchisee and operated under this Agreement.

“**Competitor**” means any business which offers pest control and exterminating services.

“**Confidential Information**” means all non-public information of or about the System, EOF, and any Elite Ops Exterminators business, including all methods for developing and operating the Business, and all non-public plans, data, financial information, processes, vendor pricing, supply systems, marketing systems, formulas, techniques, designs, layouts, operating procedures, customer data, information and know-how.

“Data Security Event” means any act, both actual or suspected, that initiates either internally or from outside the Business’ computers, point-of-sale terminals, and other technology or networked environment and violates any laws or explicit or implied security policies, including attempts (either failed or successful) to gain unauthorized access (or to exceed authorized access) to the System, other Elite Ops Exterminators businesses, or their data or to view, copy, or use Privacy Information or Confidential Information without authorization or in excess of authorization; unwanted disruption or denial of service; unauthorized use of a system for processing or storage of data; and changes to system hardware, firmware, or software characteristics without EOF’s knowledge, instruction, or consent.

“Digital Marketing” means social media accounts (such as Facebook, Twitter, Instagram, Pinterest, Snapchat, TikTok, etc.), applications, keyword or adword purchasing programs, accounts with websites featuring gift certificates or discounted coupons (such as Groupon, Living Social, etc.), mobile applications, online videos, display banner campaigns, branded content social media campaigns, e-mail marketing campaigns, or other means of digital advertising on the Internet or any other means of digital or electronic communications that are intended to promote Elite Ops Exterminators and/or the Business.

“Gross Sales” means the gross total dollar amount of all sales generated through the Business for a given period, including, but not limited to, payment for any services or products sold by Franchisee, whether for cash or credit, and any proceeds of business interruption insurance, minus (i) bona fide refunds to customers, (ii) sales allowances and discounts, or (iii) sales taxes collected by Franchisee.

“Input” means any goods, services, supplies, fixtures, equipment, inventory, computer hardware and software, real estate, or comparable items related to establishing or operating the Business.

“Location” means the location stated on the Summary Page.

“Losses” includes (but is not limited to) all losses; damages; fines; charges; expenses; lost profits; reasonable attorneys’ fees; travel expenses, expert witness fees; court costs; settlement amounts; judgments; loss of EOF’s reputation and goodwill; costs of or resulting from delays; financing; costs of advertising material and media time/space and the costs of changing, substituting or replacing the same; and any and all expenses of recall, refunds, compensation, public notices and other such amounts incurred in connection with the matters described.

“Manual” means EOF’s confidential Operating Manual(s), including any supplements, additions, or revisions from time to time, which may be in any form or media.

“Marketing Fund” means the fund established (or which may be established) by EOF into which Marketing Fund Contributions are deposited.

“Marks” means the trade name and logo contained on the Summary Page, and all other trade names, trademarks, service marks and logos specified by EOF from time to time for use in an Elite Ops Exterminators business.

“Owner” means each person or entity which directly or indirectly owns or controls any equity of Franchisee. If Franchisee is an individual person, then “Owner” means Franchisee.

“Privacy Information” means all information that identifies, relates to, describes, is reasonably capable of being associated with, or could reasonably be linked, directly or indirectly, with a particular consumer or household. Privacy Information includes but is not limited to, the following if it identifies, relates to, describes, is reasonably capable of being associated with, or could reasonably be linked, directly or indirectly, with a particular consumer or household: identifiers such as a real name, alias, postal address, unique personal identifier, online identifier, Internet Protocol address, email address, account name, social security number, driver’s license or state identification card number, passport number, signature, physical characteristics or description, telephone number, insurance policy number, bank account number, credit card number, debit card number or any other financial information, medical information or health insurance information; characteristics of protected classifications under state or federal law; commercial information, including records of personal property, products or services purchased, obtained or considered, or other purchasing or consuming histories or tendencies; biometric information; Internet or other electronic network activity information including, but not limited to, browsing history, search history, and information regarding a consumer’s interaction with an internet website, application, or advertisement; geolocation data; audio or electronic information; professional or employment-related information; education information that is not publicly available personally identifiable information as defined in the Family Educational Rights and Privacy Act (20 USC § 1232g; 34 CFR Part 99); and inferences drawn from any of the information identified in this subsection to create a profile about a consumer reflecting the consumer’s preferences, characteristics, psychological trends, predispositions, behavior, attitudes, intelligence, abilities and aptitudes. Privacy Information does not include publicly available information that is lawfully made available to the general public from federal, state, or local government records.

“Required Vendor” means a supplier, vendor, or distributor of Inputs which EOF requires franchisees to use.

“System Standards” means, as of any given time, the then-current mandatory procedures, requirements, and/or standards of the System as determined by EOF, which may include without limitation, any procedures, requirements and/or standards for appearance, business metrics, cleanliness, customer service, data protection and privacy, design, environmental protection and sustainability, equipment, inventory, maintenance, marketing and public relations, minimum numbers and types of personnel, operating days, operating hours, presentation of Marks, product and service offerings, quality of products and services (including any guaranty and warranty programs), refund and replacement policies, reporting, safety procedures, security systems, Technology, temporary operational changes due to special circumstances (such as a pandemic), uniforms, and vehicles.

“Technology” means point-of-sale systems, back-office systems, information management systems, customer-facing software, and other software, computers, computer peripheral equipment, cash registers, smartphones, tablets, and similar equipment; communications systems (including email, audio, and video systems); backup and archiving systems; payment acceptance systems (including credit and debit card systems, check verification services, and other payment systems, as well as any compliance programs relating to those systems), and internet access, as well as upgrades, supplements, and modifications to any Technology.

“Territory” means the territory stated on the Summary Page.

“**Transfer**” means for Franchisee (or any Owner) to voluntarily or involuntarily transfer, sell, or dispose of, in any single or series of transactions, (i) substantially all of the assets of the Business, (ii) this Agreement, (iii) any direct or indirect ownership interest in the Business, or (iv) control of the Business.

ARTICLE 2. GRANT OF LICENSE

2.1 Grant. EOF grants to Franchisee the right to operate an Elite Ops Exterminators business solely in the Territory. Franchisee shall develop, open and operate an Elite Ops Exterminators business in the Territory for the entire term of this Agreement. Franchisee shall exert its best efforts to promote and enhance the Business.

2.2 Protected Territory.

(a) Limitation. Franchisee shall not solicit or market to potential customers outside of the Territory, except for solicitations or marketing which are primarily targeted inside the Territory and which incidentally reach potential customers outside of the Territory.

(b) Service. Franchisee shall not serve customers outside of the Territory without EOF’s prior written permission. EOF may withdraw permission at any time. If Franchisee serves a customer outside of the Territory without EOF’s prior written permission, EOF may impose a fee equal to the greater of (i) \$500 or (ii) 75% of the amount paid by such customer to Franchisee. This fee is a reasonable estimate of EOF’s internal cost of personnel time attributable to addressing Franchisee’s breach of this Section, and it is not a penalty or estimate of all damages arising from Franchisee’s breach. This fee is in addition to all of EOF’s other rights and remedies.

(c) Exclusivity. EOF shall not establish, nor license the establishment of, another business within the Territory or which serves customers located in the Territory selling the same or similar goods or services under the same or similar trademarks or service marks as an Elite Ops Exterminators business. However, EOF and its affiliates retain the right to do the following (without any compensation to Franchisee):

- (i) serve (or authorize other franchisees to serve) customers in the Territory if Franchisee is in default, or if Franchisee is incapable of meeting customer demand in the Territory (in EOF’s reasonable opinion);
- (ii) serve (or authorize other franchisees to serve) a particular customer in the Territory if Franchisee fails to properly serve such customer, or if EOF reasonably believes that Franchisee will not properly serve such customer;
- (iii) establish and license others to establish and operate Elite Ops Exterminators businesses outside the Territory;
- (iv) operate and license others to operate businesses anywhere, including within the Territory, that sell the same or similar goods or services as an Elite Ops Exterminators business under trademarks or service marks that are not the same as or similar to the Marks;

- (v) sell and license others to sell any products and services to customers in the Territory under any trademarks or service marks (including the Marks), through channels of distribution (including the internet) so long as such products and services are not provided through an Elite Ops Exterminators outlet in the Territory, and are different from the products and services provided by Franchisee.
- (vi) acquire or be acquired by (under any form of business transaction) a Competitor that has (or may in the future have) outlets in the Territory which compete with the Business under trademarks or service marks other than the Marks; and
- (vii) engage in any action not specifically precluded by the express terms of this Agreement.

(d) Policies. EOF may set policies binding on all franchisees regarding soliciting, marketing, and serving customers in another franchisee's territory, and EOF may waive or modify such policies in any circumstance as EOF determines. If Franchisee obtains a customer in the protected territory of another franchisee, then, in addition to all other rights and remedies EOF may have, EOF may in its discretion (i) require Franchisee to transfer the customer to such other franchisee, (ii) require Franchisee to pay such other franchisee 75% of the Gross Sales received from such customer, or (iii) fashion such other remedy as EOF deems appropriate.

(e) Referrals. EOF may set policies binding on all franchisees regarding referral fees (and other terms and conditions) when a customer is referred from one Elite Ops Exterminators business to another. EOF may waive or modify such policies in any circumstance as EOF determines.

2.3 Franchisee Control. Franchisee represents that Attachment 1 (i) identifies each owner, officer and director of Franchisee, and (ii) describes the nature and extent of each owner's interest in Franchisee. If any information on Attachment 1 changes (which is not a Transfer), Franchisee shall notify EOF within 10 days.

2.4 Principal Executive. Franchisee agrees that the person designated as the "Principal Executive" on the Summary Page is the executive primarily responsible for the Business and has decision-making authority on behalf of Franchisee. EOF is entitled to rely on any communication, decision, or act by the Principal Executive as being the communication, decision, or act of Franchisee. The Principal Executive must have at least 30% ownership interest in Franchisee. The Principal Executive must participate in the direct operation of the Business and must devote substantial time and attention to the Business. If the Principal Executive dies, becomes incapacitated, transfers his/her interest in Franchisee, or otherwise ceases to be the executive primarily responsible for the Business, Franchisee shall promptly designate a new Principal Executive, subject to EOF's reasonable approval.

2.5 Guaranty. If Franchisee is an entity, then Franchisee shall have each Owner sign a personal guaranty of Franchisee's obligations to EOF, in the form of Attachment 2.

2.6 No Conflict. Franchisee represents to EOF that Franchisee and each of its Owners (i) are not violating any agreement (including any confidentiality or non-competition covenant) by entering into or performing under this Agreement, (ii) are not a direct or indirect owner of any

Competitor, and (iii) are not listed or “blocked” in connection with, and are not in violation under, any anti-terrorism law, regulation, or executive order.

ARTICLE 3. TERM

3.1 Term. This Agreement commences on the Effective Date and continues for 10 years.

3.2 Successor Agreement. When the term of this Agreement expires, Franchisee may enter into a successor agreement for up to 2 additional periods of 5 years each, subject to the following conditions prior to each expiration:

- (i) Franchisee notifies EOF of the election to renew between 90 and 180 days prior to the end of the term;
- (ii) Franchisee (and its affiliates) are in compliance with this Agreement and all other agreements with EOF (or any of its affiliates) at the time of election and at the time of renewal;
- (iii) Franchisee (and its affiliates) have been in substantial compliance with this Agreement and all other agreements with EOF (or any of its affiliates) throughout the term of any such agreement(s);
- (iv) Franchisee did not (A) receive written notice of default under this Agreement from EOF more than twice during the term, or (B) failed to cure a written notice of default under this Agreement within the cure period (if any) provided in this Agreement;
- (v) Franchisee and its Owners complied with Section 7.25 of this Agreement at all times during the term;
- (vi) Franchisee has made or agrees to make (within a period of time acceptable to EOF) changes to the Business as EOF requires to conform to the then-current System Standards;
- (vii) Franchisee and its Owners execute EOF’s then-current standard form of franchise agreement and related documents (including personal guaranty), which may be materially different than this form (including, without limitation, higher and/or different fees), except that the form of the franchise agreement will be amended to provide that (A) Franchisee will not pay another initial franchise fee, (B) Franchisee will not receive more renewal or successor terms than originally granted to Franchisee, and (C) the Territory will not be changed; and
- (viii) Franchisee and each Owner executes a general release (on EOF’s then-standard form) of any and all claims against EOF, its affiliates, and their respective owners, officers, directors, agents and employees.

ARTICLE 4. FEES

4.1 Initial Franchise Fee. Upon signing this Agreement, Franchisee shall pay an initial franchise fee in the amount stated on the Summary Page. This initial franchise fee is not refundable under any circumstances.

4.2 Initial Software Fee. When Franchisee attends the initial training program, Franchisee shall pay \$3,000 to EOF for initial use of field management software system and training. This fee is not refundable. This fee is in addition to the Technology Fee.

4.3 Royalty Fee. In Franchisee's first year of operation, Franchisee shall pay EOF a monthly royalty fee (the "Royalty Fee") equal to 7% of Gross Sales. Thereafter, the monthly Royalty Fee will equal the greater of (i) 7% of Gross Sales or (ii) \$1,000. The Royalty Fee for any given month is due on the 15th day of the following month. EOF reserves the right change the due date in the future.

4.4 Marketing Fund Contribution.

(a) Marketing Fund Contribution. Franchisee shall pay EOF a contribution to the Marketing Fund (the "Marketing Fund Contribution") equal to 1% of Franchisee's Gross Sales (or such lesser amount as EOF determines), at the same time as the Royalty Fee.

(b) Market Cooperative Contribution. If the Business participates in a Market Cooperative, then Franchisee shall contribute to the Market Cooperative a percentage of Gross Sales (or other amount) determined by the Market Cooperative.

4.5 Technology Fee. EOF reserves the right to charge Franchisee a commercially-reasonable fee (the "Technology Fee") in exchange for software and other technology-related services and products provided by or through EOF. The Technology Fee does not have to be a pass-through of EOF's exact costs. EOF has no liability or obligation to Franchisee with respect any third-party software or other technology-related services and products that EOF provides to Franchisee. The Technology Fee for a given period is due and payable at the same time as the Royalty Fee, unless EOF determines otherwise. EOF may add, remove, or alter the software or technology products or services that it provides. EOF may change Technology Fee after at least 30 days' notice.

4.6 Replacement / Additional Training Fee. If Franchisee sends an employee to EOF's training program after opening, EOF may charge its then-current training fee. As of the date of this Agreement, the training fee is \$800 per person.

4.7 Non-Compliance Fee. EOF may charge Franchisee \$500 for each instance of non-compliance with the System Standards or this Agreement (other than Franchisee's non-payment of a fee owed to EOF) which Franchisee fails to cure after 30 days' notice. Thereafter, EOF may charge Franchisee \$250 per week until Franchisee ceases such non-compliance. This fee is a reasonable estimate of EOF's internal cost of personnel time attributable to addressing the non-compliance, and it is not a penalty or estimate of all damages arising from Franchisee's breach. The non-compliance fee is in addition to all of EOF's other rights and remedies (including default and termination under Section 14.2).

4.8 Reimbursement. EOF may (but is never obligated to) pay on Franchisee's behalf any amount that Franchisee owes to a supplier or other third party. If EOF does so or intends to do so, Franchisee shall pay such amount plus a 10% administrative charge to EOF within 15 days after invoice by EOF accompanied by reasonable documentation.

4.9 Payment Terms.

(a) Method of Payment. Franchisee shall pay the Royalty Fee, Marketing Fund Contribution, Technology Fee, and any other amounts owed to EOF by pre-authorized bank draft or in such other manner as EOF may require. Franchisee shall comply with EOF's payment instructions, including executing all documents reasonably required by EOF. If EOF permits Franchisee to pay by credit card or other method which causes EOF to incur a processing fee, Franchisee shall be responsible for the amount of the processing fee.

(b) Calculation of Fees. Franchisee shall report monthly Gross Sales to EOF by the 5th day of the following month. If Franchisee fails to report monthly Gross Sales, then EOF may withdraw estimated Royalty Fees and Marketing Fund Contributions equal to 125% of the last Gross Sales reported to EOF, and the parties will true-up the actual fees after Franchisee reports Gross Sales. Franchisee acknowledges that EOF has the right to remotely access Franchisee's point-of-sale system to calculate Gross Sales.

(c) Late Fees and Interest. If Franchisee does not make a payment on time, Franchisee shall pay a \$100 "late fee" plus interest on the unpaid amount at a rate equal to 18% per year (or, if such payment exceeds the maximum allowed by law, then interest at the highest rate allowed by law).

(d) Insufficient Funds. EOF may charge \$30 for any payment returned for insufficient funds (or, if such amount exceeds the maximum allowed by law, then the fee allowed by law).

(e) Costs of Collection and Enforcement. Franchisee shall repay any costs incurred by EOF in attempting to collect payments owed by Franchisee or to enforce any other provision of this Agreement (including, without limitation, reasonable attorney fees).

(f) Application. EOF may apply any payment received from Franchisee to any obligation and in any order as EOF may determine, regardless of any designation by Franchisee.

(g) Obligations Independent; No Set-Off. The obligations of Franchisee to pay to EOF any fees or amounts described in this Agreement are not dependent on EOF's performance and are independent covenants by Franchisee. Franchisee shall make all such payments without offset or deduction.

(h) Taxes. Franchisee will be responsible for (and shall immediately remit to EOF upon demand) all sales taxes, use taxes, and other taxes imposed on the fees payable by Franchisee to EOF or its affiliates and on services or goods furnished to Franchisee by EOF or its affiliates, unless the tax is an income tax assessed on EOF or its affiliate for doing business in the state where the Business is located.

ARTICLE 5. ASSISTANCE

5.1 Manual. EOF shall make its Manual available to Franchisee in such format as EOF deems appropriate.

5.2 Pre-Opening Assistance.

(a) Pre-Opening Specifications and Vendors. To the extent not included in the Manual, EOF shall provide Franchisee with (i) applicable System Standards and other specifications as EOF deems appropriate (which may include specifications regarding inventory, supplies, materials, and other matters), and (ii) EOF's lists of Approved Vendors and/or Required Vendors.

(b) Business Plan Review. If requested by Franchisee, EOF shall review and advise on Franchisee's pre-opening business plan and financial projections. **Franchisee acknowledges that EOF accepts no responsibility for the performance of the Business.**

(c) Pre-Opening Training. EOF shall make available its standard pre-opening training to the Principal Executive and up to 3 other employees, at EOF's headquarters and/or at an Elite Ops Exterminators business designated by EOF. EOF shall not charge any fee for this training. Franchisee is responsible for its own travel, lodging, meal, and other out-of-pocket expenses. EOF reserves the right to vary the length and content of the initial training program based on the experience and skill level of any individual attending the program.

(d) Market Introduction Plan. EOF shall advise Franchisee regarding the planning and execution of Franchisee's market introduction plan.

(e) On-Site Opening Assistance. EOF shall have a representative support Franchisee's business opening with at least 2 days of onsite opening training and assistance. To the extent that any governmental authority determines or recommends that travel or meeting in-person is not recommended or is otherwise prohibited due to any pandemic or epidemic, EOF will provide such opening training and assistance via telephone or video conference calls.

5.3 Post-Opening Assistance.

(a) Advice, Consulting, and Support. If Franchisee requests, EOF will provide advice to Franchisee (by telephone or electronic communication) regarding improving and developing Franchisee's business, and resolving operating problems Franchisee encounters, to the extent EOF deems reasonable. If EOF provides in-person support in response to Franchisee's request, EOF may charge its then-current fee plus any out-of-pocket expenses (such as travel, lodging, and meals for employees providing onsite support).

(b) Pricing. Upon request, EOF will provide recommended prices for products and services offered by franchisees of the System.

(c) Procedures. To the extent EOF determines in its sole discretion, EOF will provide Franchisee with EOF's recommended administrative, bookkeeping, accounting, and inventory control procedures. EOF may make any such procedures part of required (and not merely recommended) System Standards.

(d) Marketing. EOF shall manage the Marketing Fund.

(e) Internet. EOF shall maintain a website for Elite Ops Exterminators, which will include Franchisee's location (or territory) and telephone number.

ARTICLE 6. LOCATION, DEVELOPMENT, AND OPENING

6.1 Location. Franchisee is solely responsible for selecting the Location. If the Location is not stated on the Summary Page, then Franchisee shall find a suitable Location that meets EOF's System Standards (if any) within the Territory.

6.2 Lease. In connection with any lease between Franchisee and the landlord of the Location: (i) if requested by EOF, Franchisee must submit the proposed lease to EOF for written approval, and (ii) the term of the lease (including renewal terms) must be for a period of not less than the term of this Agreement.

6.3 Development. If the Location will be open to the public or used for meeting customers or potential customers, then Franchisee shall construct (or remodel) and finish the Location in conformity with EOF's System Standards.

6.4 New Franchisee Training. The Principal Executive must complete EOF's training program for new franchisees to EOF's satisfaction at least four weeks before opening the Business.

6.5 Conditions to Opening. Franchisee shall notify EOF at least 30 days before Franchisee intends to open the Business. Before opening, Franchisee must satisfy all of the following conditions: (1) Franchisee is in compliance with this Agreement, (2) Franchisee has obtained all applicable governmental permits and authorizations, (3) the Business conforms to all applicable System Standards, (4) Franchisee has hired sufficient employees, (5) Franchisee's officers and employees have completed all of EOF's required pre-opening training; and (6) EOF has given its written approval to open, which will not be unreasonably withheld.

6.6 Opening Date. Franchisee shall open the Business on or before the date stated on the Summary Page.

ARTICLE 7. OPERATIONS

7.1 Compliance with Manual and System Standards. Franchisee shall at all times and at its own expense comply with all mandatory obligations contained in the Manual and with all other System Standards, as they are now or hereafter established. Franchisee acknowledges and agrees that the products and services offered under the Marks have a reputation for excellence and that Franchisee's compliance with all System Standards is of the utmost importance to EOF.

7.2 Compliance with Law. Franchisee and the Business shall comply with all laws, rules, ordinances and regulations applicable to Franchisee or to the Business. Franchisee and the Business shall obtain and keep in force all governmental permits and licenses necessary for the Business. Franchisee is solely responsible for all such compliance, notwithstanding any information provided by EOF.

7.3 Products and Services. Franchisee shall offer all products and services, and only those products and services, from time to time prescribed by EOF in the Manual or otherwise in writing. Franchisee shall provide all products and perform all services in a high-quality manner that meets or exceeds the customer's reasonable expectations and all applicable System Standards. Franchisee shall maintain sufficient levels of inventory at all times. Franchisee shall implement any guaranties, warranties, or similar commitments regarding products and/or services that EOF may require.

7.4 Prices. Notwithstanding any provision of this Agreement or the Manual to the contrary, Franchisee retains the sole discretion to determine the prices it charges for products and services.

7.5 Personnel.

(a) Service. Franchisee shall cause its personnel to render competent and courteous service to all customers and members of the public.

(b) Appearance. Franchisee shall cause its personnel to comply with any dress attire, uniform, personal appearance and hygiene standards set forth in the Manual.

(c) Qualifications. EOF may set minimum qualifications for categories of employees employed by Franchisee.

(d) Staffing. Franchisee must hire or engage a sufficient number of personnel to service its volume of business, and Franchisee must comply with any System Standards regarding staffing levels.

(e) Physical Fitness. EOF may set minimum standards for physical fitness of field techs.

(f) Sole Responsibility. Franchisee is solely responsible for all hiring decisions and all terms and conditions of employment of all of its personnel, including recruiting, hiring, training, scheduling, supervising, compensation, and termination. Any directive in the Manual which purports to direct a term or condition of employment is null and void. Franchisee is solely responsible for all actions of its personnel. Franchisee and EOF are not joint employers, and no employee of Franchisee will be an agent or employee of EOF. Within seven days of EOF's request, Franchisee and each of its employees will sign an acknowledgment form stating that Franchisee alone (and not EOF) is the employee's sole employer. Franchisee will use its legal name on all documents with its employees and independent contractors, including, but not limited to, employment applications, timecards, pay checks, and employment and independent contractor agreements, and Franchisee will not use the Marks on any of these documents.

7.6 Post-Opening Training. EOF may at any time require that the Principal Executive and/or any other employees complete training programs, in any format and in any location determined by EOF. EOF may charge a reasonable fee for any training programs. EOF may require Franchisee to provide training programs to its employees. If a training program is held at a location which requires travel by the Principal Executive or any other employee, then Franchisee shall pay all travel, living and other expenses.

7.7 Technology. Without limiting the generality of Section 7.1 or Section 8.1, Franchisee shall acquire and use all Technology required by EOF. EOF has the right to prohibit Franchisee from using any Technology which is not approved or required by EOF. Franchisee shall enter into any subscription and support agreements related to the Technology that EOF may require. Franchisee shall upgrade, update, or replace any Technology from time to time as EOF may require. Franchisee shall protect the confidentiality and security of all Technology, and Franchisee shall abide by any System Standards related thereto. Franchisee shall give EOF unlimited access to Franchisee's Technology used in the Business, by any means designated by EOF. Despite Franchisee's obligation to acquire and use Technology according to System Standards, Franchisee has sole and complete responsibility for: (a) acquiring, operating, maintaining, and upgrading Franchisee's Technology; (b) the manner in which Franchisee's Technology interfaces with EOF's and any third party's computer system; (c) any and all consequences if Franchisee's Technology is not properly operated, maintained, and upgraded; (d) complying at all times with the most current version of the Payment Card Industry Data Security Standards, and (e) complying at all times with all laws governing the use, disclosure, and protection of Privacy Information.

7.8 Customer Complaints. Franchisee shall use its best efforts to promptly resolve any customer complaints. EOF may take any action it deems appropriate to resolve a customer complaint regarding the Business, and EOF may require Franchisee to reimburse EOF for any expenses.

7.9 Evaluation and Compliance Programs. Franchisee shall participate at its own expense in programs required from time to time by EOF for obtaining customer evaluations, reviewing Franchisee's compliance with the System, and/or managing customer complaints, which may include (but are not limited to) a customer feedback system, customer survey programs, and mystery shopping. EOF shall share with Franchisee the results of these programs, as they pertain to the Business. Franchisee must meet or exceed any minimum score requirements set by EOF for such programs. EOF may set reasonable minimum scores that Franchisee must receive from the public on internet review sites (such as Yelp or Google).

7.10 Payment Systems. Franchisee shall accept payment from customers in any form or manner designated by EOF (which may include, for example, cash, specific credit and/or debit cards, gift cards, electronic fund transfer systems, and mobile payment systems). Franchisee shall purchase or lease all equipment and enter into all business relationships necessary to accept payments as required by EOF.

7.11 Gift Cards, Loyalty Programs, and Incentive Programs. At its own expense, Franchisee shall sell or otherwise issue gift cards, certificates, or other pre-paid systems, and participate in any customer loyalty programs, membership/subscription programs, or customer incentive programs, designated by EOF, in the manner specified by EOF in the Manual or otherwise in writing. Franchisee shall honor all valid gift cards and other pre-paid systems, regardless of whether issued by Franchisee or another Elite Ops Exterminators business. If Franchisee honors a gift card or other pre-paid system sold by another location, or vice versa, EOF and Franchisee will cooperate so that the cash received is fairly allocated to the location where that gift card or other pre-paid system is redeemed (subject to fees and charges). Franchisee shall comply with all procedures and specifications of EOF related to gift cards, certificates, and other pre-paid systems, or related to customer loyalty, membership/subscription, or customer incentive programs.

7.12 Maintenance and Repair. If the Location will be open to the public or used for meeting customers or potential customers, then Franchisee shall at all times keep the Business in a neat and clean condition, perform all appropriate maintenance, and keep all property of the Business in good repair. Franchisee acknowledges that the System Standards may include requirements for cleaning, maintenance, replacement, and repair.

7.13 Service Vehicles. Franchisee shall ensure that all vehicles comply with all applicable System Standards, including without limitation required equipment and exterior décor. Franchisee shall keep all vehicles in excellent or better condition, clean, and free of dents and other damage, and shall ensure that the vehicles present a first-class image appropriate to EOF's System. Franchisee shall use Business vehicles solely for the Business. Any person driving a vehicle on behalf of the Business must be appropriately licensed and meet any applicable System Standards. Franchisee shall require personnel to use the Business-owned vehicles (and not their personal vehicles) for all Business purposes.

7.14 Meetings and Conventions. The Principal Executive shall use reasonable efforts to attend all in-person meetings and remote meetings (such as telephone or video conference calls) that EOF requires, including any national or regional brand conventions or conferences. Franchisee shall not permit the Principal Executive to fail to attend more than three consecutive required meetings. EOF has the right to make attendance at a convention mandatory for the Principal Executive. EOF may charge Franchisee the attendance fee for Elite Ops Exterminators' national or regional brand convention, regardless of whether the Principal Executive attends. Franchisee is responsible for all travel and living expenses of attending any such meeting or convention.

7.15 Insurance.

(a) Franchisee shall obtain and maintain insurance policies in the types and amounts as specified by EOF in the Manual. If not specified in the Manual, Franchisee shall maintain at least the following insurance coverage:

- (i) Commercial General Liability insurance, including products liability coverage, and broad form commercial liability coverage, written on an "occurrence" policy form in an amount of not less than \$1,000,000 single limit per occurrence and \$2,000,000 aggregate limit;
- (ii) Business Automobile Liability insurance including owned, leased, non-owned and hired automobiles coverage in an amount of not less than \$1,000,000; and
- (iii) Workers Compensation coverage as required by state law.

(b) Franchisee's policies (other than Workers Compensation) must (1) list EOF and its affiliates as an additional insured, (2) include a waiver of subrogation in favor of EOF and its affiliates, (3) be primary and non-contributing with any insurance carried by EOF or its affiliates, and (4) stipulate that EOF shall receive 30 days' prior written notice of cancellation.

(c) Franchisee shall provide Certificates of Insurance evidencing the required coverage to EOF prior to opening and upon annual renewal of the insurance coverage, as well as at any time within 15 days after request from EOF.

7.16 Obligations to Third Parties and Government. Franchisee shall pay all vendors and suppliers in a timely manner. Franchisee shall pay all taxes when due. If Franchisee borrows money, it shall comply with the terms of its loan and make all loan payments when due. If Franchisee leases the Location, Franchisee shall comply with its lease for the Location and make all rent payments when due.

7.17 Public Relations. Franchisee shall not make any public statements (including giving interviews or issuing press releases) regarding Elite Ops Exterminators, the Business, or any particular incident or occurrence related to the Business, without EOF's prior written approval, which will not be unreasonably withheld.

7.18 Association with Causes. Franchisee shall not in the name of the Business (i) donate money, products, or services to any charitable, political, religious, or other organization or cause, or (ii) act in support of any such organization or cause, without EOF's prior written approval, which will not be unreasonably withheld.

7.19 No Other Activity Associated with the Business. Franchisee shall not use the assets of the Business for any purpose other than the Business. Franchisee shall not "co-brand" or associate any other business activity with the Elite Ops Exterminators Business in a manner which is likely to cause the public to perceive it to be related to the Elite Ops Exterminators Business. If Franchisee is an entity, the entity shall not own or operate any other business except Elite Ops Exterminators businesses.

7.20 No Third-Party Management. Franchisee shall not engage a third-party management company to manage or operate the Business without the prior written approval of EOF, which will not be unreasonably withheld.

7.21 No Subcontracting. Franchisee shall not subcontract or delegate to a third party any services to be performed by Franchisee for a customer (other than engaging individuals as independent contractors in the ordinary course of business).

7.22 Identification. Franchisee must identify itself as the independent owner of the Business in the manner prescribed by EOF.

7.23 Privacy Practices.

(a) With respect to Privacy Information, Franchisee must comply with all of their obligations under applicable privacy laws, including any local, state, or federal data privacy or data security law or regulation.

(b) Franchisee shall not sell any Privacy Information. Franchisee further agrees to not access, use, or process the Privacy Information except in the furtherance of its obligations under this Agreement, but in all times, in compliance with applicable privacy laws.

(c) To the extent EOF does not have the then-current ability to address requests made under any applicable privacy law by individuals that are the subject of any of the Privacy Information, Franchisee shall, upon EOF's request, provide reasonable assistance to EOF in responding to such requests.

7.24 Communication. Franchisee shall respond promptly to requests for communication from EOF, and in any event within three business days.

7.25 Business Practices and Values. Franchisee and each Owner shall comply with and uphold any code of ethics or statement of values adopted by EOF. Franchisee and each Owner shall be honest and fair in all interactions with customers, employees, vendors, governmental authorities, and other third parties. Neither Franchisee nor any Owner shall engage in or permit any employee to engage in any (i) violence or a threat of violence against any person or group of persons, (ii) sexual harassment of any person, (iii) discrimination against any person or group of persons on account of sex, race, color, religion, ancestry, national origin, sexual orientation, or disability, or any legally protected class in the jurisdiction where the Business is located, or (iv) any act which injures or is likely to injure the goodwill associated with the Marks, in EOF's reasonable opinion

ARTICLE 8. SUPPLIERS AND VENDORS

8.1 Generally. Franchisee shall acquire all Inputs required by EOF from time to time in accordance with System Standards. EOF may require Franchisee to purchase or lease any Inputs from EOF, EOF's designee, Required Vendors, Approved Vendors, and/or under EOF's specifications. EOF may change any such requirement or change the status of any vendor. To make such requirement or change effective, EOF shall issue the appropriate System Standards.

8.2 Alternate Vendor Approval. If EOF requires Franchisee to purchase a particular Input only from an Approved Vendor or Required Vendor, and Franchisee desires to purchase the Input from another vendor, then Franchisee must submit a written request for approval and any information, specifications and/or samples requested by EOF. EOF may approve or disapprove the alternative vendor in its sole discretion. EOF may condition its approval on such criteria as EOF deems appropriate, which may include evaluations of the vendor's capacity, quality, financial stability, reputation, and reliability; inspections; product testing, and performance reviews. EOF will provide Franchisee with written notification of the approval or disapproval of any proposed new vendor within 30 days after receipt of Franchisee's request.

8.3 Alternate Input Approval. If EOF requires Franchisee to purchase a particular Input, and Franchisee desires to purchase an alternate to the Input, then Franchisee must submit a written request for approval and any information, specifications and/or samples requested by EOF. EOF may approve or disapprove the alternative Input in its sole discretion. EOF will provide Franchisee with written notification of the approval or disapproval of any proposed alternate Input within 30 days after receipt of Franchisee's request.

8.4 Purchasing. EOF may negotiate prices and terms with vendors on behalf of the System. EOF may receive rebates, payments, or other consideration from vendors in connection with purchases by franchisees. EOF has the right (but not the obligation) to collect payments from Franchisee on behalf of a vendor and remit the payments to the vendor, and to impose a reasonable markup or charge for administering the payment program. EOF may implement a centralized purchasing system. EOF may establish a purchasing cooperative and require Franchisee to join and participate in the purchasing cooperative on such terms and conditions as EOF may determine.

8.5 No Liability of Franchisor. EOF and its affiliates shall not have any liability to Franchisee for any claim, loss or other Action related to any product provided or service performed by any Approved Vendor or Required Vendor (unless EOF or its affiliate, as applicable, is the vendor), including without limitation for defects, delays, unavailability, failure, or breach of contract related to such products or services

8.6 Product Recalls. If EOF or any vendor, supplier, or manufacturer of an item used or sold in Franchisee's Business issues a recall of such item or otherwise notifies Franchisee that such item is defective or dangerous, Franchisee shall immediately cease using or selling such item, and Franchisee shall at its own expense comply with all instructions from EOF or the vendor, supplier, or manufacturer of such item with respect to such item, including without limitation the recall, repair, and/or replacement of such item.

ARTICLE 9. MARKETING

9.1 Advertising Standards. Except as otherwise provided in the Manual, Franchisee may use only Advertising and Promotional Content that EOF has furnished or approved in writing in advance. Franchisee must ensure that all Advertising and Promotional Content that Franchisee uses is clear, factual, ethical, and not misleading; complies with all laws; and conforms to System Standards. Except as otherwise provided in the Manual and Advertising and Promotional Content that EOF furnishes to Franchisee, Franchisee must submit to EOF for its written approval, at least 14 days before use, copies of all proposed Advertising and Promotional Content that Franchisee intends to use or implement. If EOF does not respond, the material is deemed rejected. EOF has the right to approve or disapprove any Advertising and Promotional Content, as well as the media in which Franchisee intends to use them, in its sole discretion. EOF reserves the right to require Franchisee to discontinue the use of any Advertising and Promotional Content for any reason.

9.2 Digital Marketing. EOF may (but is not obligated to) establish and operate all Digital Marketing and has the sole right to control all aspects of Digital Marketing, including those related to the Business. Without limiting the generality of Section 9.1, Franchisee shall not, directly or indirectly, conduct or be involved in any Digital Marketing without the prior written consent of EOF. If EOF permits Franchisee to conduct any Digital Marketing, Franchisee must (a) comply with any System Standards and must immediately modify or delete any Digital Marketing that EOF determines, in its sole discretion, is not compliant with such System Standards; (b) only use materials that EOF has approved and submit any proposed modifications to EOF for approval; (c) not use any Mark (or words or designations similar to any Mark) in any domain name, electronic address, website, or other source identifier except as EOF expressly permits; (d) include only the links that EOF approves or requires; and (e) immediately take all actions necessary or that EOF requests to provide EOF with access to, or to transfer ownership of, all Digital Marketing relating to the Business to Franchisor, including, without limitation, providing login and password details and promptly signing all directions and authorizations as EOF deems necessary to effect the intent and provisions of this Section. If Franchisee uses any Mark (or words or designations similar to a Mark) in any domain name, electronic address, website, or other source identifier, EOF may register such name, address, website, or identifier and then license use of the registered item back to Franchisee under a separate agreement. Franchisee must pay all costs due for registration, maintenance, and renewal of any such names, addresses, websites, or identifiers that EOF approves

and maintains on Franchisee's behalf. EOF may withdraw its approval for any Digital Marketing at any time.

9.3 Implementation. Franchisee shall implement any advertising or marketing materials, plans or campaigns (including Digital Marketing) required by EOF.

9.4 Use by EOF. EOF may use any Advertising and Promotional Content developed by or on behalf of Franchisee, and Franchisee hereby grants an unlimited, perpetual, royalty-free license to EOF for such purpose.

9.5 Marketing Fund. EOF may operate a Marketing Fund to promote the System on a local, regional, national, and/or international level. If EOF has established a Marketing Fund:

(a) Account. EOF is not required to hold the Marketing Fund Contributions from franchisees in a bank account separate from EOF's other accounts.

(b) Use. EOF shall use the Marketing Fund only for marketing, advertising, and public relations materials, programs and campaigns (including at local, regional, national, and/or international level for Elite Ops Exterminators and related overhead. The foregoing includes such activities and expenses as EOF reasonably determines, and may include, without limitation: development and placement of advertising and promotions; sponsorships; contests and sweepstakes; development of décor, trade dress, Marks, and/or branding; development and maintenance of brand websites; social media; internet activities; e-commerce programs; search engine optimization; market research; public relations, media or agency costs; trade shows and other events; printing and mailing; and administrative and overhead expenses related to the Marketing Fund (including the compensation of EOF's employees working on marketing and for accounting, bookkeeping, reporting, legal, collections, and other expenses related to the Marketing Fund).

(c) Discretion. Franchisee agrees that expenditures from the Marketing Fund need not be proportionate to contributions made by Franchisee or provide any direct or indirect benefit to Franchisee. The Marketing Fund will be spent at EOF's sole discretion, and EOF has no fiduciary duty with regard to the Marketing Fund.

(d) Contribution by Other Outlets. EOF is not obligated to (i) have all other Elite Ops Exterminators businesses (whether owned by other franchisees or by EOF or its affiliates) contribute to the Marketing Fund, or (ii) have other Elite Ops Exterminators businesses that do contribute to the Marketing Fund contribute the same amount or at the same rate as Franchisee.

(e) Surplus or Deficit. EOF may accumulate funds in the Marketing Fund and carry the balance over to subsequent years. If the Marketing Fund operates at a deficit or requires additional funds at any time, EOF may loan such funds to the Marketing Fund on reasonable terms.

(f) Financial Statement. EOF will prepare an unaudited annual financial statement of the Marketing Fund within 120 days of the close of EOF's fiscal year and will provide the financial statement to Franchisee upon written request.

9.6 Market Cooperatives. EOF may establish market advertising and promotional cooperative funds (“Market Cooperative”) in any geographical areas. If a Market Cooperative for the geographic area encompassing the Territory has been established at the time Franchisee commences operations hereunder, Franchisee shall immediately become a member of such Market Cooperative. If a Market Cooperative for the geographic area encompassing the Territory is established during the term of this Agreement, Franchisee shall become a member of such Market Cooperative within 30 days. EOF shall not require Franchisee to be a member of more than one Market Cooperative. If EOF establishes a Market Cooperative:

(a) Governance. Each Market Cooperative will be organized and governed in a form and manner, and shall commence operations on a date, determined by EOF. EOF may require the Market Cooperative to adopt bylaws or regulations prepared by EOF. Unless otherwise specified by EOF, the activities carried on by each Market Cooperative shall be decided by a majority vote of its members. EOF will be entitled to attend and participate in any meeting of a Market Cooperative. Any Elite Ops Exterminators business owned by EOF in the Market Cooperative shall have the same voting rights as those owned by its franchisees. Each Business owner will be entitled to cast one vote for each Business owned, provided, however, that a franchisee shall not be entitled to vote if it is in default under its franchise agreement. If the members of a Market Cooperative are unable or fail to determine the manner in which Market Cooperative monies will be spent, EOF may assume this decision-making authority after 10 days’ notice to the members of the Market Cooperative.

(b) Purpose. Each Market Cooperative shall be devoted exclusively to administering regional advertising and marketing programs and developing (subject to EOF’s approval) standardized promotional materials for use by the members in local advertising and promotion.

(c) Approval. No advertising or promotional plans or materials may be used by a Market Cooperative or furnished to its members without the prior approval of EOF pursuant to Section 9.1. EOF may designate the national or regional advertising agencies used by the Market Cooperative.

(d) Funding. The majority vote of the Market Cooperative will determine the dues to be paid by members of the Market Cooperative, including Franchisee, but not less than 1% and not more than 5% of Gross Sales.

(e) Enforcement. Only EOF will have the right to enforce the obligations of franchisees who are members of a Market Cooperative to contribute to the Market Cooperative.

(f) Termination. EOF may terminate any Market Cooperative. Any funds left in a Market Cooperative upon termination will be transferred to the Marketing Fund.

9.7 Required Spending. Franchisee shall spend at least 1% of Gross Sales each month on marketing the Business. Within 10 days after request by EOF, Franchisee shall furnish proof of its compliance with this Section. EOF has the discretion to determine in good faith what activities constitute “marketing” under this Section. If Franchisee contributes to a Market Cooperative, the amount of the contribution will be counted towards Franchisee’s required spending under this Section.

9.8 Market Introduction Plan. Franchisee must develop a market introduction plan and obtain EOF's approval of the market introduction plan at least 30 days before the projected opening date of the Business.

ARTICLE 10. RECORDS AND REPORTS

10.1 Systems. Franchisee shall use such customer data management, sales data management, administrative, bookkeeping, accounting, and inventory control procedures and systems as EOF may specify in the Manual or otherwise in writing.

10.2 Reports.

(a) Financial Reports. Franchisee shall provide such periodic financial reports as EOF may require in the Manual or otherwise in writing, including:

- (i) a monthly profit and loss statement and balance sheet for the Business within 30 days after the end of each calendar month;
- (ii) an annual financial statement (including profit and loss statement, cash flow statement, and balance sheet) for the Business within 90 days after the end of each calendar year; and
- (iii) any information EOF requests in order to prepare a financial performance representation for EOF's franchise disclosure document, within 30 days after request.

(b) Legal Actions and Investigations. Franchisee shall promptly notify EOF of any Action or threatened Action by any customer, governmental authority, or other third party against Franchisee or the Business, or otherwise involving Franchisee or the Business. Franchisee shall provide such documents and information related to any such Action as EOF may request.

(c) Government Inspections. Franchisee shall give EOF copies of all inspection reports, warnings, certificates, and ratings issued by any governmental entity with respect to the Business, within three days of Franchisee's receipt thereof.

(d) Other Information. Franchisee shall submit to EOF such other financial statements, budgets, forecasts, reports, records, copies of contracts, documents related to litigation, tax returns, copies of governmental permits, and other documents and information related to the Business as specified in the Manual or that EOF may reasonably request (either upon specific request or on a regular basis as directed by EOF, as applicable). EOF acknowledges that all personnel records of the Business belong to Franchisee and that this Agreement does not grant EOF the right to access personnel records of Franchisee's employees.

10.3 Initial Investment Report. Within 120 days after opening for business, Franchisee shall submit to EOF a report detailing Franchisee's investment costs to develop and open the Business, with costs allocated to the categories described in Item 7 of EOF's Franchise Disclosure Document and with such other information as EOF may reasonably request.

10.4 Business Records. Franchisee shall keep complete and accurate books and records reflecting all expenditures and receipts of the Business, with supporting documents (including, but not limited to, payroll records, payroll tax returns, register receipts, production reports, sales invoices, bank statements, deposit receipts, cancelled checks and paid invoices) for at least three years. Franchisee shall keep such other business records as EOF may specify in the Manual or otherwise in writing.

10.5 Records Audit. EOF may examine and audit all books and records related to the Business (other than personnel records of Franchisee's employees), and supporting documentation, at any reasonable time. EOF may conduct the audit at the Location and/or require Franchisee to deliver copies of books, records and supporting documentation to a location designated by EOF. Franchisee shall also reimburse EOF for all costs and expenses of the examination or audit if (i) EOF conducted the audit because Franchisee failed to submit required reports or was otherwise not in compliance with the System, or (ii) the audit reveals that Franchisee understated Gross Sales by 3% or more for any month.

ARTICLE 11. FRANCHISOR RIGHTS

11.1 Manual; Modification. The Manual, and any part of the Manual, may be in any form or media determined by EOF. EOF may supplement, revise, or modify the Manual, and EOF may change, add or delete System Standards at any time in its discretion. EOF may inform Franchisee thereof by any method that EOF reasonably deems appropriate (which need not qualify as "notice" under Section 18.9). In the event of any dispute as to the contents of the Manual, EOF's master copy will control.

11.2 Business Evaluation. EOF may accompany Franchisee or its personnel on any services performed for a customer to conduct an evaluation. If the Location will be open to the public or used for meeting customers or potential customers, EOF may enter the premises of the Business from time to time at any reasonable time (including during normal business hours) and conduct an evaluation. EOF will use commercially reasonable efforts to not disrupt Franchisee's business operations during any such evaluation. Franchisee shall cooperate with EOF's evaluators. The evaluation may include, but is not limited to, observing operations, conducting a physical inventory, evaluating physical conditions, monitoring sales activity, speaking with employees and customers, and removing samples of products, supplies and materials. EOF may videotape and/or take photographs of the evaluation. EOF may set a minimum score requirement for evaluations, and Franchisee's failure to meet or exceed the minimum score will be a default under this Agreement. Without limiting EOF's other rights under this Agreement, Franchisee will, as soon as reasonably practical, correct any deficiencies noted during an evaluation. If EOF conducts an evaluation because of a governmental report, customer complaint or other customer feedback, or a default or non-compliance with any System Standard by Franchisee (including following up a previous failed evaluation), then EOF may charge all out-of-pocket expenses plus its then-current evaluation fee to Franchisee.

11.3 EOF's Right to Cure. If Franchisee breaches or defaults under any provision of this Agreement, EOF may (but has no obligation to) take any action to cure the default on behalf of Franchisee, without any liability to Franchisee. Franchisee shall reimburse EOF for its costs and

expenses (including the allocation of any internal costs) for such action, plus 10% as an administrative fee.

11.4 Right to Discontinue Supplies Upon Default. While Franchisee is in default or breach of this Agreement, EOF may (i) require that Franchisee pay cash on delivery for products or services supplied by EOF, (ii) stop selling or providing any products and services to Franchisee, and/or (iii) request any third-party vendors to not sell or provide products or services to Franchisee. No such action by EOF shall be a breach or constructive termination of this Agreement, change in competitive circumstances or similarly characterized, and Franchisee shall not be relieved of any obligations under this Agreement because of any such action. Such rights of EOF are in addition to any other right or remedy available to EOF.

11.5 Business Data. All customer data collected by or generated by the Business and all data collected or generated by the primary software operating system of the Business (other than data related to employees of the business) is Confidential Information and is exclusively owned by EOF. EOF hereby licenses such data back to Franchisee without charge solely for Franchisee's use in connection with the Business for the term of this Agreement.

11.6 Innovations. Franchisee shall disclose to EOF all ideas, plans, improvements, concepts, methods, and techniques relating to the Business (collectively, "Innovations") conceived or developed by Franchisee, its employees, agents or contractors. EOF will automatically own all Innovations and it will have the right to use and incorporate any Innovations into the System, without any compensation to Franchisee. Franchisee shall execute any documents reasonably requested by EOF to document EOF's ownership of Innovations.

11.7 Communication Systems. If EOF provides email accounts and/or other communication systems to Franchisee, then Franchisee acknowledges that it has no expectation of privacy in the assigned email accounts and other communications systems, and Franchisee authorizes EOF to access such communications.

11.8 Communication with Employees. Franchisee irrevocably authorizes EOF to communicate with Franchisee's employees and contractors on any matter related to the System or the Business. Franchisee will not prohibit any employee or contractor from communicating with EOF on any matter related to the System or the Business.

11.9 Communications with Landlord and Lenders. Franchisee irrevocably authorizes EOF to communicate with Franchisee's landlord and lender(s), or prospective landlord and lender(s), about matters relating to the Business, and to provide information about the Business to them.

11.10 Delegation. EOF may delegate any duty or obligation of EOF under this Agreement to an affiliate or to a third party.

11.11 System Variations. EOF may vary or waive any System Standard for any one or more Elite Ops Exterminators franchises due to the peculiarities of the particular site or circumstances, density of population, business potential, population of trade area, existing business practices, applicable laws or regulations, or any other condition relevant to the performance of a franchise or group of franchises. Franchisee is not entitled to the same variation or waiver.

11.12 Franchisor's Discretion. EOF may engage in any activity not expressly prohibited by this Agreement. Whenever this Agreement provides that EOF has a certain right, that right is absolute and the parties intend that EOF's exercise of that right will not be subject to any limitation or review. EOF has the right to operate, administrate, develop, and change the System in any manner that is not specifically precluded by the provisions of this Agreement, although this right does not modify any express limitations set forth in this Agreement. Whenever EOF agrees to exercise its rights reasonably or in good faith, EOF will have satisfied its obligations whenever it exercises reasonable business judgment in making a decision or exercising its rights. EOF's decisions or actions will be deemed to be the result of reasonable business judgment, even if other reasonable or even arguably preferable alternatives are available, if EOF's decision or action is intended, in whole or significant part, to promote or benefit the System or the Elite Ops brand generally even if the decision or action also promotes EOF's financial or other individual interest. Examples of items that will promote or benefit the System or the Elite Ops Exterminators brand include enhancing the value of the Marks, improving customer service and satisfaction, improving product quality, improving uniformity, enhancing or encouraging modernization, and improving the competitive position of the System and Elite Ops Exterminators outlets.

11.13 Temporary Management. If (i) the Principal Executive dies or becomes incapacitated, (ii) this Agreement is terminated or expires and EOF elects to purchase assets of the Business as provided in Section 14.6, or (iii) Franchisee is operating the Business in a manner which, in EOF's reasonable opinion, constitutes a danger to the health or safety of any person, then EOF may (but is not obligated to) enter the Location and operate and manage the Business for Franchisee's (or Franchisee's estate's) account until this Agreement is terminated, the Business is transferred, the Business is purchased by EOF, or EOF returns the Business to Franchisee. EOF's operation and management will not continue for more than 90 days without Franchisee's consent (or the consent of the representatives of Franchisee's estate). If this Agreement has not terminated or expired, then EOF will account to Franchisee for all net income from the Business during the period in which EOF operates the Business. EOF may collect a temporary management fee equal to 10% of Gross Sales for the period in which EOF operates the Business, plus all expenses (including internal costs of personnel and overhead) incurred by EOF, which is in addition to Royalty Fees, Marketing Fund Contributions, or other amounts owed under this Agreement. If EOF or a third party assumes the Business's management, Franchisee acknowledges that EOF or the third party will have a duty to utilize only reasonable efforts and will not be liable to Franchisee or its Owners for any losses the Business incurs or obligations to creditors.

ARTICLE 12. MARKS

12.1 Authorized Marks. Franchisee shall use no trademarks, service marks or logos in connection with the Business other than the Marks. Franchisee shall use all Marks specified by EOF, and only in the manner as EOF may require. Franchisee has no rights in the Marks other than the right to use them in the operation of the Business in compliance with this Agreement. All use of the Marks by Franchisee and any goodwill associated with the Marks, including any goodwill arising due to Franchisee's operation of the Business, will inure to the exclusive benefit of EOF.

12.2 Change of Marks. EOF may add, modify, or discontinue any Marks to be used under the System. Within a reasonable time after EOF makes any such change (not to exceed 90 days), Franchisee must comply with the change, at Franchisee's expense.

12.3 Infringement.

(a) Defense of Franchisee. If Franchisee has used the Marks in accordance with this Agreement, then (i) EOF shall defend Franchisee (at EOF's expense) against any Action by a third-party alleging infringement by Franchisee's use of a Mark, and (ii) EOF will indemnify Franchisee for expenses and damages if the Action is resolved unfavorably to Franchisee.

(b) Infringement by Third Party. Franchisee shall promptly notify EOF if Franchisee becomes aware of any possible infringement of a Mark by a third party. EOF may, in its sole discretion, commence or join any claim against the infringing party.

(c) Control. EOF shall have the exclusive right to control any prosecution or defense of any Action related to possible infringement of or by the Marks.

12.4 Name. If Franchisee is an entity, it shall not use the words "Elite Ops Exterminators" or any confusingly similar words in its legal name.

ARTICLE 13. COVENANTS

13.1 Confidential Information. With respect to all Confidential Information, Franchisee shall (a) adhere to all procedures prescribed by EOF for maintaining confidentiality, (b) disclose such information to its employees only to the extent necessary for the operation of the Business, (c) not use any such information in any other business or in any manner not specifically authorized in writing by EOF, (d) exercise the highest degree of diligence and effort to maintain the confidentiality of all such information during and after the term of this Agreement, (e) not copy or otherwise reproduce any Confidential Information, and (f) promptly report any unauthorized disclosure or use of Confidential Information. Franchisee acknowledges that all Confidential Information is owned by EOF (except for Confidential Information which EOF licenses from another person or entity). This Section will survive the termination or expiration of this Agreement indefinitely.

13.2 Covenants Not to Compete.

(a) Restriction – In Term. During the term of this Agreement, neither Franchisee, any Owner, nor any spouse of an Owner (the "Restricted Parties") shall directly or indirectly have any ownership interest in, or lend money or provide financial assistance to, provide any services to, or be employed by, any Competitor.

(b) Restriction – Post Term. For two years after this Agreement expires or is terminated for any reason (or, if applicable, for two years after a Transfer), no Restricted Party shall directly or indirectly have any ownership interest in, lend money or provide financial assistance to, provide any services to, or be employed by, any Competitor operating in any of Franchisee's Territory or the territory of any other Elite Ops Exterminators business operating on the date of expiration, termination or transfer, as applicable.

(c) Interpretation. The parties agree that each of the foregoing covenants is independent of any other covenant or provision of this Agreement. If all or any portion of the covenants in this Section is held to be unenforceable or unreasonable by any court or arbitrator, then the parties

intend that the court or arbitrator modify such restriction to the extent reasonably necessary to protect the legitimate business interests of EOF. Franchisee agrees that the existence of any claim it may have against EOF shall not constitute a defense to the enforcement by EOF of the covenants of this Section. If a Restricted Party fails to comply with the obligations under this Section during the restrictive period, then the restrictive period will be extended an additional day for each day of noncompliance.

13.3 General Manager and Key Employees. If requested by EOF, Franchisee will cause its general manager, field technicians, and other key employees to sign EOF's then-current form of confidentiality and non-compete agreement (unless prohibited by applicable law).

ARTICLE 14. DEFAULT AND TERMINATION

14.1 Termination by Franchisee. Franchisee may terminate this Agreement only if EOF violates a material provision of this Agreement and fails to cure or to make substantial progress toward curing the violation within 30 days after receiving written notice from Franchisee detailing the alleged default. Termination by Franchisee is effective 10 days after EOF receives written notice of termination.

14.2 Termination by EOF.

(a) Subject to 10-Day Cure Period. EOF may terminate this Agreement if Franchisee does not make any payment to EOF when due, or if Franchisee does not have sufficient funds in its account when EOF attempts an electronic funds withdrawal, and Franchisee fails to cure such non-payment within 10 days after EOF gives notice to Franchisee of such breach.

(b) Subject to 30-Day Cure Period. If Franchisee breaches this Agreement in any manner not described in subsection (a) or (c), and Franchisee fails to cure such breach to EOF's satisfaction within 30 days after EOF gives notice to Franchisee of such breach, then EOF may terminate this Agreement.

(c) Without Cure Period. EOF may terminate this Agreement by giving notice to Franchisee, without opportunity to cure, if any of the following occur:

- (i) Franchisee misrepresented or omitted material facts when applying to be a franchisee, or breaches any representation in this Agreement;
- (ii) Franchisee knowingly submits any false report or knowingly provides any other false information to EOF;
- (iii) a receiver or trustee for the Business or all or substantially all of Franchisee's property is appointed by any court, or Franchisee makes a general assignment for the benefit of Franchisee's creditors, or Franchisee is unable to pay its debts as they become due, or a levy or execution is made against the Business, or an attachment or lien remains on the Business for 30 days unless the attachment or lien is being duly contested in good faith by Franchisee, or a petition in bankruptcy is filed by Franchisee, or such a petition is filed against or consented to by Franchisee and the petition is not dismissed within 45 days, or Franchisee is adjudicated as bankrupt;

- (iv) Franchisee fails to open for business by the date specified on the Summary Page;
- (v) Franchisee or any Owner commits a material violation of Section 7.2 (compliance with laws) or Section 13.1 (confidentiality), violates Section 7.25 (business practices and values), Section 13.2 (non-compete) or Article 15 (transfer), or commits any other violation of this Agreement which by its nature cannot be cured;
- (vi) Franchisee ceases operation of the Business for more than 10 consecutive days, or EOF reasonably concludes that Franchisee has ceased operation of the Business;
- (vii) Franchisee or any Owner slanders or libels EOF or any of its employees, directors, or officers;
- (viii) Franchisee refuses to cooperate with or permit any audit or evaluation by EOF or its agents or contractors, or otherwise fails to comply with Section 10.5 or Section 11.2.
- (ix) the Business is operated in a manner which, in EOF's reasonable judgment, constitutes a significant danger to the health or safety of any person, and Franchisee fails to cure such danger within 48 hours after becoming aware of the danger (due to notice from EOF or otherwise);
- (x) Franchisee has received two or more notices of default (or a single notice of more than one default) and Franchisee commits another breach of this Agreement, all in the same 12-month period;
- (xi) EOF (or any affiliate) terminates any other agreement with Franchisee (or any affiliate) due to the breach of such other agreement by Franchisee (or its affiliate);
- (xii) Franchisee or any Owner is charged with, pleads guilty or no-contest to, or is convicted of a felony; or
- (xiii) Franchisee or any Owner is accused by any governmental authority or third party of any act, or if Franchisee or any Owner commits any act or series of acts, that in EOF's opinion is reasonably likely to materially and unfavorably affect the Elite Ops Exterminators brand.

14.3 Effect of Termination. Upon termination or expiration of this Agreement, all obligations that by their terms or by reasonable implication survive termination, including those pertaining to non-competition, confidentiality, indemnity, and dispute resolution, will remain in effect, and Franchisee must immediately:

- (i) pay all amounts owed to EOF based on the operation of the Business through the effective date of termination or expiration;
- (ii) return to EOF all copies of the Manual, Confidential Information and any and all other materials provided by EOF to Franchisee or created by a third party for Franchisee relating to the operation of the Business, and all items containing any

Marks, copyrights, and other proprietary items (to the extent in the possession or control of Franchisee); and delete all Confidential Information and proprietary materials from electronic devices;

- (iii) immediately take all action required (a) to cancel all assumed name or equivalent registrations relating to Franchisee's use of the Marks; and (b) to cancel or transfer to EOF or its designee all telephone numbers, post office boxes, directory listings, and Digital Marketing accounts used by Franchisee in connection with the Business or the Marks, including, without limitation, by providing login and password details and promptly signing all directions and authorizations necessary or appropriate to accomplish the foregoing. Franchisee hereby irrevocably appoints EOF, with full power of substitution, as its true and lawful attorney-in-fact, which appointment is coupled with an interest; to execute such directions and authorizations as may be necessary or appropriate to accomplish the foregoing. The telephone company, the postal service, registrars, Internet service providers and each listing agency may accept such direction by EOF pursuant to this Agreement as conclusive evidence of EOF's exclusive rights in such accounts and its authority to direct their transfer; and
- (iv) cease doing business under any of the Marks.

14.4 Remove Identification. If Franchisee operates from a Location other than Franchisee's home, then within 30 days after termination or expiration, Franchisee shall at its own expense "de-identify" the Location so that it no longer contains the Marks, signage, or any trade dress of an Elite Ops Exterminators business, to the reasonable satisfaction of EOF. Franchisee shall comply with any reasonable instructions and procedures of EOF for de-identification. If Franchisee fails to do so within 30 days after this Agreement expires or is terminated, EOF may enter the Location to remove the Marks and de-identify the Location. In this event, EOF will not be charged with trespass nor be accountable or required to pay for any assets removed or altered, or for any damage caused by EOF.

14.5 Liquidated Damages. If EOF terminates this Agreement based upon Franchisee's default (or if Franchisee purports to terminate this Agreement except as permitted under Section 14.1), then within 10 days thereafter Franchisee shall pay to EOF a lump sum (as liquidated damages and not as a penalty) calculated as follows: (x) the average monthly Royalty Fees and Marketing Fund Contributions that Franchisee owed to EOF under this Agreement for the last 12 full months that Franchisee operated the Business (disregarding any temporary fee waivers or reductions granted to Franchisee); multiplied by (y) the lesser of (1) 24 or (2) the number of weeks remaining in the then-current term of this Agreement. If Franchisee had not operated the Business for at least 12 months, then (x) will equal the average monthly Royalty Fees and Marketing Fund Contributions that Franchisee owed to EOF shall be based on the obligations stated in Article 4, and shall not be discounted or adjusted due to any deferred or reduced Royalty Fees and Marketing Fund Contributions agreed to by EOF, unless this Section 14.5 is specifically amended. Franchisee acknowledges that a precise calculation of the full extent of EOF's damages under these circumstances is difficult to determine and the method of calculation of such damages as set forth in this Section is reasonable. Franchisee's payment to EOF under this Section will be in lieu of any direct monetary damages that EOF may incur as a result of EOF's loss of Royalty Fees and

Marketing Fund Contributions that would have been owed to EOF after the date of termination; however, such payment shall be in addition to all damages and other amounts arising under Section 14.3 and Section 14.4, EOF's right to injunctive relief for enforcement of Article 13, and any attorneys' fees and other costs and expenses to which EOF is entitled under this Agreement. Except as provided in this Section, Franchisee's payment of this lump sum shall be in addition to any other right or remedy that EOF may have under this Agreement or otherwise. If liquidated damages are prohibited by applicable law or are otherwise deemed unenforceable for any reason, then Franchisee shall be liable for EOF's actual damages (including, without limitation, lost future profits) instead of liquidated damages.

14.6 Purchase Option. When this Agreement expires or is terminated, EOF will have the right (but not the obligation) to purchase any or all of the assets related to the Business. To exercise this option, EOF must notify Franchisee no later than 30 days after this Agreement expires or is terminated. The purchase price for all assets that EOF elects to purchase will be the lower of (i) the book value of such assets as declared on Franchisee's last filed tax returns or (ii) the fair market value of the assets. If the parties cannot agree on fair market value within 30 days after the exercise notice, the fair market value will be determined by an independent appraiser reasonably acceptable to both parties. The parties will equally share the cost of the appraisal. EOF's purchase will be of assets only (free and clear of all liens), and the purchase will not include any liabilities of Franchisee. The purchase price for assets will not include any factor or increment for any trademark or other commercial symbol used in the business, the value of any intangible assets, or any goodwill or "going concern" value for the Business. EOF may withdraw its exercise of the purchase option at any time before it pays for the assets. Franchisee will sign a bill of sale for the purchased assets and any other transfer documents reasonably requested by EOF. If EOF exercises the purchase option, EOF may deduct from the purchase price: (a) all amounts due from Franchisee; (b) Franchisee's portion of the cost of any appraisal conducted hereunder; and (c) amounts which EOF paid or will pay to third parties to satisfy indebtedness owed by Franchisee to third parties. If any of the assets are subject to a lien, EOF may pay a portion of the purchase price directly to the lienholder to pay off such lien. EOF may withhold 25% of the purchase price for 90 days to ensure that all of Franchisee's taxes and other liabilities are paid. EOF may assign this purchase option to another party.

ARTICLE 15. TRANSFERS

15.1 By EOF. EOF may transfer or assign this Agreement, or any of its rights or obligations under this Agreement, to any person or entity, and EOF may undergo a change in ownership and/or control, without the consent of Franchisee.

15.2 By Franchisee. Franchisee acknowledges that the rights and duties set forth in this Agreement are personal to Franchisee and that EOF entered into this Agreement in reliance on Franchisee's business skill, financial capacity, personal character, experience, and business ability. Accordingly, Franchisee shall not conduct or undergo a Transfer without providing EOF at least 60 days prior notice of the proposed Transfer, and without obtaining EOF's consent. In granting any such consent, EOF may impose conditions, including, without limitation, the following:

- (i) EOF receives a transfer fee equal to \$10,000 plus any broker fees and other out-of-pocket costs incurred by EOF;

- (ii) the proposed Transferee and its owners have completed EOF's franchise application processes, meet EOF's then-applicable standards for new franchisees, and have been approved by EOF as franchisees;
- (iii) the proposed Transferee is not a Competitor;
- (iv) the proposed Transferee executes EOF's then-current form of franchise agreement and any related documents, which form may contain materially different provisions than this Agreement (provided, however, that the form will be amended to provide that the proposed Transferee will not be required to pay an initial franchise fee);
- (v) all owners of the proposed Transferee provide a guaranty in accordance with Section 2.5;
- (vi) Franchisee has paid all monetary obligations to EOF and its affiliates, and to any lessor, vendor, supplier, or lender to the Business, and Franchisee is not otherwise in default or breach of this Agreement or of any other obligation owed to EOF or its affiliates;
- (vii) the proposed Transferee and its owners and employees undergo such training as EOF may require;
- (viii) Franchisee, its Owners, and the Transferee and its owners execute a general release of EOF in a form satisfactory to EOF; and
- (ix) the Business fully complies with all of EOF's most recent System Standards.

15.3 Transfer for Convenience of Ownership. If Franchisee is an individual, Franchisee may Transfer this Agreement to a corporation or limited liability company formed for the convenience of ownership after at least 15 days' notice to EOF, if, prior to the Transfer: (1) the transferee provides the information required by Section 2.3; (2) Franchisee provides copies of the entity's charter documents, by-laws (or operating agreement) and similar documents, if requested by EOF, (3) Franchisee owns all voting securities of the corporation or limited liability company, and (4) Franchisee provides a guaranty in accordance with Section 2.5.

15.4 Transfer upon Death or Incapacity. Upon the death or incapacity of Franchisee (or, if Franchisee is an entity, the Owner with the largest ownership interest in Franchisee), the executor, administrator, or personal representative of that person must Transfer the Business to a third party approved by EOF (or to another person who was an Owner at the time of death or incapacity of the largest Owner) within nine months after death or incapacity. Such transfer must comply with Section 15.2.

15.5 EOF's Right of First Refusal. Before Franchisee (or any Owner) engages in a Transfer (except under Section 15.3, or to a co-Owner, or to a spouse, sibling, or child of an Owner), EOF will have a right of first refusal, as set forth in this Section. Franchisee (or its Owners) shall provide to EOF a copy of the terms and conditions of any Transfer. For a period of 30 days from the date of EOF's receipt of such copy, EOF will have the right, exercisable by notice to Franchisee, to purchase the assets subject of the proposed Transfer for the same price and on the same terms and

conditions (except that EOF may substitute cash for any other form of payment). If EOF does not exercise its right of first refusal, Franchisee may proceed with the Transfer, subject to the other terms and conditions of this Article.

15.6 No Sublicense. Franchisee has no right to sublicense the Marks or any of Franchisee's rights under this Agreement.

15.7 No Lien on Agreement. Franchisee shall not grant a security interest in this Agreement to any person or entity. If Franchisee grants an "all assets" security interest to any lender or other secured party, Franchisee shall cause the secured party to expressly exempt this Agreement from the security interest.

ARTICLE 16. INDEMNITY

16.1 Indemnity. Franchisee shall indemnify and defend (with counsel reasonably acceptable to EOF) EOF, its parent entities, subsidiaries and affiliates, and their respective owners, directors, officers, employees, agents, successors and assignees (collectively, "Indemnitees") against all Losses in any Action by or against EOF and/or any Indemnatee directly or indirectly related to, or alleged to arise out of, the development or operation of the Business (including Data Security Event), or the acts or omissions of Franchisee or any of Franchisee's Owners, officers, directors, employees, or agents. Notwithstanding the foregoing, Franchisee shall not be obligated to indemnify an Indemnatee from Actions which Franchisee proves arose solely as a result of any Indemnatee's intentional misconduct or gross negligence. Any delay or failure by an Indemnatee to notify Franchisee of an Action shall not relieve Franchisee of its indemnity obligation except to the extent (if any) that such delay or failure materially prejudices Franchisee. Franchisee shall not settle an Action without the consent of the Indemnatee. This indemnity will continue in effect after this Agreement ends.

16.2 Assumption. An Indemnatee may elect to assume the defense of any Action subject to this indemnification and control all aspects of defending the Action (including negotiations and settlement), at Franchisee's expense. Such an undertaking shall not diminish Franchisee's obligation to indemnify the Indemnitees.

ARTICLE 17. DISPUTE RESOLUTION

17.1 Arbitration.

(a) Disputes Subject to Arbitration. Except as expressly provided in subsections (c) and (d), any controversy or claim between the parties (including any controversy or claim arising out of or relating to this Agreement or its formation, and including any question of arbitrability) shall be resolved by arbitration administered by the American Arbitration Association in accordance with its Commercial Arbitration Rules, including the Optional Rules for Emergency Measures of Protection. Judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction.

(b) Location. The place of arbitration shall be the city and state where EOF's headquarters are located.

(c) Injunctive Relief. Either party may apply to the arbitrator seeking injunctive relief until the arbitration award is rendered or the controversy is otherwise resolved. Either party also may, without waiving any remedy or right to arbitrate under this Agreement, seek from any court having jurisdiction any interim or provisional injunctive relief.

(d) Intellectual Property Claims. Either party may bring a claim involving an alleged infringement of any of EOF's intellectual property rights in a court authorized to hear such claims under Section 17.5 of this Agreement.

(e) Confidentiality. All documents, information, and results pertaining to any arbitration or lawsuit will be confidential, except as required by law or as required for EOF to comply with laws and regulations applicable to the sale of franchises.

(f) Performance During Arbitration or Litigation. Unless this Agreement has been terminated, EOF and Franchisee will comply with this Agreement and perform their respective obligations under this Agreement during the arbitration or litigation process.

17.2 Damages. In any controversy or claim arising out of or relating to this Agreement, each party waives any right to punitive or other monetary damages not measured by the prevailing party's actual damages, except damages expressly authorized by federal statute and damages expressly authorized by this Agreement.

17.3 Waiver of Class Actions. The parties agree that any claims will be arbitrated, litigated, or otherwise resolved on an individual basis, and waive any right to act on a class-wide basis.

17.4 Time Limitation. Any arbitration or other legal action arising from or related to this Agreement must be instituted within two years from the date of the conduct or event that forms the basis of the arbitration or other legal action. The foregoing time limit does not apply to claims (i) by one party related to non-payment of Royalty Fees and other amounts owed by Franchisee, (ii) for indemnity under Article 16, or (iii) related to unauthorized use of Confidential Information or the Marks.

17.5 Venue Other Than Arbitration. For any legal proceeding not required to be submitted to arbitration, the parties agree that such proceeding will be brought in the United States District Court where EOF's headquarters is then located. If there is no federal jurisdiction over the dispute, the parties agree that any such legal proceeding will be brought in the court of record of the state and county where EOF's headquarters is then located. Each party consents to the jurisdiction of such courts and waives any objection that it, he or she may have to the laying of venue of any proceeding in any of these courts.

17.6 Legal Costs. In any legal proceeding (including arbitration) related to this Agreement or any guaranty, the non-prevailing party shall pay the prevailing party's attorney fees, costs and other expenses of the legal proceeding. "Prevailing party" means the party, if any, which prevailed upon the central litigated issues and obtained substantial relief.

ARTICLE 18. MISCELLANEOUS

18.1 Relationship of the Parties. The parties are independent contractors, and neither is the agent, partner, joint venturer, or employee of the other. EOF is not a fiduciary of Franchisee. EOF does not control or have the right to control Franchisee or its Business. Any required specifications and standards in this Agreement and in the System Standards exist to protect EOF's interest in the System and the Marks, and the goodwill established in them, and not for the purpose of establishing any control, or duty to take control, over the Business. EOF has no liability for Franchisee's obligations to any third party whatsoever.

18.2 No Third-Party Beneficiaries. Except as stated in Article 16, this Agreement does not confer any rights or remedies upon any person or entity other than Franchisee, EOF, and EOF's affiliates.

18.3 Entire Agreement. This Agreement constitutes the entire agreement of the parties and supersedes all prior negotiations and representations. Nothing in this Agreement or in any related agreement is intended to disclaim the representations made by EOF in its franchise disclosure document.

18.4 Modification. No modification or amendment of this Agreement will be effective unless it is in writing and signed by both parties. This provision does not limit EOF's rights to modify the Manual or System Standards.

18.5 Consent; Waiver. No consent under this Agreement, and no waiver of satisfaction of a condition or nonperformance of an obligation under this Agreement will be effective unless it is in writing and signed by the party granting the consent or waiver. No waiver by a party of any right will affect the party's rights as to any subsequent exercise of that right or any other right. No delay, forbearance or omission by a party to exercise any right will constitute a waiver of such right.

18.6 Cumulative Remedies. Rights and remedies under this Agreement are cumulative. No enforcement of a right or remedy precludes the enforcement of any other right or remedy.

18.7 Severability. The parties intend that (i) if any provision of this Agreement is held by an arbitrator or court to be unenforceable, then that provision be modified to the minimum extent necessary to make it enforceable, unless that modification is not permitted by law, in which case that provision will be disregarded, and (ii) if an unenforceable provision is modified or disregarded, then the rest of this Agreement will remain in effect as written.

18.8 Governing Law. The laws of District of Columbia (without giving effect to its principles of conflicts of law) govern all adversarial proceedings between the parties. The parties agree that any District of Columbia law for the protection of franchisees or business opportunity purchasers will not apply unless its jurisdictional requirements are met independently without reference to this Section 18.8.

18.9 Notices. Any notice will be effective under this Agreement only if made in writing and delivered as set forth in this Section to: (A) if to Franchisee, addressed to Franchisee at the notice address set forth in the Summary Page; and (B) if to EOF, addressed to 300 E. Lombard St, Suite

840, Baltimore, MD 21202. Any party may designate a new address for notices by giving notice of the new address pursuant to this Section. Notices will be effective upon receipt (or first rejection) and must be: (1) delivered personally; (2) sent by registered or certified U.S. mail with return receipt requested; or (3) sent via overnight courier. Notwithstanding the foregoing, EOF may amend the Manual, give binding notice of changes to System Standards, and deliver notices of default by electronic mail or other electronic communication.

18.10 Force Majeure. If either party is unable to perform an obligation due to riots, terrorist act, war, disaster (such as an earthquake, hurricane, or tornado), health emergency (such as epidemics, pandemic, and quarantines), or any other act of God or nature beyond the reasonable control of such party (a “Force Majeure”), such party’s performance of the obligation shall be excused for so long as the Force Majeure exists, but not longer than 180 days. This section shall not excuse a party’s obligation to make a payment owed under this Agreement.

18.11 Holdover. If Franchisee continues operating the Business after the expiration of the term without a renewal agreement or successor franchise agreement executed by the parties in accordance with Section 3.2, then at any time thereafter (regardless of any course of dealing by the parties), EOF may by giving written notice to Franchisee (the “Holdover Notice”) either (i) require Franchisee to cease operating the Business and comply with all post-closing obligations effective immediately upon giving notice or effective on such other date as EOF specifies, or (ii) bind Franchisee to a renewal term of 5 years, and deem Franchisee and its Owners to have made the general release of liability described in Section 3.2(vi).

18.12 Joint and Several Liability. If two or more people sign this Agreement as “Franchisee”, each will have joint and several liability.

18.13 No Offer and Acceptance. Delivery of a draft of this Agreement to Franchisee by EOF does not constitute an offer. This Agreement shall not be effective unless and until it is executed by both Franchisee and EOF.

Attachment 1 to Franchise Agreement

OWNERSHIP INFORMATION

1. **Form of Ownership.** Franchisee is a (check one):

_____ *Sole Proprietorship*
_____ *Partnership*
_____ *Limited Liability Company*
_____ *Corporation*

State: _____

2. **Owners.** If Franchisee is a partnership, limited liability company or corporation:

Name	Shares or Percentage of Ownership

3. **Officers.** If Franchisee is a limited liability company or corporation:

Name	Title

Attachment 2 to Franchise Agreement

GUARANTY AND NON-COMPETE AGREEMENT

This Guaranty and Non-Compete Agreement (this “Guaranty”) is executed by the undersigned person(s) (each, a “Guarantor”) in favor of Elite Ops Franchising, LLC, a Maryland limited liability company (“EOF”).

Background Statement: _____ (“Franchisee”) desires to enter into a Franchise Agreement with EOF for the franchise of an Elite Ops Exterminators business (the “Franchise Agreement”; capitalized terms used but not defined in this Guaranty have the meanings given in the Franchise Agreement). Guarantor owns an equity interest in Franchisee. Guarantor is executing this Guaranty in order to induce EOF to enter into the Franchise Agreement.

Guarantor agrees as follows:

1. Guaranty. Guarantor hereby unconditionally guarantees to EOF and its affiliates that Franchisee shall pay and perform every undertaking, agreement and covenant set forth in the Franchise Agreement and further guarantees every other liability and obligation of Franchisee to EOF or its affiliates, whether or not contained in the Franchise Agreement. Guarantor shall render any payment or performance required under the Franchise Agreement or any other agreement between Franchisee and EOF or its affiliates upon demand from EOF. Guarantor waives (a) acceptance and notice of acceptance by EOF of this Guaranty; (b) notice of demand for payment of any indebtedness or nonperformance of any obligations of Franchisee; (c) protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed; (d) any right Guarantor may have to require that an action be brought against Franchisee or any other person or entity as a condition of liability hereunder; (e) all rights to payments and claims for reimbursement or subrogation which any of the undersigned may have against Franchisee arising as a result of the execution of and performance under this Guaranty by the undersigned; (f) any law which requires that EOF make demand upon, assert claims against or collect from Franchisee or any other person or entity (including any other guarantor), foreclose any security interest, sell collateral, exhaust any remedies or take any other action against Franchisee or any other person or entity (including any other guarantor) prior to making any demand upon, collecting from or taking any action against the undersigned with respect to this Guaranty; and (g) any and all other notices and legal or equitable defenses to which Guarantor may be entitled.

2. Confidential Information. With respect to all Confidential Information, Guarantor shall (a) adhere to all security procedures prescribed by EOF for maintaining confidentiality, (b) disclose such information to its employees only to the extent necessary for the operation of the Business, (c) not use any such information in any other business or in any manner not specifically authorized or approved in writing by EOF, (d) exercise the highest degree of diligence and make every effort to maintain the confidentiality of all such information during and after the term of the Franchise Agreement, (e) not copy or otherwise reproduce any Confidential Information, and (f) promptly report any unauthorized disclosure or use of Confidential Information. Guarantor acknowledges that all Confidential Information is owned by EOF or its affiliates (except for Confidential Information which EOF licenses from another person or entity). Guarantor

acknowledges that all customer data collected by or generated by the Business and all data collected or generated by the primary software system (other than data regarding employees) is Confidential Information belonging to EOF. This Section will survive the termination or expiration of the Franchise Agreement indefinitely.

3. Covenants Not to Compete.

(a) Restriction - In Term. During the term of the Franchise Agreement, Guarantor shall not directly or indirectly have any ownership interest in, lend money or provide financial assistance to, provide any services to, or be employed by, any Competitor.

(b) Restriction – Post Term. For two years after the Franchise Agreement expires or is terminated for any reason (or, if applicable, for two years after a Transfer by Guarantor), Guarantor shall not directly or indirectly have any ownership interest in, lend money or provide financial assistance to, provide any services to, or be employed by, any Competitor operating in any of Franchisee's Territory or the territory of any other Elite Ops Exterminators business operating on the date of expiration, termination or transfer, as applicable.

(c) Interpretation. Guarantor agrees that each of the foregoing covenants is independent of any other covenant or provision of this Guaranty or the Franchise Agreement. If all or any portion of the covenants in this Section is held to be unenforceable or unreasonable by any court or arbitrator, then the parties intend that the court or arbitrator modify such restriction to the extent reasonably necessary to protect the legitimate business interests of EOF. Guarantor agrees that the existence of any claim it or Franchisee may have against EOF shall not constitute a defense to the enforcement by EOF of the covenants of this Section. If Guarantor fails to comply with the obligations under this Section during the restrictive period, then the restrictive period will be extended an additional day for each day of noncompliance.

4. Modification. Guarantor agrees that Guarantor's liability hereunder shall not be diminished, relieved or otherwise affected by (a) any amendment of the Franchise Agreement, (b) any extension of time, credit or other indulgence which EOF may from time-to-time grant to Franchisee or to any other person or entity, or (c) the acceptance of any partial payment or performance or the compromise or release of any claims.

5. Governing Law; Dispute Resolution. This Guaranty shall be governed by and construed in accordance with the laws of the District of Columbia (without giving effect to its principles of conflicts of law). The parties agree that any District of Columbia law for the protection of franchisees or business opportunity purchasers will not apply unless its jurisdictional requirements are met independently without reference to this Section 5. The provisions of Article 17 (Dispute Resolution) of the Franchise Agreement apply to and are incorporated into this Guaranty as if fully set forth herein. Guarantor shall pay to EOF all costs incurred by EOF (including reasonable attorney fees) in enforcing this Guaranty. If multiple Guarantors sign this Guaranty, each will have joint and several liability.

[Maryland Residents]: This Release shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

[Washington Residents]: A release or waiver of rights executed by a franchisee shall not include rights under the Washington Franchise Investment Protection Act except when executed pursuant to a negotiated settlement after the franchise agreement is in effect and where the parties are represented by independent counsel.

Agreed to by:

Name: _____

Address: _____

Date: _____

Name: _____

Address: _____

Date: _____

Name: _____

Address: _____

Date: _____

Attachment 3 to Franchise Agreement

CONDITIONAL ASSIGNMENT OF BRAND ACCOUNTS

This Assignment of Brand Accounts (this “Assignment”) is executed by the undersigned (“Franchisee”) in favor of Elite Ops Franchising, LLC, a Maryland limited liability company (“EOF”).

Background Statement: EOF and Franchisee are parties to a Franchise Agreement pursuant to which EOF granted Franchisee a license to operate an Elite Ops Exterminators franchised business (the “Business”). EOF or its affiliates are the sole owner of the Elite Ops Exterminators brand and all names, logos, trademarks, service marks, and other intellectual property associated therewith. To protect EOF’s interest in and control of Elite Ops Exterminators, Franchisee acknowledges and agrees that EOF has the right to control all telephone numbers, directory listings, and internet marketing accounts related to Elite Ops Exterminators.

Franchisee agrees as follows:

- 1. Conditional Assignment.** Franchisee hereby assigns to EOF (or its designee) all of Franchisee’s rights, title, and interest in and to all telephone numbers, directory listings, email accounts, websites, social media accounts, and all other accounts and profiles for advertising and marketing on the internet or any electronic communications network (“Brand Accounts”) associated with Elite Ops Exterminators and registered by Franchisee from time to time in connection with the operation of Franchisee’s Business, such assignment to be effective upon (a) termination or expiration of the Franchise Agreement, or (b) notice from EOF to Franchisee, at which time EOF will have the right to assume ownership of any one or all Brand Accounts.
- 2. Transfer or Deletion.** Franchisee hereby authorizes the service provider of each Brand Account (the “Provider”) to transfer the Brand Account to EOF (or its designee) or to delete the Brand Account upon the written instruction of EOF. Franchisee hereby grants EOF an irrevocable limited power of attorney on behalf of Franchisee to direct any Provider to transfer or delete a Brand Account. In such an event, Franchisee will have no further right, title or interest in the Brand Account but will remain liable to the Provider for all past due fees owing to the Provider on or before the date on which the assignment is effective. EOF will have no liability or obligation of any kind to a Provider arising prior to the effective date of transfer or deletion. Franchisee agrees to take all reasonable steps necessary to effectuate the transfer or deletion (as determined by EOF) of each Brand Account.

[Signatures on next page]

Executed by:

FRANCHISEE:

[if an individual:]

Name: _____

Date: _____

[if an entity:]

By: _____

Name: _____

Title: _____

Date: _____

EXHIBIT C

FORM OF GENERAL RELEASE

[This is our current standard form of General Release. This document is not signed when you purchase a franchise. In circumstances such as a renewal of your franchise or as a condition of our approval of a sale of your franchise, we may require you to sign a general release.]

This General Release (“Release”) is executed by the undersigned (“Releasor”) in favor of Elite Ops Franchising, LLC, a Maryland limited liability company (“EOF”).

Background Statement: *[describe circumstances of Release]*

Releasor agrees as follows:

- 1. Release.** Releasor (on behalf of itself and its parents, subsidiaries and affiliates and their respective past and present officers, directors, shareholders, managers, members, partners, agents, and employees (collectively, the “Releasing Parties”)) hereby releases EOF, its affiliates, and their respective directors, officers, shareholders, employees, franchise sellers, and agents (collectively, the “Released Parties”) from any and all claims, causes of action, suits, debts, agreements, promises, demands, liabilities, contractual rights and/or obligations, of whatever nature, known or unknown, which any Releasing Party now has or ever had against any Released Party based upon and/or arising out of events that occurred through the date hereof, including without limitation, anything arising out of the Franchise Agreement (collectively, “Claims”).
- 2. Covenant Not to Sue.** Releasor (on behalf of all Releasing Parties) covenants not to initiate, prosecute, encourage, assist, or (except as required by law) participate in any civil, criminal, or administrative proceeding or investigation in any court, agency, or other forum, either affirmatively or by way of cross-claim, defense, or counterclaim, against any Released Party with respect to any Claim.
- 3. Representations and Acknowledgments.** Releasor represents and warrants that: (i) Releasor is the sole owner of all Claims, and that no Releasing Party has assigned or transferred, or purported to assign or transfer, to any person or entity, any Claim; (ii) Releasor has full power and authority to sign this Release; and (iii) this Release has been voluntarily and knowingly signed after Releasor has had the opportunity to consult with counsel of Releasor’s choice. Releasor acknowledges that the release in Section 1 is a complete defense to any Claim.
- 4. Miscellaneous.** If any of the provisions of this Release are held invalid for any reason, the remainder of this Release will not be affected and will remain in full force and effect. In the event of any dispute concerning this Release, the dispute resolution, governing law, and venue provisions of the Franchise Agreement shall apply. Releasor agrees to take any actions and sign any documents that EOF reasonably requests to effectuate the purposes of this Release. This Release contains the entire agreement of the parties concerning the subject matter hereof. This Release shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

Agreed to by:

Name: _____
Date: _____

EXHIBIT D

FINANCIAL STATEMENTS

**THESE FINANCIAL STATEMENTS ARE PREPARED WITHOUT AN AUDIT.
PROSPECTIVE FRANCHISEES OR SELLERS OF FRANCHISES SHOULD BE
ADVISED THAT NO CERTIFIED PUBLIC ACCOUNTANT HAS AUDITED THESE
FIGURES OR EXPRESSED HIS/HER OPINION WITH REGARD TO THE CONTENT
OR FORM.**

Elite Ops Franchising LLC

Balance Sheet

As of March 31, 2024

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
1015 OpEx 6089	7,695.26
Total Bank Accounts	\$7,695.26
Accounts Receivable	
1200 Accounts Receivable (A/R)	0.00
Total Accounts Receivable	\$0.00
Total Current Assets	\$7,695.26
Other Assets	
1900 Start Up Expenses	44,712.52
Total Other Assets	\$44,712.52
TOTAL ASSETS	\$52,407.78
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2100 Accounts Payable (A/P)	0.00
Total Accounts Payable	\$0.00
Total Current Liabilities	\$0.00
Long-Term Liabilities	
2620 Elite Ops Investment Loan Notes Payable	45,577.76
Darrell/Dawn Profit Loan Payable	0.00
Total Long-Term Liabilities	\$45,577.76
Total Liabilities	\$45,577.76
Equity	
3100 Common Stock	1,000.00
3300 DJP-Equity	
3350 Shareholder Contributions	0.00
3390 Shareholder Distributions	0.00
Total 3300 DJP-Equity	0.00
3560 Retained Earnings	3,293.58
Net Income	2,536.44
Total Equity	\$6,830.02
TOTAL LIABILITIES AND EQUITY	\$52,407.78

Elite Ops Franchising LLC

Profit and Loss

January - March, 2024

	TOTAL
Income	
4300 Royalty Fee	11,574.62
Total Income	\$11,574.62
GROSS PROFIT	\$11,574.62
Expenses	
5300 GENERAL AND ADMIN EXP	
5310 Accounting Exp	1,991.00
5315 Advertising & Promotions	3,255.88
5335 Computer Related Expenses	180.00
5365 Interest & Bank Charges	0.00
5370 Professional & Legal Expenses	3,500.00
Total 5300 GENERAL AND ADMIN EXP	8,926.88
5900 PAYROLL EXPENSES	
Payroll Processing Fee	111.30
Total 5900 PAYROLL EXPENSES	111.30
Total Expenses	\$9,038.18
NET OPERATING INCOME	\$2,536.44
NET INCOME	\$2,536.44

ELITE OPS FRANCHISING LLC

**FINANCIAL STATEMENTS
FOR PERIOD ENDING DECEMBER 31, 2023**

**WITH AUDIT REPORT OF INDEPENDENT
CERTIFIED PUBLIC ACCOUNTANT**



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and Shareholders

ELITE OPS Franchising LLC
1775 I St. NE#1150,
Washington, D.C. 20006

We have audited the accompanying balance sheet of ELITE OPS Franchising LLC (the "Company") as of December 31, 2023 the related statements of income, retained earnings and cash flows for the years then ended, and the related notes to the financial statements.

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

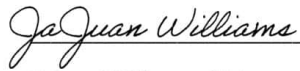
Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of

the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our audit opinion.

In our opinion, the financial statements referred to previously present fairly, in all material respects, the financial position of ELITE OPS Franchising LLC as of December 31, 2024 and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

A handwritten signature in cursive script that reads "JaJuan Williams". The signature is written in black ink and is positioned above a horizontal line.

JaJuan Williams, CPA

Indiana #CP11900309

Firm# FP52300024

April 18, 2024

Elite Ops Franchising LLC

Balance Sheet

As of December 31, 2023

	Total
ASSETS	
Current Assets	
Bank Accounts	
1010 Suntrust Bank Checking - 6089	2,403
Total Bank Accounts	\$ 2,403
Total Current Assets	\$ 2,403
Other Assets	
1900 Start Up Expenses	44,713
Total Other Assets	\$ 44,713
TOTAL ASSETS	\$ 47,115
LIABILITIES AND EQUITY	
Liabilities	
Long-Term Liabilities	
2620 Elite Ops Investment Loan Notes Payable	42,822
Darrell/Dawn Profit Loan Payable	0
Total Long-Term Liabilities	\$ 42,822
Total Liabilities	\$ 42,822
Equity	
3100 Common Stock	1,000
3300 DJP-Equity	
3350 Shareholder Contributions	4,326
3390 Shareholder Distributions	0
Total 3300 DJP-Equity	\$ 4,326
3560 Retained Earnings	-1,032
Net Income	0
Total Equity	\$ 4,294
TOTAL LIABILITIES AND EQUITY	\$ 47,115

The accompanying audit report and notes are an integral part of these financial statements

Elite Ops Franchising LLC
Profit and Loss
January - December 2023

	<u>Total</u>
Income	
Total Income	<u> </u>
Gross Profit	0
Expenses	
5300 GENERAL AND ADMIN EXP	
5310 Accounting Exp	0
5315 Advertising & Promotions	0
5335 Computer Related Expenses	0
5365 Interest & Bank Charges	0
5370 Professional & Legal Expenses	0
5395 Travel - Parking Fees/Taxis	0
Total 5300 GENERAL AND ADMIN EXP	<u>0</u>
Total Expenses	<u>0</u>
Net Operating Income	<u>0</u>
Net Income	<u>0</u>

The accompanying audit report and notes are an integral part of these financial statements

Elite Ops Franchising LLC

Statement of Cash Flows

January - December 2023

	<u>Total</u>
OPERATING ACTIVITIES	
Net Income	0
Adjustments to reconcile Net Income to Net Cash provided by operations:	
Net cash provided by operating activities	<u>0</u>
INVESTING ACTIVITIES	
1900 Start Up Expenses	<u>-8,154</u>
Net cash provided by investing activities	<u>-8,154</u>
FINANCING ACTIVITIES	
2620 Elite Ops Investment Loan Notes Payable	6,828
Darrell/Dawn Profit Loan Payable	-4,160
3350 DJP-Equity:Shareholder Contributions	-1,171
3390 DJP-Equity:Shareholder Distributions	10
3560 Retained Earnings	<u>-10</u>
Net cash provided by financing activities	<u>1,497</u>
Net cash increase for period	<u>-6,656</u>
Cash at beginning of period	<u>9,059</u>
Cash at end of period	<u>2,403</u>

The accompanying audit report and notes are an integral part of these financial statements

Note 1 Summary of Significant Accounting Policies

This summary of significant accounting policies of ELITE OPS Franchising LLC is presented to assist in understanding the Company's financial statements. The financial statements and notes are representations of the Company's management who is responsible for the integrity and objectivity of the financial statements. These accounting policies conform to generally accepted accounting principles and have been consistently applied in the preparation of the financial statements.

Organization and Nature of Business

The company was organized under the laws of the State of Maryland for the purpose offering franchise opportunities to entrepreneurs who want to own and operate their own ELITE OPS operation, as a franchise.

Basis of Presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("US GAAP"). The financial statements are presented on the accrual basis of accounting.

Cash and Cash Equivalents

For the purpose of the statement of cash flows, the Company considers unrestricted currency, demand deposits, money market accounts and all highly liquid debt instruments purchased with original maturities of 90 days or less to be cash equivalents

Income Taxes

The Company has elected under the Internal Revenue Code to be a Limited Liability Company. In lieu of Company income taxes, the shareholder of a single member LLC is taxed on net income of the LLC. The Company is not responsible for income tax at the corporate level. Therefore, no provision or liability for federal income taxes has been included in these financial statements.

Franchise Fee

The franchise fees are recognized using ASC 606 fee recognition schedule whereby, the franchise fees are based on 60% recognition factor during the first year and the balance of 40% is spread over the remaining 10 years.

Note 2 Disclosure About Fair Value of Financial Instruments

The Company estimates that the fair value of all financial instruments at October 31, 2023, does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying balance sheet. The estimated fair value amounts have been determined by the Company using available market information and appropriate valuation methodologies. Considerable judgment is required in interpreting market data to develop the estimates of fair value, and accordingly, the estimates are not necessarily indicative of the amounts that the Company could realize in a current market exchange.

Note 3 Commitments and Contingencies

The company does not carry general liability or worker's compensation coverage, nor is it self-insured

Note 4 Franchise Agreement

The terms of the company's franchisee agreement is as follows:

- The company will grant the right to use the Company name, trademark, and system in the franchisee's franchise development business.
- The franchisee is obligated to pay a non-refundable initial franchise fee.
- The franchisee is obligated to pay a monthly royalty fee. Certain other fees are also outlined in the agreement.

Note 5 Subsequent Events

Subsequent events have been evaluated through April 18, 2024 the date that the financial statements were available to be issued.

ELITE OPS FRANCHISING LLC

FINANCIAL STATEMENTS
FOR PERIOD ENDING DECEMBER 31, 2022 AND OCTOBER 31, 2023

**WITH AUDIT REPORT OF INDEPENDENT
CERTIFIED PUBLIC ACCOUNTANT**



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and Shareholders

ELITE OPS Franchising LLC
1775 I St. NE#1150,
Washington, D.C. 20006

We have audited the accompanying balance sheet of ELITE OPS Franchising LLC (the "Company") as of December 31, 2022 and October 31, 2023, and the related statements of income, retained earnings and cash flows for the years then ended, and the related notes to the financial statements.

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

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the

circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our audit opinion.

In our opinion, the financial statements referred to previously present fairly, in all material respects, the financial position of ELITE OPS Franchising LLC as of December 31, 2022 and October 31, 2023, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

A handwritten signature in cursive script that reads "JaJuan Williams".

JaJuan Williams, CPA

Indiana #CP11900309

Firm# FP52300024

December 11, 2023

Elite Ops Franchising Company
Balance Sheet
AS OF DECEMBER 31, 2022 AND OCTOBER 31, 2023

	10/31/2023	12/31/2022
ASSETS		
Current Assets		
Bank Accounts		
Suntrust xxx6089	2,477	9,059
Total Bank Accounts	2,477	9,059
Total Current Assets	2,477	9,059
Other Assets		
Start Up Expenses	36,559	36,559
Total Other Assets	36,559	36,559
TOTAL ASSETS	39,036	45,618
LIABILITIES AND EQUITY		
Liabilities		
Long Term Liabilities		
2620 Elite Ops Investment Loan Notes Payable	41,492	41,492
Darrell/Dawn Profit Loan Payable	-1,171	4,160
Total Long Term Liabilities	40,321	45,652
Total Liabilities	40,321	45,652
Equity		
3300 DJP-Equity		
3390 Shareholder's Draw	-10	-10
Total 3300 DJP-Equity	-10	-10
3560 Retained Earnings	-1,023.32	
Common Stock	1,000.00	1000
Net Income	-1,251	-1,023
Total Equity	-1,285	-33
TOTAL LIABILITIES AND EQUITY	39,036	45,618

The accompanying audit report and notes are an integral part of these financial statements

Elite Ops Franchising Company
STATEMENT OF OPERATIONS
FOR PERIOD ENDING DECEMBER 31, 2022 AND OCTOBER 31, 2023

	10/31/2023	12/31/2022
REVENUE	\$	\$
Franchise Revenue	0	0
Total Revenue	0	0
COST OF GOODS SOLD	0	0
GROSS PROFIT	0	0
OPERATING EXPENSES		
5300 GENERAL AND ADMIN EXP	0	0
5310 Accounting Exp	0	0
5315 Advertising & Promotions	0	0
5335 Computer Related Expenses	720	0
5365 Interest & Bank Charges	361	1,023
5370 Professional & Legal Expenses	148	0
5380 Office Supplies Exp	0	0
5395 Travel - Parking Fees/Taxis	22	0
Total 5300 GENERAL AND ADMIN EXP	1251	1023
5900 PAYROLL EXPENSES	0	0
Total Operating Expenses	1,251	1,023
Operating income	-1,251	-1,023
Interest expense	0	0
Net Income	-1,251	-1,023

The accompanying audit report and notes are an integral part of these financial statements

Elite Ops Franchising Company
STATEMENT OF CASHFLOWS
FOR PERIOD ENDING DECEMBER 31, 2022 AND OCTOBER 31, 2023

	10/31/2023	12/31/2022
	\$	\$
Cash flows from operating activities:		
Net income (loss)	-1,251	-1,023
Adjustments to reconcile net income to net cash provided by operating		
Depreciation & amortization	0	0
Changes in assets and liabilities		
(Increase) decrease in accounts receivables	-	-
(Increase) decrease in deposits	0	0
(Increase) decrease in credit cards payable	0	0
(Increase) decrease in payroll taxes payable	-	-
(Increase) decrease in customer deposits	-	-
Net cash provided by operating activities	-1,251	-1,023
Cash flows from investing activities:		
Payments for purchase of property and equipment	0	0
Distributions to partners	0	0
Net Cash used by investing activities	0	0
Cash flows from financing activities:		
Proceeds from debt	0	0
Payment of shareholder loans	-	-
Owner Paid In Capital	0	0
Net cash provided by financing activities	0	0
Issuance of Common Stock	10	10
Net increase in cash and cash equivalents	-1,251	-1,023
Cash and equivalents at beginning of period	0	0
Cash and equivalents at end of period	-1,241	-1,013
Cash paid for interest	0	0

The accompanying audit report and notes are an integral part of these financial statements

Note 1 Summary of Significant Accounting Policies

This summary of significant accounting policies of ELITE OPS Franchising LLC is presented to assist in understanding the Company's financial statements. The financial statements and notes are representations of the Company's management who is responsible for the integrity and objectivity of the financial statements. These accounting policies conform to generally accepted accounting principles and have been consistently applied in the preparation of the financial statements.

Organization and Nature of Business

The company was organized under the laws of the State of Maryland for the purpose offering franchise opportunities to entrepreneurs who want to own and operate their own ELITE OPS operation, as a franchise.

Basis of Presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("US GAAP"). The financial statements are presented on the accrual basis of accounting.

Cash and Cash Equivalents

For the purpose of the statement of cash flows, the Company considers unrestricted currency, demand deposits, money market accounts and all highly liquid debt instruments purchased with original maturities of 90 days or less to be cash equivalents

Income Taxes

The Company has elected under the Internal Revenue Code to be a Limited Liability Company. In lieu of Company income taxes, the shareholder of a single member LLC is taxed on net income of the LLC. The Company is not responsible for income tax at the corporate level. Therefore, no provision or liability for federal income taxes has been included in these financial statements.

Franchise Fee

The franchise fees are recognized using ASC 606 fee recognition schedule whereby, the franchise fees are based on 60% recognition factor during the first year and the balance of 40% is spread over the remaining 10 years.

Note 2 Disclosure About Fair Value of Financial Instruments

The Company estimates that the fair value of all financial instruments at October 31, 2023, does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying balance sheet. The estimated fair value amounts have been determined by the Company using available market information and appropriate valuation methodologies. Considerable judgment is required in interpreting market data to develop the estimates of fair value, and accordingly, the estimates are not necessarily indicative of the amounts that the Company could realize in a current market exchange.

Note 3 Commitments and Contingencies

The company does not carry general liability or worker's compensation coverage, nor is it self-insured

Note 4 Franchise Agreement

The terms of the company's franchisee agreement is as follows:

- The company will grant the right to use the Company name, trademark, and system in the franchisee's franchise development business.
- The franchisee is obligated to pay a non-refundable initial franchise fee.
- The franchisee is obligated to pay a monthly royalty fee. Certain other fees are also outlined in the agreement.

Note 5 Subsequent Events

Subsequent events have been evaluated through December 11, 2023 the date that the financial statements were available to be issued.

ELITE OPS FRANCHISING LLC
FINANCIAL STATEMENTS
FOR PERIOD ENDING DECEMBER 31, 2021 AND APRIL 30, 2022
WITH AUDIT REPORT OF INDEPENDENT
CERTIFIED PUBLIC ACCOUNTANT



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and Shareholders

ELITE OPS Franchising LLC
1775 I St. NE#1150,
Washington, D.C. 20006

We have audited the accompanying balance sheet of ELITE OPS Franchising LLC (the "Company") as of December 31, 2021 and April 30, 2022, and the related statements of income, retained earnings and cash flows for the years then ended, and the related notes to the financial statements.

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

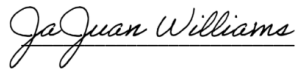
Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the

circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our audit opinion.

In our opinion, the financial statements referred to previously present fairly, in all material respects, the financial position of ELITE OPS Franchising LLC as of December 31, 2021 and April 30, 2022, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

A handwritten signature in cursive script that reads "JaJuan Williams". The signature is written in dark ink and is positioned above the printed name and credentials.

JaJuan Williams, CPA

Indiana #CP11900309

Firm# 900255350460

June 16, 2022

Elite Ops Franchising Company
Balance Sheet
AS OF DECEMBER 31, 2021 AND APRIL 30, 2022

	4/30/2022	12/31/2021
ASSETS		
Current Assets		
Bank Accounts		
Suntrust xxx6089	3,900	4,500
Total Bank Accounts	3,900	4,500
Total Current Assets	3,900	4,500
TOTAL ASSETS	3,900	4,500
LIABILITIES AND EQUITY		
Liabilities		
Current Liabilities		
Credit Cards		
Total Current Liabilities	0	0
Total Liabilities	0	0
Equity		
Owner's Investment	5,000	5,000
Retained Earnings	-500	
Net Income	-600	-500
Total Equity	3,900	4,500
TOTAL LIABILITIES AND EQUITY	3,900	4,500

The accompanying audit report and notes are an integral part of these financial statements

Elite Ops Franchising Company
STATEMENT OF OPERATIONS
FOR PERIOD ENDING DECEMBER 31, 2021 AND APRIL 30, 2022

	4/30/2022	12/31/2021
REVENUE	\$	\$
Franchise Revenue	0	0
Total Revenue	0	0
COST OF GOODS SOLD	0	0
GROSS PROFIT	0	0
OPERATING EXPENSES		
Advertising	0	0
Bank Charges	0	0
Commissions	0	0
Depreciation	0	0
Franchise Costs	0	0
Insurance	0	0
Licenses	0	0
Office Expense	0	0
Payroll	0	0
Professional Fees	600	500
Rent and occupancy	0	0
Travel	-	-
Repairs and maintenance	0	0
Utilities	0	0
Total Operating Expenses	600	500
Operating income	-600	-500
Interest expense	0	0
Net Income	-600	-500

The accompanying audit report and notes are an integral part of these financial statements

Elite Ops Franchising Company
STATEMENT OF CASHFLOWS
FOR PERIOD ENDING DECEMBER 31, 2021 AND APRIL 30, 2022

	4/30/2022	12/31/2021
	\$	\$
Cash flows from operating activities:		
Net income (loss)	-600	-500
Adjustments to reconcile net income to net cash provided by operating		
Depreciation & amortization	0	0
Changes in assets and liabilities		
(Increase) decrease in accounts receivables	-	-
(Increase) decrease in deposits	0	0
(Increase) decrease in credit cards payable	0	0
(Increase) decrease in payroll taxes payable	-	-
(Increase) decrease in customer deposits	-	-
Net cash provided by operating activities	-600	-500
Cash flows from investing activities:		
Payments for purchase of property and equipment	0	0
Distributions to partners	0	0
Net Cash used by investing activities	0	0
Cash flows from financing activities:		
Proceeds from debt	0	0
Payment of shareholder loans	-	-
Owner Paid In Capital	0	0
Net cash provided by financing activities	0	0
Net increase in cash and cash equivalents	-600	-500
Cash and equivalents at beginning of period	4,500	5,000
Cash and equivalents at end of period	3,900	4,500
Cash paid for interest	0	0

The accompanying audit report and notes are an integral part of these financial statements

Note 1 Summary of Significant Accounting Policies

This summary of significant accounting policies of ELITE OPS Franchising LLC is presented to assist in understanding the Company's financial statements. The financial statements and notes are representations of the Company's management who is responsible for the integrity and objectivity of the financial statements. These accounting policies conform to generally accepted accounting principles and have been consistently applied in the preparation of the financial statements.

Organization and Nature of Business

The company was organized under the laws of the State of Maryland for the purpose offering franchise opportunities to entrepreneurs who want to own and operate their own ELITE OPS operation, as a franchise.

Basis of Presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("US GAAP"). The financial statements are presented on the accrual basis of accounting.

Cash and Cash Equivalents

For the purpose of the statement of cash flows, the Company considers unrestricted currency, demand deposits, money market accounts and all highly liquid debt instruments purchased with original maturities of 90 days or less to be cash equivalents

Income Taxes

The Company has elected under the Internal Revenue Code to be a Limited Liability Company. In lieu of Company income taxes, the shareholder of a single member LLC is taxed on net income of the LLC. The Company is not responsible for income tax at the corporate level. Therefore, no provision or liability for federal income taxes has been included in these financial statements.

Franchise Fee

The franchise fees are recognized using ASC 606 fee recognition schedule whereby, the franchise fees are based on 60% recognition factor during the first year and the balance of 40% is spread over the remaining 10 years.

Note 2 Disclosure About Fair Value of Financial Instruments

The Company estimates that the fair value of all financial instruments at April 30, 2022, does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying balance sheet. The estimated fair value amounts have been determined by the Company using available market information and appropriate valuation methodologies. Considerable judgment is required in interpreting market data to develop the estimates of fair value, and accordingly, the estimates are not necessarily indicative of the amounts that the Company could realize in a current market exchange.

Note 3 Commitments and Contingencies

The company does not carry general liability or worker's compensation coverage, nor is it self-insured

Note 4 Franchise Agreement

The terms of the company's franchisee agreement is as follows:

- The company will grant the right to use the Company name, trademark, and system in the franchisee's franchise development business.
- The franchisee is obligated to pay a non-refundable initial franchise fee.
- The franchisee is obligated to pay a monthly royalty fee. Certain other fees are also outlined in the agreement.

Note 5 Subsequent Events

Subsequent events have been evaluated through June 16, 2022, the date that the financial statements were available to be issued.

EXHIBIT E

OPERATING MANUAL TABLE OF CONTENTS

Manual Section	Number of Pages
Preface & Introduction	36
Establishing My Franchise Business	39
Human Resources	60
Administrative Procedures	28
Daily Procedures	22
Selling & Marketing	24

EXHIBIT F

CURRENT AND FORMER FRANCHISEES

Current Franchisees

Names of all current franchisees (as of the end of our last fiscal year) and the address and telephone number of each of their outlets:

None

Franchisees who had signed franchise agreements but were not yet open as of the end of our last fiscal year:

None

Former Franchisees

Name, city and state, and current business telephone number, or if unknown, the last known home telephone number of every franchisee who had an outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during the most recently completed fiscal year or who have not communicated with us within 10 weeks of the disclosure document issuance date:

None

EXHIBIT G

EFT AUTHORIZATION FORM

Bank Name: _____
ABA#: _____
Acct. #: _____
Acct. Name: _____

Effective as of the date of the signature below, _____ (“Franchisee”) hereby authorizes Elite Ops Franchising, LLC (“Franchisor”) or its designee to withdraw funds from the above-referenced bank account, electronically or otherwise, to make the following payments to Franchisor under the franchise agreement (the “Franchise Agreement”) between Franchisor and Franchisee: (1) all Royalty Fees; (2) all Marketing Fund Contributions; (3) all other fees authorized under the Franchise Agreement; and (4) any amounts charged by Franchisor or its affiliates in connection with equipment, inventory, supplies, and/or services that Franchisee purchases from Franchisor or its affiliates, as and when such amounts become due and owing to Franchisor and/or its affiliates. Franchisee acknowledges that Royalty Fees, Marketing Fund Contributions, and all other fees may be collected by Franchisor in the manner provided for in the Franchise Agreement. The parties further agree that all capitalized terms not specifically defined herein will be given the same definition as set forth in the Franchise Agreement.

Such withdrawals shall occur on a monthly basis, or on such other schedule as Franchisor shall specify in writing. This authorization shall remain in force and effect until terminated in writing by Franchisor. Franchisee shall provide Franchisor, in conjunction with this authorization, a voided check from the above-referenced account.

Agreed to by:

FRANCHISEE:

By: _____

Name: _____

Title: _____

Date: _____

**PLEASE ATTACH A VOIDED BLANK CHECK FOR PURPOSES OF SETTING UP
BANK AND TRANSIT NUMBERS**

EXHIBIT H

STATE ADDENDA TO DISCLOSURE DOCUMENT

CALIFORNIA ADDENDUM TO DISCLOSURE DOCUMENT

California Corporations Code, Section 31125 requires the franchisor to give the franchisee a disclosure document, approved by the Department of Financial Protection and Innovation, prior to a solicitation of a proposed material modification of an existing franchise.

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 14 DAYS PRIOR TO EXECUTION OF AGREEMENT.

OUR 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.

THESE FRANCHISES HAVE BEEN REGISTERED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF CALIFORNIA.

REGISTRATION OF THIS FRANCHISE OFFERING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF THE DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION.

ALL THE OWNERS OF THE FRANCHISE WILL BE REQUIRED TO EXECUTE PERSONAL GUARANTEES. THIS REQUIREMENT PLACES THE MARITAL ASSETS OF THE SPOUSES DOMICILED IN COMMUNITY PROPERTY STATES – ARIZONA, CALIFORNIA, IDAHO, LOUISIANA, NEVADA, NEW MEXICO, TEXAS, WASHINGTON AND WISCONSIN AT RISK IF YOUR FRANCHISE FAILS.

1. The following paragraph is added to the end of Item 3 of the Disclosure Document:

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

2. The following paragraph is added to the end of Item 6 of the Disclosure Document:

With respect to the Late Fee described in Item 6, this Item is amended to disclose that the maximum rate of interest permitted under California law is 10%.

3. The following paragraphs are added at the end of Item 17 of the Disclosure Document:

The Franchise Agreement requires franchisee to sign a general release of claims upon renewal or transfer of the Franchise Agreement. California Corporations Code Section 31512 provides that any condition, stipulation or provision purporting to bind any person

acquiring a franchise to waive compliance with any provision of that law or any rule or order thereunder is void.

California Business and Professions Code Sections 20000 through 20043 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 provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 et seq.).

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

The Franchise Agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

The Franchise Agreement requires binding arbitration. The arbitration will occur in Washington, D.C., with the costs being borne equally by Franchisor and Franchisee. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

The Franchise Agreement requires application of the laws of the District of Columbia. This provision may not be enforceable under California law.

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. See NASAA STATEMENT OF POLICY REGARDING THE USE OF FRANCHISE QUESTIONNAIRES AND ACKNOWLEDGMENTS. <https://www.nasaa.org/wp-content/uploads/2022/11/sop-franchise-questionnaires.pdf>.

California's Franchise Investment Law (Corporations Code sections 31512 and 31512.1) states that any provision of a franchise agreement or related document requiring the franchisee to waive specific provisions of the law is contrary to public policy and is void and unenforceable. The law also prohibits a franchisor from disclaiming or denying (i) representations it, its employees, or its agents make to you, (ii) your ability to rely on any representations it makes to you, or (iii) any violations of the law.

4. The following paragraph is added at the end of Item 19 of the Disclosure Document:

The earnings claims figures do not reflect the costs of sales, operating expenses, or other costs or expenses that must be deducted from the gross revenue or gross sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your Elite Ops business. Franchisees or former franchisees, listed in the offering circular, may be one source of this information.

HAWAII ADDENDUM TO DISCLOSURE DOCUMENT

In the State of Hawaii only, this Disclosure Document is amended as follows:

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

THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, OR SUBFRANCHISOR, AT LEAST SEVEN 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.

Registered agent in the state authorized to receive service of process:

Commissioner of Securities
335 Merchant Street
Honolulu, Hawaii 96813

Registration of franchises or filings of offering circulars in other states. As of the date of filing of this Addendum in the State of Hawaii:

1. A franchise registration is effective or an offering circular is on file in the following states: _____
2. A proposed registration or filing is or will be shortly on file in the following states:

3. No states have refused, by order or otherwise to register these franchises.
4. No states have revoked or suspended the right to offer these franchises.
5. The proposed registration of these franchises has not been withdrawn in any state.

ILLINOIS ADDENDUM TO DISCLOSURE DOCUMENT

In recognition of the requirements of the Illinois Franchise Disclosure Act of 1987, as amended (the “Act”), this Disclosure Document is amended as follows:

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

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

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

Your rights upon termination and non-renewal of a franchise agreement are set forth in sections 19 and 20 of the Act.

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

MARYLAND ADDENDUM TO DISCLOSURE DOCUMENT

In the State of Maryland only, this Disclosure Document is amended as follows:

The following is added to Item 5:

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

The following is added to Item 17:

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

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

You have the right to file a lawsuit alleging a cause of action arising under the Maryland Franchise Law in any court of competent jurisdiction in the State of Maryland.

The Franchise Agreement provides for termination upon bankruptcy of the franchisee. This provision may not be enforceable under federal bankruptcy law.

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

MINNESOTA ADDENDUM TO DISCLOSURE DOCUMENT

In the State of Minnesota only, this Disclosure Document is amended as follows:

- Minnesota Statutes, Section 80C.21 and Minnesota Rules 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.
- With respect to franchises governed by Minnesota law, the franchisor will comply with Minnesota Statutes, Section 80C.14, Subd. 3-5, which require (except in certain specified cases) (1) that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the franchise agreement and (2) that consent to the transfer of the franchise will not be unreasonably withheld.
- The franchisor will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name.
- Minnesota considers it unfair to not protect the franchisee's right to use the trademarks. Refer to Minnesota Statutes, Section 80C.12, Subd. 1(g).
- Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.
- The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rules 2860.4400J. Also, a court will determine if a bond is required.
- The Limitations of Claims section must comply with Minnesota Statutes, Section 80C.17, Subd. 5, which states "No action may be commenced pursuant to this Section more than three years after the cause of action accrues."

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 FRANCHISE 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.

NEW YORK ADDENDUM TO DISCLOSURE DOCUMENT

In the State of New York only, this Disclosure Document is amended as follows:

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 SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, BUREAU OF INVESTOR PROTECTION AND SECURITIES, 28 LIBERTY ST. 21ST FLOOR, NEW YORK, NY 10005. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

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

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

A. No such party has an administrative, criminal or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable civil or misdemeanor allegations.

B. No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.

C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10-year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise,

securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. The following is added to the end of Item 4:

Neither the franchisor, its affiliate, its predecessor, officers, or general partner during the 10-year period immediately before the date of the offering circular: (a) filed as debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its debts under the bankruptcy code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the U.S. Bankruptcy Code during or within 1 year after that officer or general partner of the franchisor held this position in the company or partnership.

4. The following is added to the end of Item 5:

The initial franchise fee constitutes part of our general operating funds and will be used as such in our discretion.

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

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687.4 and 687.5 be satisfied.

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

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

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

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

8. The following is added to the end of the “Summary” 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.

NORTH DAKOTA ADDENDUM TO DISCLOSURE DOCUMENT

In the State of North Dakota only, this Disclosure Document is amended as follows:

THE SECURITIES COMMISSIONER HAS HELD THE FOLLOWING TO BE UNFAIR, UNJUST OR INEQUITABLE TO NORTH DAKOTA FRANCHISEES (NDCC SECTION 51-19-09):

1. Restrictive Covenants: Franchise disclosure documents that disclose the existence of covenants restricting competition contrary to NDCC Section 9-08-06, without further disclosing that such covenants will be subject to the statute.
2. Situs of Arbitration Proceedings: Franchise agreements providing that the parties must agree to the arbitration of disputes at a location that is remote from the site of the franchisee's business.
3. Restrictions on Forum: Requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota.
4. Liquidated Damages and Termination Penalties: Requiring North Dakota franchisees to consent to liquidated damages or termination penalties.
5. Applicable Laws: Franchise agreements that specify that they are to be governed by the laws of a state other than North Dakota.
6. Waiver of Trial by Jury: Requiring North Dakota Franchises to consent to the waiver of a trial by jury.
7. Waiver of Exemplary and Punitive Damages: Requiring North Dakota Franchisees to consent to a waiver of exemplary and punitive damage.
8. General Release: Franchise Agreements that require the franchisee to sign a general release upon renewal of the franchise agreement.
9. Limitation of Claims: Franchise Agreements that require the franchisee to consent to a limitation of claims. The statute of limitations under North Dakota law applies.
10. Enforcement of Agreement: Franchise Agreements that require the franchisee to pay all costs and expenses incurred by the franchisor in enforcing the agreement. The prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney's fees.

OHIO ADDENDUM TO DISCLOSURE DOCUMENT

In the State of Ohio only, this Disclosure Document is amended by adding the following two cover pages to this Disclosure Document:

ELITE OPS FRANCHISING, LLC

May 5, 2024

READ THIS DISCLOSURE DOCUMENT CAREFULLY

The state of Ohio has not reviewed and does not approve, recommend, endorse, or sponsor this or any franchise. If you have any questions about this franchise, the information contained in this disclosure document should be reviewed with an attorney or financial advisor before you sign any agreement.

The following disclosure document contains the disclosures required by Ohio law.

In the State of Ohio only, this Disclosure Document is further amended as follows:

The following is added to Item 19:

CAUTION

Some business opportunity plans have earned this amount. There is no assurance you will do as well. If you rely upon our figures, you must accept the risk of not doing as well.

RHODE ISLAND ADDENDUM TO DISCLOSURE DOCUMENT

In the State of Rhode Island only, this Disclosure Document is amended as follows:

Item 17, summary columns for (v) and (w) are amended to add the following:

Any provision in the franchise agreement restricting jurisdiction or venue to a forum outside Rhode Island or requiring the application of the laws of a state other than Rhode Island is void as to a claim otherwise enforceable under the Rhode Island Franchise Investment Act.

VIRGINIA ADDENDUM TO DISCLOSURE DOCUMENT

In the Commonwealth of Virginia only, this Disclosure Document is amended as follows:

The following is added to Item 5:

The Virginia State Corporation Commission's Division of Securities and Retail Franchising requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to us until we have completed our pre-opening obligations under the Franchise Agreement.

The following statements are added to Item 17(h):

Under Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the Franchise Agreement do 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.

Under Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to use undue influence to induce a franchisee to surrender any right given to him under the franchise. If any provision of the Franchise Agreement involves the use of undue influence by the franchisor to induce a franchisee to surrender any rights given to the franchisee under the franchise, that provision may not be enforceable.

Item 17(t) is amended to read as follows:

Only the terms of the Franchise Agreement and other related written agreements are binding (subject to applicable state law). Any representations or promises outside of the Disclosure Document and Franchise Agreement may not be enforceable.

WASHINGTON ADDENDUM TO DISCLOSURE DOCUMENT

(See Exhibit I for Washington Addendum to Disclosure Document and Rider to Franchise Agreement)

EXHIBIT I

STATE ADDENDA TO FRANCHISE AGREEMENT

ILLINOIS RIDER TO FRANCHISE AGREEMENT

This Rider amends the Franchise Agreement dated _____ (the “Agreement”), between Elite Ops Franchising, LLC, a Maryland limited liability company (“EOF”) and _____, a _____ (“Franchisee”).

1. **Governing Law.** Illinois law governs the Agreement.
2. **Waivers Void.** In conformance with Section 41 of the Illinois Franchise Disclosure Act, notwithstanding any provision of the Agreement to the contrary, any condition, stipulation, or provision purporting to bind Franchisee to waive compliance with any provision of the Illinois Act or any other law of the State of Illinois is void. This Section shall not prevent Franchisee from entering into a settlement agreement or executing a general release regarding a potential or actual lawsuit filed under any of the provisions of this Act, nor shall it prevent the arbitration of any claim pursuant to the provisions of Title 9 of the United States Code.
3. **Jurisdiction.** 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 occur outside of Illinois.
4. **Termination/Non-Renewal.** Franchisee’s rights upon Termination and Non-Renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.
5. **Disclaimers.** No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

Agreed to by:

FRANCHISOR:

FRANCHISEE:

ELITE OPS FRANCHISING, LLC

By: _____
Name: _____
Title: _____
Date: _____

By: _____
Name: _____
Title: _____
Date: _____

INDIANA RIDER TO FRANCHISE AGREEMENT

This Rider amends the Franchise Agreement dated _____ (the “Agreement”), between Elite Ops Franchising, LLC, a Maryland limited liability company (“EOF”) and _____, a _____ (“Franchisee”).

1. Definitions. Capitalized terms used but not defined in this Rider have the meanings given in the Agreement. The “Indiana Acts” means the Indiana Franchise Act and the Indiana Deceptive Franchise Practices Act.

2. Certain Provisions Modified. Any provision of the Agreement which would have any of the following effects is hereby modified to the extent required for the Agreement to be in compliance with the Indiana Acts:

(1) Requiring goods, supplies, inventories, or services to be purchased exclusively from the franchisor or sources designated by the franchisor where such goods, supplies, inventories, or services of comparable quality are available from sources other than those designated by the franchisor. However, the publication by the franchisor of a list of approved suppliers of goods, supplies, inventories, or services or the requirement that such goods, supplies, inventories, or services comply with specifications and standards prescribed by the franchisor does not constitute designation of a source nor does a reasonable right of the franchisor to disapprove a supplier constitute a designation. This subdivision does not apply to the principal goods, supplies, inventories, or services manufactured or trademarked by the franchisor.

(2) Allowing the franchisor to establish a franchisor-owned outlet engaged in a substantially identical business to that of the franchisee within the exclusive territory granted the franchisee by the franchise agreement; or, if no exclusive territory is designated, permitting the franchisor to compete unfairly with the franchisee within a reasonable area.

(3) Allowing substantial modification of the franchise agreement by the franchisor without the consent in writing of the franchisee.

(4) Allowing the franchisor to obtain money, goods, services, or any other benefit from any other person with whom the franchisee does business, on account of, or in relation to, the transaction between the franchisee and the other person, other than for compensation for services rendered by the franchisor, unless the benefit is promptly accounted for, and transmitted to the franchisee.

(5) Requiring the franchisee to prospectively assent to a release, assignment, novation, waiver, or estoppel which purports to relieve any person from liability to be imposed by the Indiana Deceptive Franchise Practices Act or requiring any controversy between the franchisee and the franchisor to be referred to any person, if referral would be binding on the franchisee. This subsection (5) does not apply to arbitration before an independent arbitrator.

(6) Allowing for an increase in prices of goods provided by the franchisor which the franchisee had ordered for private retail consumers prior to the franchisee's receipt of an official price increase notification. A sales contract signed by a private retail consumer shall constitute evidence of each order. Price changes applicable to new models of a product at the time of introduction of such new

models shall not be considered a price increase. Price increases caused by conformity to a state or federal law, or the revaluation of the United States dollar in the case of foreign-made goods, are not subject to this subsection (6).

(7) Permitting unilateral termination of the franchise if such termination is without good cause or in bad faith. Good cause within the meaning of this subsection (7) includes any material violation of the franchise agreement.

(8) Permitting the franchisor to fail to renew a franchise without good cause or in bad faith. This chapter shall not prohibit a franchise agreement from providing that the agreement is not renewable upon expiration or that the agreement is renewable if the franchisee meets certain conditions specified in the agreement.

(9) Requiring a franchisee to covenant not to compete with the franchisor for a period longer than three years or in an area greater than the exclusive area granted by the franchise agreement or, in absence of such a provision in the agreement, an area of reasonable size, upon termination of or failure to renew the franchise.

(10) Limiting litigation brought for breach of the agreement in any manner whatsoever.

(11) Requiring the franchisee to participate in any (A) advertising campaign or contest; (B) promotional campaign; (C) promotional materials; or (D) display decorations or materials; at an expense to the franchisee that is indeterminate, determined by a third party, or determined by a formula, unless the franchise agreement specifies the maximum percentage of gross monthly sales or the maximum absolute sum that the franchisee may be required to pay.

3. Effective Date. This Rider is effective as of the Effective Date.

Agreed to by:

FRANCHISOR:

FRANCHISEE:

ELITE OPS FRANCHISING, LLC

By: _____

Name: _____

Title: _____

Date: _____

By: _____

Name: _____

Title: _____

Date: _____

MARYLAND RIDER TO FRANCHISE AGREEMENT

This Rider amends the Franchise Agreement dated _____ (the “Agreement”), between Elite Ops Franchising, LLC, a Maryland limited liability company (“EOF”) and _____, a _____ (“Franchisee”).

1. Definitions. Capitalized terms used but not defined in this Rider have the meanings given in the Agreement. The “Maryland Franchise Registration and Disclosure Law” means the Maryland Franchise Registration and Disclosure Law, Business Regulation Article, §14-206, Annotated Code of Maryland.

2. Releases, Estoppels and Waivers of Liability. All representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law. The general release required as a condition of renewal shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

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

4. Statute of Limitations. Any claims under the Maryland Franchise Registration and Disclosure Law must be brought within three years after the grant of the franchise.

5. Jurisdiction. Franchisee does not waive its right to file a lawsuit alleging a cause of action arising under the Maryland Franchise Registration and Disclosure Law in any court of competent jurisdiction in the State of Maryland.

6. Deferral of Initial Fees. All initial fees and payments owed by Franchisee shall be deferred until EOF completes its pre-opening obligations under Agreement and Franchisee is open for business.

Agreed to by:

FRANCHISOR:

FRANCHISEE:

ELITE OPS FRANCHISING, LLC

By: _____

Name: _____

Title: _____

Date: _____

By: _____

Name: _____

Title: _____

Date: _____

MINNESOTA RIDER TO FRANCHISE AGREEMENT

This Rider amends the Franchise Agreement dated _____ (the “Agreement”), between Elite Ops Franchising, LLC, a Maryland limited liability company (“EOF”) and _____, a _____ (“Franchisee”).

1. **Definitions.** Capitalized terms used but not defined in this Rider have the meanings given in the Agreement. The “Minnesota Act” means Minnesota Statutes, Sections 80C.01 to 80C.22.

2. **Amendments.** The Agreement is amended to comply with the following:

- Minnesota Statutes, Section 80C.21 and Minnesota Rules 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce (1) any of the franchisee’s rights as provided for in Minnesota Statutes, Chapter 80C or (2) franchisee’s rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.
- With respect to franchises governed by Minnesota law, the franchisor will comply with Minnesota Statutes, Section 80C.14, Subd. 3-5, which require (except in certain specified cases) (1) that a franchisee be given 90 days’ notice of termination (with 60 days to cure) and 180 days’ notice for non- renewal of the franchise agreement and (2) that consent to the transfer of the franchise will not be unreasonably withheld.
- The franchisor will protect the franchisee’s rights to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name. Minnesota considers it unfair to not protect the franchisee’s right to use the trademarks. Refer to Minnesota Statutes, Section 80C.12, Subd. 1(g).
- Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.
- The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rules 2860.4400J. Also, a court will determine if a bond is required.
- The Limitations of Claims section must comply with Minnesota Statutes, Section 80C.17, Subd. 5, and therefore the applicable provision of the Agreement is amended to state “No action may be commenced pursuant to Minnesota Statutes, Section 80C.17 more than three years after the cause of action accrues.”

3. **Effective Date.** This Rider is effective as of the Effective Date.

Agreed to by:

FRANCHISOR:

ELITE OPS FRANCHISING, LLC

By: _____

Name: _____

Title: _____

Date: _____

FRANCHISEE:

By: _____

Name: _____

Title: _____

Date: _____

NEW YORK RIDER TO FRANCHISE AGREEMENT

This Rider amends the Franchise Agreement dated _____ (the “Agreement”), between Elite Ops Franchising, LLC, a Maryland limited liability company (“EOF”) and _____, a _____ (“Franchisee”).

- 1. Definitions.** Capitalized terms used but not defined in this Rider have the meanings given in the Agreement.
- 2. Waivers Not Required.** Notwithstanding any provision of the Agreement to the contrary, Franchisee is not required to assent to a release, assignment, novation, waiver or estoppel which would relieve EOF or any other person from any duty or liability imposed by New York General Business Law, Article 33 (the “New York Franchise Law”).
- 3. Waivers of New York Law Deleted.** Any condition, stipulation, or provision in the Agreement purporting to bind Franchisee to waive compliance by EOF with any provision of the New York Franchise Law, or any rule promulgated thereunder, is hereby deleted.
- 4. Governing Law.** Notwithstanding any provision of the Agreement to the contrary, the New York Franchise Law shall govern any claim arising under that law.
- 5. Effective Date.** This Rider is effective as of the Effective Date.

Agreed to by:

FRANCHISOR:

FRANCHISEE:

ELITE OPS FRANCHISING, LLC

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

NORTH DAKOTA RIDER TO FRANCHISE AGREEMENT

This Rider amends the Franchise Agreement dated _____ (the “Agreement”), between Elite Ops Franchising, LLC, a Maryland limited liability company (“EOF”) and _____, a _____ (“Franchisee”).

1. Definitions. Capitalized terms used but not defined in this Rider have the meanings given in the Agreement.

2. Amendments. The Agreement (and any Guaranty Agreement) is amended to comply with the following:

- (1) Restrictive Covenants: Every contract by which Franchisee, any Guarantor, or any other person is restrained from exercising a lawful profession, trade, or business of any kind is subject to NDCC Section 9-08-06.
- (2) Situs of Arbitration Proceedings: Franchisee and any Guarantor are not required to agree to the arbitration of disputes at a location that is remote from the site of Franchisee’s business.
- (3) Restrictions on Forum: Franchisee and any Guarantor are not required to consent to the jurisdiction of courts outside of North Dakota.
- (4) Liquidated Damages and Termination Penalties: Franchisee is not required to consent to liquidated damages or termination penalties.
- (5) Applicable Laws: The Agreement (and any Guaranty Agreement) is governed by the laws of the State of North Dakota.
- (6) Waiver of Trial by Jury: Franchisee and any Guarantor do not waive a trial by jury.
- (7) Waiver of Exemplary and Punitive Damages: The parties do not waive exemplary and punitive damages.
- (8) General Release: Franchisee and any Guarantor are not required to sign a general release upon renewal of the Agreement.
- (9) Limitation of Claims: Franchisee is not required to consent to a limitation of claims. The statute of limitations under North Dakota law applies.
- (10) Enforcement of Agreement: The prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney’s fees.

3. Effective Date. This Rider is effective as of the Effective Date.

Agreed to by:

FRANCHISOR:

ELITE OPS FRANCHISING, LLC

By: _____

Name: _____

Title: _____

Date: _____

FRANCHISEE:

By: _____

Name: _____

Title: _____

Date: _____

OHIO RIDER TO FRANCHISE AGREEMENT

This Rider amends the Franchise Agreement dated _____ (the “Agreement”), between Elite Ops Franchising, LLC, a Maryland limited liability company (“EOF”) and _____, a _____ (“Franchisee”).

1. Definitions. Capitalized terms used but not defined in this Rider have the meanings given in the Agreement. The “BOPA” means the Ohio Business Opportunity Act, codified in Revised Code of Ohio, Title XIII, Chapter 1334.

2. Applicability of BOPA. Franchisee acknowledges that EOF is providing this Rider out of an abundance of caution, and that neither the execution of this Rider nor any other act of EOF constitutes an intent that BOPA apply to the transaction between EOF and Franchisee or an admission by EOF that the transaction fails to comply in any material respects with the trade regulation rule of the federal trade commission, “disclosure requirements and prohibitions concerning franchising,” 16 C.F.R. 436.1 et seq.

3. No Delivery of Goods or Services during Cancellation Period. EOF will not commence delivery of any goods or provide any services during the time within which Franchisee may cancel the Agreement as provided in Section 5 below.

4. Jurisdiction and Venue. In connection with the sale of the franchise, any provision in the Agreement restricting jurisdiction or venue to a forum outside of Ohio, or requiring the application of laws of another state, is void with respect to a claim otherwise enforceable under Sections 1334.01 to 1334.15 of the BOPA.

5. Cancellation. You, the franchisee, may cancel the transaction at any time prior to midnight of the fifth business day after the date you sign this Agreement. See the attached notice of cancellation for an explanation of this right.

6. Agent for Service of Process. The name and address of EOF’s agent authorized to receive service of process in Ohio is [_____].

Agreed to by:

FRANCHISOR:

FRANCHISEE:

ELITE OPS FRANCHISING, LLC

By: _____

Name: _____

Title: _____

Date: _____

By: _____

Name: _____

Title: _____

Date: _____

OHIO
NOTICE OF CANCELLATION

[Insert Date Agreement Signed by FRANCHISEE]

You may cancel this transaction, without penalty or obligation, within five business days from the above date. If you cancel, any payments made by you under the Agreement, and any negotiable instrument executed by you will be returned within ten business days following Elite Ops Franchising, LLC's receipt of your cancellation notice, and any security interest arising out of the transaction will be cancelled. If you cancel, you must make available to EOF at your business address all goods delivered to you under this agreement; or you may if you wish, comply with the instructions of EOF regarding the return shipment of the goods at EOF's expense and risk. If you do make the goods available to EOF and EOF does not pick them up within twenty days of the date of your notice of cancellation, you may retain or dispose of them without further obligation. If you fail to make the goods available to EOF, or if you agree to return them to EOF and fail to do so, then you remain liable for the performance of all obligations under the Agreement. To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice or any other written notice, or send a telegram, to Elite Ops Franchising, LLC, at 1775 I St., NE, #1150, Washington, D.C. 20006, or send a fax to EOF at *[Insert facsimile number]* or an e-mail to EOF at dj.profit@eliteopsdc.com not later than midnight of *[Insert date that is five business days after the date above]*.

I hereby cancel this transaction.

FRANCHISEE:

By: _____

Name: _____

Title: _____

Date: _____

RHODE ISLAND RIDER TO FRANCHISE AGREEMENT

This Rider amends the Franchise Agreement dated _____ (the “Agreement”), between Elite Ops Franchising, LLC, a Maryland limited liability company (“EOF”) and _____, a _____ (“Franchisee”).

1. Definitions. Capitalized terms used but not defined in this Rider have the meanings given in the Agreement.

2. Jurisdiction and Venue. Any provision of the Agreement restricting jurisdiction or venue to a forum outside the State of Rhode Island or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under Rhode Island Franchise Investment Act.

3. Effective Date. This Rider is effective as of the Effective Date.

Agreed to by:

FRANCHISOR:

FRANCHISEE:

ELITE OPS FRANCHISING, LLC

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

VIRGINIA RIDER TO FRANCHISE AGREEMENT

This Rider amends the Franchise Agreement dated _____ (the “Agreement”), between Elite Ops Franchising, LLC, a Maryland limited liability company (“EOF”) and _____, a _____ (“Franchisee”).

1. Deferral of Initial Fees. All initial fees and payments owed by Franchisee shall be deferred until EOF completes its pre-opening obligations under Agreement and Franchisee is open for business.

Agreed to by:

FRANCHISOR:

FRANCHISEE:

ELITE OPS FRANCHISING, LLC

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

**WASHINGTON ADDENDUM TO DISCLOSURE DOCUMENT
AND
RIDER TO FRANCHISE AGREEMENT**

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.

RCW 19.100.180 may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

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.

A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, rights or remedies under the Act such as a right to a jury trial may not be enforceable.

Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

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.

Agreed to by:

FRANCHISOR:

ELITE OPS FRANCHISING, LLC

By: _____

Name: _____

Title: _____

Date: _____

FRANCHISEE:

By: _____

Name: _____

Title: _____

Date: _____

STATE EFFECTIVE DATES

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the states, 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
Maryland	Pending
Virginia	Pending

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

RECEIPT

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Elite Ops Franchising, LLC offers you a franchise, it must provide this disclosure document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale. New York requires that you be given this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of any franchise or other agreement, or payment of any consideration that relates to the franchise relationship.

If Elite Ops Franchising, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and any applicable state agency (which are listed in Exhibit A).

The name, principal business address, and telephone number of each franchise seller offering the franchise is:

Name	Principal Business Address	Telephone No.
Darrell Profit	300 E. Lombard St, Suite 840, Baltimore, MD 21202	202-587-2781

Issuance Date: May 5, 2024

I received a disclosure document dated May 5, 2024 that included the following Exhibits:

- A. State Administrators and Agents for Service of Process
- B. Franchise Agreement (with Guaranty and Non-Compete Agreement)
- C. Form of General Release
- D. Financial Statements
- E. Operating Manual Table of Contents
- F. Current and Former Franchisees
- G. EFT Authorization Form
- H. State Addenda to Disclosure Document
- I. State Addenda to Franchise Agreement

Signature: _____

Print Name: _____

Date Received: _____

Keep This Copy For Your Records

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Signature: _____

Print Name: _____

Date Received: _____

Return this copy to us.

Elite Ops Franchising, LLC
300 E. Lombard St, Suite 840, Baltimore, MD 21202