FRANCHISE DISCLOSURE DOCUMENT

MOSQUITO SHIELD FRANCHISE, LLC
A Delaware limited liability company
761 W. 1200 N., Ste 300
Springville UT 84057
(508) 316-3429
www.moshieldfranchise.com
franchise@moshield.com

MOSQUITO SHIELD franchisees offer and sell mosquito, tick, flea and other pest control services, as well as complementary services that may be offered from time to time, for residential and commercial customers and municipalities, and such other related goods and services as we may specify.

The total investment necessary to begin operation of a MOSQUITO SHIELD franchise is $120,525 to $162,420. This includes $79,100 that must be paid to us or an 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 to you. To discuss the availability of disclosures in different formats, contact Michael Moorhouse at 761 W. 1200 N., Ste 300, Springville, Utah 84663 or (508) 316-3429.

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: April 8, 2026

How to Use This Franchise Disclosure Document

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

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibit C.
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 Mosquito Shield 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 Mosquito Shield franchisee?	Item 20 or Exhibit C 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 us by mediation and litigation only in Massachusetts. Out-of-state mediation and litigation may force you to accept a less favorable settlement for disputes. It may also cost you more to mediate and litigate with us in Massachusetts than in your own state.

2. **Spousal Liability.** Your spouse must sign a document that makes your spouse liable for your financial obligations under the franchise agreement, even though your spouse has no ownership interest in the business. This guarantee will place both your and your spouse's personal and marital assets, perhaps including your house, at risk if your franchise fails.

3. **Sales Performance Required**. You must maintain minimum sales performance levels. Your inability to maintain these levels may result in loss of any territorial rights you are granted, termination of your franchise, and loss of your investment.

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

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.

ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT PURSUANT TO THE MICHIGAN FRANCHISE INVESMENT LAW

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

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

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

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

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

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

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

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

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

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

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

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

(h) A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the

right to acquire the assets of a franchise for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c).

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

If the franchisor's most recent financial statements are unaudited and show a net worth of less than $100,000, the franchisor shall, at the request of a franchisee, arrange for the escrow of initial investment and other funds paid by the franchisee until the obligations to provide real estate, improvements, equipment, inventory, training, or other items included in the franchise offering are fulfilled. At the option of the franchisor, a surety bond may be provided in place of escrow.

THE 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: Michigan Attorney General’s Office, Consumer Protection Division, Attention: Franchise Section, G. Mennen Williams Building, 1st Floor, 525 West Ottawa Street, Lansing, Michigan 4893, Telephone Number: 517-373-7117.

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ITEM 1

THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

To simplify the language of this disclosure document, "we," "us," or "our" refers to Mosquito Shield Franchise, LLC, the franchisor. "You" or "your" refers to a franchisee under the Franchise Agreement. The franchisee may be a person, corporation, partnership or limited liability company. If the franchisee is a corporation, partnership or limited liability company, "you" does not include the principals of the corporation, partnership or limited liability company.

We are a Delaware limited liability company, originally formed as a corporation, Mosquito Shield Franchise Corporation, in November 2012, and reorganized and renamed as a limited liability company on February 25, 2022. Our principal business address is 761 W. 1200 N., Ste 300, Springville, Utah 84663. We do business under the "MOSQUITO SHIELD" name and associated trademarks, service marks and logos, which are registered on the Principal Register of the United States Patent and Trademark Office. (the "Proprietary Marks").

We are also the developer and manufacturer of the proprietary mosquito, tick and flea treatment products, which include natural ingredients ("Mosquito and Tick Proprietary Blend") that may be used in the System (defined below).

We began offering MOSQUITO SHIELD franchises in January 2013. We do not engage in any other business activity and have never conducted a business or offered franchises in any other line of business; however, in March 2017, we purchased certain assets of JC Franchising Group, LLC, franchisor of the Mosquito Terminator franchise system, including rights to certain Mosquito Terminator trademarks and existing franchise agreements. While neither we nor any of our affiliates offer franchises using the Mosquito Terminator trademarks and operating system, several Mosquito Terminator franchise agreements are still in place.

Our agents to receive service of process are listed in Exhibit A.

Our Parents, Predecessors and Affiliates

Our predecessor company, Mosquito Shield Franchise Corporation was formed in November, 2012 and was reorganized and renamed as a Delaware limited liability company on February 25, 2022. The Certificate of Conversion to reflect this is Exhibit D to this document.

We have a parent company, Mosquito Holdco, Inc., a Delaware corporation, with a principal place of business at 761 W. 1200 N., Ste 300 Springville, Utah. Mosquito Holdco, Inc. was formed on February 23, 2022 and is our owner. Mosquito Holdco, Inc. has not offered franchises in this or any other lines of business previously. This parent is owned by FS PEP Holdco, LLC, an affiliate of Princeton Equity Group, LLC, a private equity firm based in Princeton, New Jersey and in Dallas, Texas. Through such ownership, we have the following affiliates listed below.

Our affiliate, Mosquito Shield, LLC ("MSLLC"), a Massachusetts corporation with a principal place of business at 761 W. 1200 N., Ste 300 Springville, Utah. MSLLC owns the Proprietary Marks and has exclusively licensed use of the Proprietary Marks to us. MSLLC also had operated a mosquito, tick and flea control business in Springville, Utah, using the Proprietary Marks since 2001. MSLLC further had operated a second Mosquito Shield business using the Proprietary Marks in Middlesex County, Massachusetts since 2012.

MSLLC, DFB Management Corp., and NiCorb, Inc. have not offered franchises in any line of business and have not engaged in any other line of business.

BBC Holdings, LLC has offered premium boutique fitness franchises offering high-intensity interval training workouts since 1998, from its principal address of 2214 NW 1st Pl, Miami, Florida 33127. As of December 31, 2025, it had 28 franchised locations.

Five Star Bath, L.L.C. has offered bathroom renovation franchises since 2015, from its principal business address of 761 W. Spring Creek Pl., Springville, Utah 84663. As of December 31, 2025, it had 348 franchises in operation.

Gotcha Covered Franchising, LLC has offered window covering and treatment franchises since 2009, from its principal business address of 6251 Greenwood Plaza Blvd Suite 170, Greenwood Village, CO 80111. As of December 31, 2025, it had 163 franchises in operation.

Ringside Development Company has offered hazardous material cleaning service franchises since 2010, from its principal business address of 761 W. Spring Creek Pl., Springville, Utah 84663. As of December 31, 2025, it had 127 franchises in operation.

1-800-Packouts Franchise LLC has offered contents restoration service franchises since 2015, from its principal business address of 761 W. Spring Creek Pl., Springville, Utah 84663. As of December 31, 2025, it had 57 franchises in operation.

Mosquito Shield Franchise, LLC has offered mosquito treatment service franchises since 2013, from its principal business address of 500 E. Washington St. #24, North Attleboro, Massachusetts 02760. As of December 31, 2025, it had 407 franchises in operation.

Five Star Connect, Inc. has been in the business of delivering support services to franchise systems since 2015, including to us and some of our affiliates; these services include call center, software, and marketing services. The principal business address of Five Star Connect, Inc. is 761 W. Spring Creek Pl., Springville, Utah 84663.

SB Oil Change Franchising, LLC has offered Strickland Brothers 10 Minute Oil Change franchises since 2019, from its principal business address of 301 North Main Street, Suite 1600, Winston Salem, North Carolina 27101. As of December 31, 2025, it had 57 franchises in operation.

CMY Franchising, LLC has offered yard greeting franchises since 2017, from its principal business address of 3917 Double Dome Road, Austin, Texas 78734. As of December 31, 2025, it had 507 franchises in operation.

D1 Sports Franchise LLC, has offered athletic performance training facility franchises since 2015, from its principal address of 7115 S. Springs Drive, Franklin, Tennessee 37067. As of December 31, 2025, it had 157 franchises in operation.

Stretch Zone Franchising LLC has offered Stretch Zone franchises since 2016, from its principal business address of 6700 North Andrews Avenue, # 210, Fort Lauderdale, Florida 33309. As of December 31, 2025, it had 414 franchises in operation.

Pirtek USA LLC has offered hydraulic and industrial hose replacement franchises since 1997, from its principal business address of 300 Gus Hipp Boulevard, Rockledge, Florida 32955. As of December 31, 2025, it had 194 franchises in operation.

Ellie Fam LLC has offered outpatient counseling and therapy clinic franchises since 2021, from its principal business address of 1345 Mendota Heights Road, Suite 800, Mendota Heights, Minnesota 55120. As of December 31, 2025, it had 227 franchises in operation.

KidStrong Franchising LLC has offered "whole child" development program franchises focused on physical fitness, leadership, and confidence building since 2019, from its principal business address of 3801 Parkwood Boulevard, Suite 301, Frisco, Texas 75034. As of December 31, 2025, it had 165 franchises in operation.

Amped Fitness 1, LLC has operated high-value, low-price fitness clubs since 2016, from its principal business address of 2001 N Federal HWY Unit 309 Pompano Beach, Florida 33062. As of December 31, 2025, it had 0 franchises in operation.

Five Star Flooring Franchise, LLC has offered flooring replacement, installation, and repair service franchises beginning in 2026, from its principal business address of 761 W. Spring Creek Pl. #300, Springville, Utah 84663. As of December 31, 2025, it had 0 franchises in operation.

Decorate With Lights Corp. has offered holiday and permanent lighting and decorative service franchises beginning in 2021, from its principal business address of 761 W. Spring Creek Pl. #300, Springville, Utah 84663. As of December 31, 2025, it had 15 franchises in operation.

The Franchise Offered:

We offer franchises for the right to operate a pest control business using the MOSQUITO SHIELD Proprietary Marks and our System (defined below) ("MOSQUITO SHIELD Business"). MOSQUITO SHIELD Businesses will engage in the offer and sale of mosquito, tick, flea and other pest control services for residential and commercial customers and municipalities. The MOSQUITO SHIELD Business features use of the Mosquito and Tick Proprietary Blend as part of our unique combination of process and applications. This treatment is applied at customers' premises by technicians using specialized spray equipment.

You will operate your MOSQUITO SHIELD Business from a specific location and provide mosquito and tick contract services to residential and commercial customers in a defined area ("Area of Primary Responsibility" or "APR"). You will be required to have a vehicle, customized to our specifications, to operate your MOSQUITO SHIELD Business.

We grant franchises to persons who meet our qualifications and are willing to undertake the investment and effort required to own and operate a MOSQUITO SHIELD Business offering the services and products we authorize and approve and using our business formats, methods, procedures, designs, layouts, standards and specifications and the Proprietary Marks, all of which we may supplement, improve, change, remove, further develop, and otherwise modify from time to time (the "System"). We will sell the Mosquito and Tick Proprietary Blendto you for use in the Franchised Business, as described in Items 8 and 11.

Market and Competition:

The market for our franchisees' services and products is well developed and highly competitive. The business is seasonal as described below. You will compete with businesses, including national, regional and local businesses, offering products and services similar to those offered by your franchised business, including other insect control and extermination businesses, and other stores and outlets that sell insect control products. There are other insect and pest control, as well as independent businesses throughout the United States that may offer similar products and services. The business is highly seasonal with the primary selling months being April 1 through October 31 (the "Peak Season"), depending on the climate in your area. Demand for the services is highest in the summer.

Industry Specific Regulations:

You must comply with all local, state and federal laws and regulations that apply to the operation of your MOSQUITO SHIELD Business, including health, sanitation, insurance, discrimination, employment and sexual harassment laws. Health regulations, as well as other state and local specific safety and workplace regulations may impact the types of training, devices and equipment you must make available to or be required to offer to your employees. The health and safety requirements can vary from jurisdiction to jurisdiction and specific inquiry should be made with your state and local authorities. Your franchised business will also be subject to various federal, state and local laws, and regulations affecting the business, including, among others, federal, state and local laws, rules and regulations governing franchising, licensing, permits, zoning, EPA, and federal and state environmental protection statutes, OSHA, and other federal, state and local laws regarding hazardous substances and waste, and various health, sanitation, safety and fire standards. You are also subject to employment laws such as the EEOC, Fair Labor Standards Act, Americans with Disabilities Act and various state laws governing such matters as minimum wages, overtime and working conditions. Your advertising of the franchised business is regulated by the Federal Trade Commission. There may be federal, state and local laws which affect your franchised business in addition to those listed here.

You should investigate whether there are any state or local regulations or requirements that may apply in the geographic area in which you intend to conduct business. You should consider both their effect on your business and the cost of compliance. You are responsible for obtaining all licenses and permits which may be required for your business.

ITEM 2

BUSINESS EXPERIENCE

Michael Moorhouse, President

Michael Moorhouse has been our President since 2022. Previously, he was our Vice President since our inception in November 2012. He has also been Director of Operations of Mosquito Shield, Inc. since March 2011.

Vice President of Franchise Development – Missy Wright

Ms. Wright has been our Director of Franchise Development, working out of our Springville, Utah office and Vice President, and has held this role since May 2024. She was previously Senior Director of Franchise Recruitment for Unleashed Brands in Houston, Texas from September 2021 through March 2024, and previously Director of Franchise Development and Franchise Development Manager for Christian Brothers Automotive Corporation from January 2017 through September 2021. Prior to that, she was Franchise Development Director for Pinot's Pallette in Houston, Texas from July 2014 through December 2016.

Vice President of Operations – Dave Leveque

Mr. Leveque has been our Vice President of Operations, working out of Springville, Utah, and has held this role since March of 2024. He held previous positions including Director of Operations, Director of Development and General Manager of Resale Development with CertaPro Painters, working remotely, from May 2015 through February 2024.

ITEM 3

LITIGATION

No litigation is required to be disclosed in this Item.

ITEM 4

BANKRUPTCY

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

ITEM 5

INITIAL FEES

You must pay an initial franchise fee ("Initial Franchise Fee") when you sign the Franchise Agreement. The amount of the Initial Franchise Fee will depend on the number of territories you purchase and is calculated as follows:

Territory Number	Initial Franchise Fee	Cumulative Initial Franchise Fee
1	$54,500	$54,500
2	$45,000	$99,500
3	$35,000	$134,500
4	$34,500	$169,000
5	$34,000	$203,000
6	$33,000	$236,000
7	$32,000	$268,000
8	$30,000	$298,000
9	$28,000	$326,000
10	$23,500	$349,500

Each territory contains approximately 80,000 single-family homes. In our sole discretion, we may allow you to purchase a larger territory, and the initial franchise fee will increase by $1.00 per each additional single-family home over 80,000 in each territory.

The entire cumulative Initial Franchise Fee is fully earned and non-refundable in consideration of administrative and other expenses incurred by us in granting this franchise and for our lost or deferred opportunity to enter into the Franchise Agreement with others.

If you need to obtain financing for the purchase of the franchise, you may pay us 10% of the Initial Franchise Fee without signing the Franchise Agreement and we will reserve a territory for you. You will be required to sign our Deposit Agreement in the form attached as Exhibit F. Upon securing your financing, you will sign our Franchise Agreement and pay the balance to us.

From time to time, we may offer special incentive programs as part of our franchise development activities. We reserve the right to offer, modify or withdraw any incentive program without notice to you.

You will receive a Franchise Starter Package from us that includes a laptop computer prepped for opening, platform set up, three month supply of pest control products, business email, three months of ProNexis Sale Center services (including its set up fee), three months of Pocomos OS services, a starter set of marketing materials for grass root efforts (signs, brochures, etc), three months of SEO sevices and review cultivation, and hotel expenses associated with training. The fee for the Franchise Starter Package is $23,600, in addition to your Initial Franchise Fee. The Franchise Starter Package is deemed fully earned by us once paid and is non-refundable.

The current cost to customize the vehicle that you will use in the operation of your MOSQUITO SHIELD Business is $13,890. The customization includes a customized dual-tank rapid refill system, two (2) custom backpack blowers, shelving, storage, first-aid and spill kits and external graphics. This cost is included as part of the purchase price of the vehicle if you purchase and finance your vehicle through the designated manufacturer. If you obtain a vehicle that meets our specifications through an alternate source, or if you chose not to finance, you must pay us the $20,470 customization fee, and we will arrange to have your vehicle customized for you. One-half of this fee is due within thirty (30) days of signing the Franchise Agreement. The balance is due when we complete the customization. See Items 7, 8 and 11. Your vehicle must be customized by our approved vendor or by us. You are not allowed to customize your vehicle yourself, and you are not allowed to modify or add to your vehicle in any capacity, including but not limited, to interior components and external graphics, without our prior approval. It is a material default of the franchise agreement to customize your vehicle in violation of our requirements.

You will pay us a $1,000 Annual Conference Registration Deposit, due within seven (7) days of execution of your franchise agreement, which will be applied to the actual attendance fee for your first attendance at the first annual conference available to you after you have completed your training. If any portion of this deposit is not required as part of that annual conference attendance or registration fee, it will be credited to you on your invoice following the annual conference. This deposit will apply toward the registration fee, but does not include travel expenses associated with your attendance, which you must pay as arranged with providers of the related travel services.

Fees paid to us for the initial inventory of Mosquito and Tick Proprietary Blend, initial software access, and van customization are not refundable.

ITEM 6

OTHER FEES

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
Royalty	8% of: actual Gross Sales[1] or Minimum Gross Sales (see Item 12), whichever is greater.	Wednesday following the close of each calendar week (Monday through Sunday)	We will withdraw these payments from a preauthorized direct transfer account, as described in the Franchise Agreement, or by any other method as we may specify in the Operations Manual.
Brand Fund Fee	2% of Gross Sales[1]	Wednesday following the close of each calendar week (Monday through Sunday)	Paid to us to spend on advertising, marketing, and promotional programs.
Local Advertising	The greater of $50,000 or 10% of your gross revenues	As incurred	Each year after the first year, you are required to spend the greater of $50,000 or 10% of your gross revenues on local advertising.
Advertising Cooperative	Currently $0. Maximum of $25,000 per calendar year, unless a greater amount is approved by	As determined by Cooperative	No cooperatives have been established as of the date of this Disclosure Document. You are required to join an advertising cooperative if one is formed. Cooperatives will

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
	two- thirds of Cooperative members.		be comprised of all franchised and franchisor-owned MOSQUITO SHIELD Businesses in a designated geographic area. All contributions to an Advertising Cooperative will be credited toward your Local Advertising Expenditure.
Software/Applications and Tech Fees	Then-current rates, as established by vendors	Monthly, as required by us or the third-party provider(s)	Payable to us or approved provider(s). We reserve the right to replace or add required software or software-as-a-service offering at any time.
Accounting Software Fees	$0 to $250 per month	As incurred.	If we designate accounting software as a requirement for franchisee use, you must use the designated accounting software provided by our designated vendor(s). This fee is paid directly to the vendor.
Bookkeeping Service Fees	Then-current rates, presently $200 to $500 per month, subject to increase	Monthly, as due with the approved vendor.	You must obtain bookkeeping services with an approved or designated vendor, to assist with recordkeeping and reporting. Your use of these services will be subject to that vendor's then-current fees.
Sales Center Fee	Then-current fee (currently, $300-$750 per month, based on size of location), subject to increase.	Monthly, as per Sales Center invoice to you.	Payments may be made to 3rd party Sales Center. We have the right to require you to use the Sales Center for all calls.
Interest on Late Payments	18% or maximum allowed by law.	When you pay us the overdue amount	Paid to us if you are thirty (30) or more days overdue on payment of any amounts you owe us. Interest accrues from the due date until the date paid.

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
Additional Training Fee	Currently, $250 per 8-hour day, plus our out-of-pocket expenses	As incurred	If you request additional training, or we require you to receive additional training based on the performance of you and/or the Franchised Business, you must pay us our then-current training fee, plus our out-of-pocket expenses, including transportation, meals and lodging costs, if travel to the Franchised Business is deemed necessary by us.
Per Diem Assistance Fee	Currently, $250 per 8-hour day	As incurred	We will furnish additional guidance and assistance relating to the operation of the business and, in such a case, we may, in our discretion, charge the per diem fees and charges we establish from time to time in the Operations Manual or otherwise in writing.
Replacement of Operations Manual	Then-current charge	As incurred	If any paper copy of the Operations Manual provided by us is lost, destroyed or significantly damaged, you must obtain a replacement copy at our then-applicable charge.
Inspection Costs	Cost of inspection	As incurred	If deficiencies are detected during any inspection, you will be responsible for our costs and expenses of any re-inspection. If we correct any deficiencies, we have the right to charge you a reasonable fee for our expenses based on the actual costs we incur.
Non-Reporting Fee	$25 per day	Each day that you have failed to deliver reports or	You will be charged this fee for each report or record which you have agreed to deliver to us, per day, beginning the first day

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
		records due to us.	following the due date on which you have not reported, and continuing through the date when you deliver such reports or records.
Auditing Costs	Cost of audit	As incurred	If an audit shows that any income or sales have not been reported or have been understated by 2% or more, then you must pay us the amount underpaid, plus interest, plus our costs and expenses in connection with the audit.
Insufficient Funds Fee	$100 per occurrence	As incurred	If your check is returned or an electronic funds transfer from your bank account is denied for insufficient funds, we may charge you, for each occurrence, an Insufficient Funds Fee.
Transfer Fee	$15,000. Note, any sales commission owed as a result of your transfer shall remain your obligation, in addition to the Transfer Fee.	Time of transfer	Paid to us if there is a transfer under the Franchise Agreement.
Renewal Fee	$1,000	Time of renewal	Paid to us if you renew your rights under the Franchise Agreement.
Costs and Attorney's Fees	Reimbursement of our actual costs	As incurred	You must pay all expenses, including attorneys' fees and costs, incurred by us, our affiliates, and our successors and assigns to remedy any of your defaults of, or enforce any of our rights under, the Franchise Agreement; to effect termination of the Franchise Agreement; and to collect any amounts due

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
			under the Franchise Agreement.
Evaluation Fee	A reasonable fee not to exceed $2,500	As incurred	Paid to us for evaluation and testing of a proposed supplier.
Annual Conference Fee	The reasonable and then-current published rate for attendance at our annual conference.	When registration opens.	Paid to us for planning and conducting the annual conference. Your expenses associated with attendance (travel, lodging, ground transportation) will be in addition to the registration fee and will remain your responsibility as you make arrangements with those travel providers.

Unless otherwise indicated, all of the fees listed in the table are non-refundable and are uniformly imposed by, payable to, and collected by us.

Notes:

1. "Gross Sales" means all revenues you derive from operating your MOSQUITO SHIELD Business conducted upon, from or with respect to the MOSQUITO SHIELD Business, whether such sales are evidenced by cash, check, credit, charge, account, barter or exchange. Gross Sales includes monies or credit received from the sale of products, from tangible property of every kind and nature, promotional or otherwise. Gross Sales does not include good faith refunds, adjustments, discounts, credits and allowances actually made by your MOSQUITO SHIELD Business. Discounts, however, shall not exceed 25% of your standard retail prices, and any sale that has been discounted in excess of 25% of your standard retail price shall be included in Gross Sales at an amount no less than 75% of your standard retail price. Gross Sales also excludes any sales taxes or other taxes collected from customers by you and paid directly to the appropriate taxing authority.

ITEM 7

ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT (Note 14)
(1 Territory)

TYPE OF EXPENDITURE	AMOUNT LOW-HIGH		METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
Initial Franchise Fee	$54,500	$54,500	Lump sum	When you sign the Franchise Agreement	Us
Annual Conference Registration Deposit	$1,000	$1,000	Lump Sum	Within 7 days of signing the Franchise Agreement.	Us.
Customized Vehicle (Note 1)	$2,100	$20,470	As arranged	Upon purchase or as required by financing company. If you obtain your vehicle through a source other than the designated manufacturer or chose not to finance, then one- half of the customization fee (see Item 5) is due within thirty (30) days of signing the Franchise Agreement. The balance is due when we complete the customization.	Approved Supplier. If you obtain your vehicle through a source other than our designated supplier or chose not to finance, then you will need to pay the customization fee which is presently $20,470 to us directly, subject to change on 30 days' notice.
Lease and Utility Deposits (Note 2)	$0	$1,500	As arranged	As incurred	Landlord, utility companies
Storage-Related Expenses (Note 3)	$0	$1,200	As arranged	As incurred	Suppliers
Franchise Starter Package (Note 4)	$23,600	$23,600	Lump sum	Upon signing the Franchise Agreement	Us
Business Management Software (Note 6)	$250	$250	As arranged	Before commencing operations	Supplier

TYPE OF EXPENDITURE	AMOUNT LOW-HIGH		METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
Local Advertising Expenditure (Note 5)	$35,000	$50,000	As arranged	An initial $35,000 advertising expenditure must be made during the ninety (90) days prior to and during the commencement of your first Peak Season; however, this expenditure may be postponed to the following Spring if you open your MOSQUITO SHIELD Business after July 31. You are also required to purchase an approved trade show display and promotional materials within 90 days of signing the Franchise Agreement.	Suppliers
Training Expenses (Note 6)	$1,500	$2,700	As arranged	As incurred	Suppliers
Insurance Premiums (Note 7)	$675	$900	Lump sum or Periodic	Before commencing operations and as arranged	Insurance Provider
Professional Fees (Note 8)	$350	$1,200	As arranged	As incurred	Attorney, accountant
Licenses and Permits (Note 9)	$50	$100	As arranged	As incurred	Governmental agencies
Additional Funds -- 3 months (Note 10)	$1,500	$5,000	As arranged	As incurred	Suppliers
TOTAL	**$120,525 to $162,420**				

Unless noted otherwise, all fees and payments described in this Item 7 are non-refundable.

Notes:

1. These estimates represent three (3) months of vehicle financing payments, or payment of the customization fee if you obtain a vehicle meeting our specifications from a source other than our approved supplier or chose not to finance. We currently require a 2021 or newer vehicle of our approved make(s) and model(s). We have made arrangements through our supplier to finance the vehicle purchase and the $20,470 customization together. The full cost of the required vehicle with customization is approximately $59,800, based on purchasing a base model at the MSRP established by the vendor, plus the cost to customize, both of which may increase as the vendor or as our costs change. At your request, we may consider a different vehicle, provided that it is less than two years old at the time of purchase and otherwise meets our approval, in our sole discretion. You may incur additional costs for us to customize your vehicle for you. If you request an approved vehicle be equipped with enhanced features above our requirements, you may incur further additional costs. The full cost may vary, in the event that our supplier increases its vehicle pricing.

2. You may operate your MOSQUITO SHIELD franchise from your personal residence. If you choose not to operate your MOSQUITO SHIELD franchise from your personal residence, you will need to rent office and storage space. We estimate that you will need approximately 1,200 square feet of space for storage and a small office. This estimate in the Table includes the cost of a security deposit if the Premises are leased.

3. The estimate provided would cover shelving or partitioning for storage of inventory, marketing materials and samples at your storage facility, signage and winterization of materials. Signage at your storage facility is optional, and may be placed anywhere upon the facility, at your discretion, subject to the requirements of the local code and your landlord. You are required to "winterize" the vehicle's tank system with antifreeze, at an approximately cost of $8.00 to $12.00.

4. You will acquire a Franchise Starter Package from us that includes a laptop computer prepped for opening, platform set up, three month supply of pest control products, business email, three months of ProNexis Sale Center services (including its set up fee), three months of Pocomos OS services, a starter set of marketing materials for grass root efforts (signs, brochures, etc), three months of SEO sevices and review cultivation, and hotel expenses associated with training. The fee for the Franchise Starter Package is $23,600, in addition to your Initial Franchise Fee. The Franchise Starter Package is deemed fully earned by us once paid and is non-refundable.

5. You must spend a minimum of $35,000 on local marketing for a single unit territory in a 6-month season for the ninety (90) days prior to and during the commencement of your first Peak Season, unless we approve a lesser amount in writing. If you purchase additional territories or your territory has a longer season, additional marketing funds to support growth may be required. This expenditure may be postponed to the following Spring if you open your MOSQUITO SHIELD Business after July 31. Beginning the second calendar year of operation, you are required to spend annually the greater of 10% of Gross Sales or $50,000 on local advertising. You are also required to purchase an approved trade show display, promotional materials and items, currently available through our suppliers within 90 days of signing the Franchise Agreement. This satisfies your local advertising requirement for Year 1, thereafter you are required in subsequent years to spend a minimum of $50,000 per year on local marketing.

6. This estimate includes the travel and food expenses of up to three people to attend up to five days of initial training.

7. Before opening, you must purchase the insurance coverage we require, which will include vehicle, property and liability coverage. The figures in the table are an estimate of your premiums for the first three months of coverage. The estimated annual premiums are $2,700 to $3,600.

8. The estimate would cover your initial consultation with legal, accounting, and financial advisors regarding this franchise opportunity.

9. You must obtain all required control materials application and storage licenses, permits, certifications, and other business licenses. A permit may also be required for parking of commercial vehicles. To the extent you are not immediately eligible for such licenses, you will need to arrange for use of another license until you can obtain it yourself.

10. The expenses in this Item 7 are estimates of your initial investment in one franchise location before commencing operations and for the first 3 months of operation. We have relied upon the expenditures paid by, and the experience of, our affiliate in determining these estimates. The estimates do not include your salary, if any, part-time employees, rent, utilities, or other operating expenses. We estimate that a franchisee can expect to put additional cash into the business during at least the first three to six months, and sometimes longer.

We do not offer direct or indirect financing to franchisees for any items included in this section.

ITEM 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

All equipment and products sold or offered for sale at the MOSQUITO SHIELD Business must meet our then-current standards and specifications, as established in the Operations Manual or otherwise in writing. Except as otherwise provided in the Franchise Agreement, you must purchase all equipment and products used or offered for sale at the MOSQUITO SHIELD Business for which we have established standards or specifications solely from approved suppliers (including distributors and other sources) which demonstrate, to our continuing reasonable satisfaction, the ability to meet our standards and specifications, and who have been approved by us in the Operations Manual or otherwise in writing.

You must purchase from us or our affiliate the Mosquito Shield and Tick Shield Protection Blends, any other or alternative approved application products, and such additional products we designate at our then-current prices as designated in the Operations Manual. We have the right to require you to purchase any or all approved services, products, equipment, or merchandise used in the MOSQUITO SHIELD Business solely from us or our affiliate. If we do not so require, you must only purchase such items or services from approved suppliers at their established rates, subject to change from time to time. Your use of the Mosquito Shield and Tick Shield Protection Blends must be done at our required rates. We reserve the right to charge you for the amount of Mosquito Shield and Tick Shield Protection Blends that should be used annually based on our required rates, as outlined in the Operations Manual, for the total number of customers you serve. Other than us or our affiliates disclosed in Item 1, there are no other approved suppliers in which any of our officers owns and interest.

You must purchase or lease at least one vehicle for operation of the Franchised Business, which must contain racking systems, shelving, and external graphic wrap as we require in the Operations Manual or in writing from time to time. You must have one technician operating in each vehicle at all times.

You must obtain and maintain insurance at all times during your Franchise Agreement. Your policy must insure against any demand or claim with respect to personal injury, death or property damage, business interruption, or any loss, liability or expense whatsoever arising or occurring upon or in connection with the MOSQUITO SHIELD Business, including, but not limited to, commercial general liability insurance (including products/completed operations), personal injury coverage, public liability insurance, property insurance (including, but not limited to, fire, vandalism, and malicious mischief insurance for the replacement value of the MOSQUITO SHIELD Business and its contents), specialty coverage to protect against injury or death from product application, casualty insurance, business interruption insurance, statutory workers' compensation and employer's liability insurance, and automobile insurance coverage for all Vehicle(s) and other vehicles used in connection with the operation of the MOSQUITO SHIELD Business. Such policy or policies shall be written by a responsible carrier or carriers acceptable to us with an AM Best rating of "A" or higher. The commercial general liability policy shall name us and our subsidiaries and affiliates as additional insureds, specifically including additional insured rights within the completed operations coverage grant and including coverage that indemnifies and holds us harmless. All other policies shall provide us with thirty (30) days' notice of cancellation. All policies shall provide at least the types and minimum amounts of coverage specified in the Operations Manual. We shall have the right, from time to time, to make such changes in minimum policy limits and endorsements in the Operations Manual or otherwise in writing as it may determine in its reasonable discretion. Your policy must name us as an additional insured, and you must provide us copies of Certificates of Insurance.

You are required to obtain and keep in force by advance payment of premium appropriate liability insurance of the kind and in amounts set forth in the Operations Manual. The insurance will include, at a minimum, the following:

A. Comprehensive general liability insurance, including and products liability, completed operations, property damage, contractual liability, independent contractors liability, owned and non-owned and hired automobile coverage, and personal injury coverage with a combined single limit of at least **$1,000,000** per occurrence and **$2,000,000** aggregate, including umbrella coverage.

B. Workers' compensation and employer's liability insurance, and other insurance required by statute or rule of the state in which the franchise is located and operated.

C. Business interruption and lost profit insurance.

D. Employer Practice liability insurance.

E. Automobile liability insurance, including owned, non-owned, leased and hired vehicle coverage, with a combined single limit of at least $1,000,000 for death, personal injury and property damage.

If you desire to purchase products from a party other than an approved supplier, you must submit to us a written request to approve the proposed supplier, together with such evidence of conformity with our specifications as we may reasonably require. We have the right to require that our representatives be permitted to inspect the supplier's facilities, and that samples from the supplier be delivered for evaluation and testing either to us or to an independent testing facility that we designate. You must pay a charge not to exceed the reasonable cost of the evaluation and testing. We will use our best efforts, within 90 days after our receipt of the completed request and completion of all evaluation and testing (if required by us), to notify you in writing of our approval or disapproval of the proposed supplier. You may not sell or offer for sale any products of the proposed supplier until you receive our written approval of the proposed supplier. We may from time to time revoke our approval of particular products or suppliers when we determine that such products or suppliers no longer meet our standards. Upon receipt of written notice of such revocation, you must cease to sell any disapproved products and cease to purchase from any disapproved supplier.

We will provide you with specifications for approved products, but we are not required to make these specifications available to prospective suppliers if we deem them to be confidential.

We or our affiliates may derive revenue from your required purchases, including a reasonable administrative fee if we provide payment processing, reporting, or other services on behalf of a supplier or vendor. We derived $174,629.44 in rebate revenue from franchisee required purchases in our last fiscal year, January 1 – December 31, 2025, which comprised 3.07% of our total revenue of $5,691,440.88. Our affiliate, ProNexis, derived $37,789.98 from franchisee required purchases in our last fiscal year.

We estimate that your purchase or lease of products, supplies and services from approved suppliers (or those which meet our specifications) will represent approximately 10-15% of your costs to establish your MOSQUITO SHIELD Business and approximately 7-9% of your costs for ongoing operation.

There are no purchasing or distribution cooperatives related to our franchises. We do not provide any material benefit to franchisees for use of approved suppliers. We may negotiate purchase arrangements with some of our suppliers (including price terms) for the benefit of our franchisees, but we are under no obligation to do so. We do not currently receive payment, in the form of preferred pricing, from any suppliers due to such suppliers' transactions with us or our franchisees.

ITEM 9

FRANCHISEE'S OBLIGATIONS

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

OBLIGATION	SECTION IN FRANCHISE AGREEMENT	DISCLOSURE DOCUMENT ITEM
a. Site selection and acquisition/lease	1.2	11
b. Pre-opening purchases/leases	5 and 7	5, 6, 7 and 8
c. Site development and other pre-opening requirements	5 and 7	11
d. Initial and ongoing training	6	6, 7 and 11
e. Opening	5	11
f. Fees	4	5, 6 and 7
g. Compliance with standards and policies / Operations Manual	7 and 9	8 and 11
h. Trademarks and proprietary information	8 and 9	13 and 14
i. Restrictions on products/services offered	7	8 and 16
j. Warranty and customer service requirements	Not Applicable	11
k. Territorial development and sales quota	1.3, 7.3	12
l. Ongoing product/service purchases	7	8
m. Maintenance, appearance and remodeling requirements	7	6, 8 and 11
n. Insurance	13	6 and 7
o. Advertising	12	6, 7 and 11
p. Indemnification	20.3	6
q. Owner's participation/management/staffing	7.8 and 17.1	11 and 15
r. Records/reports	11	6
s. Inspections/audits	3.11, 7.13, 11.4	6 and 11
t. Transfer	14	17
u. Renewal	2.2	17
v. Post-termination obligations	16, 17.3	17

OBLIGATION	SECTION IN FRANCHISE AGREEMENT	DISCLOSURE DOCUMENT ITEM
w. Non-competition covenants	17.2, 17.3	17
x. Dispute resolution	26	17
y. Guaranty	18.4, Attachment 5	15

ITEM 10
FINANCING

Neither we nor any agent or affiliate offers direct or indirect financing to you, guarantees any note, lease or obligation of yours, or has any practice or intent to sell, assign or discount to a third party all or any part of any financing arrangement of yours.

ITEM 11

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

Except as described below, Mosquito Shield Franchise, LLC is not required to provide you with any assistance.

Pre-Opening Obligations

Before commencing operation of your MOSQUITO SHIELD Business, we are required to provide the following to you:

1. We will furnish to you, at no charge, standards and specifications for the operation of a MOSQUITO SHIELD Business, including requirements for application equipment and other equipment, image, signs and procedures (Franchise Agreement, Section 3.1);

2. We will provide initial training for up to three people, including you, your Operations Manager, and your technician (Franchise Agreement, Sections 3.2 and 6.1);

3. We may make available to you advertising and promotional materials for your opening advertising, and other materials that you must reproduce at your expense (Franchise Agreement, Section 3.4). We provide you with the names of approved suppliers for such equipment, signs, fixtures, opening inventory, and supplies as will be needed by you in order to open. Apart from this assistance, we do not provide assistance in obtaining these or in delivery or installation of them. If we do provide you with advertising and promotional materials, you may obtain them from our then current supplier or approved marketing company;

4. We will either loan you one paper copy of our Operations Manual or provide you with electronic access to the Operations Manual (via Internet, extranet, or other electronic means) for the

term of the Franchise Agreement upon your completion of our initial training program to our satisfaction (Franchise Agreement, Sections 3.5 and 9). This Operations Manual will provide you assistance in establishing your prices, but will not set minimum or maximum prices at which you must sell products and services;

5. We or an affiliate will make available for sale to you the Mosquito and Tick Proprietary BlendMosquito and Tick Proprietary Blend and other products we designate for use in the System at our then-current prices (Franchise Agreement, Section 3.6);

6. Upon payment of the fee described in Item 5 above, we will customize your Vehicle(s) and provide initial equipment for use with them, including our custom dual-tank rapid refill system, two (2) custom backpack blowers, shelving, storage, first-aid and spill kits and external graphics. We will provide you with a list of initial equipment and related products and accessories for the MOSQUITO SHIELD Business for purchase from our affiliate or a supplier we designate (Franchise Agreement, Section 3.7);

7. Upon payment of the fee described in Item 5 above, we will set up your business operations platforms, which includes a webpage and social media accounts; and

8. We will permit you to use our custom Required Software. (Franchise Agreement, Section 3.9)

Continuing Obligations

After you commence operation of your MOSQUITO SHIELD Business, we are required to provide the following to you:

1. upon your request, or as we determine to be appropriate, and at our discretion, we may provide you with on-site training and assistance at your location.;

2. We may make available to you advertising and promotional materials at your expense (Franchise Agreement, Section 3.4). If we do provide you with advertising and promotional materials, you may obtain them from our then current supplier or approved marketing company;

3. We or an affiliate will make available for sale to you the Mosquito and Tick Proprietary BlendMosquito and Tick Proprietary Blend and other products we designate for use in the System at our then-current prices (Franchise Agreement, Section 3.6);

4. We will furnish guidance to you from time to time, as we deem appropriate in our sole discretion, on the following matters concerning the System: standards, specifications and operating procedures and methods to be utilized; purchasing required and recommended goods, equipment, materials, supplies and services; advertising and marketing programs; employee training; and administrative bookkeeping and accounting procedures (Franchise Agreement, Section 3.8);

5. We will administer a brand promotion fund ("Brand Fund") for advertising, marketing and public relations programs and materials as we deem necessary and appropriate in our sole discretion (Franchise Agreement, Section 3.10);

6. We will arrange for you to use a national Sales Center ("Sales Center") to handle in-bound customer calls (Franchise Agreement, Section 3.11); and

7. We will conduct, as we deem advisable in our sole discretion, inspections of the Premises or your customers' homes and your operation of the Franchised Business at any time during regular business hours (Franchise Agreement, Section 3.12).

Site Selection

You must operate the MOSQUITO SHIELD Business only at a location and adjacent or separate storage facility(ies) approved by us, which may include your home, a storage unit, warehouse space, or comparable location we approve. Our approval will depend on you having adequate office space to operate the Franchised Business and sufficient storage space to store the Mosquito and Tick Proprietary Blend, other inventory, and equipment. You must obtain a location and storage facilities in time for you to commence operation of your franchise within 180 days after signing the franchise agreement. If you do not open the Franchised Business within this time period, we will have the right to terminate your Franchise Agreement.

You may not commence operation of the MOSQUITO SHIELD Business until: (a) you and your employees have completed the Initial Training Program to our satisfaction; (b) you have acquired Vehicle(s) that we have customized for operating the MOSQUITO SHIELD Business and occupied the Premises approved by us; (c) all amounts then due to us or our affiliates have been paid; (d) we have been furnished with copies of all insurance policies required by the Franchise Agreement, or other evidence of insurance coverage and payment of premiums we request; (e) we have been furnished with evidence we reasonably request that you possess the necessary control materials application equipment and other equipment and initial inventory as we require for you to operate the MOSQUITO SHIELD Business; and (f) you provide proof that you have received the state required licensing to operate your business, including but not limited to, business license, pesticide license, and applicator license.

Typical Length of Time Between Signing Franchise Agreement and Commencing Operation of Franchised Business

We estimate the length of time between the signing of the franchise agreement and commencing operation of the MOSQUITO SHIELD franchise is approximately 60 to 180 days. Your ability to purchase or lease equipment, and purchase services, materials or supplies may affect this time period. You must commence operation of your MOSQUITO SHIELD Business within 180 days after signing of the franchise agreement, unless otherwise agreed by both parties.

Advertising

Standards and Approval. All advertising and promotion by you must be in such media and of such type and format as we approve, must be conducted in a dignified manner, and must conform to our standards and requirements. You may not use any advertising or promotional plans or materials until you have received written approval from us. (Franchise Agreement, Section 12.5.) You may use your own advertising materials, provided that we first approve them. To request our approval, you must submit to us samples of all advertising and promotional plans and materials for any print, broadcast, cable, electronic, computer or other media (including the Internet) that you desire to use and that have not been prepared or previously approved by us within the preceding 6 months for our prior approval. You may not use such plans or materials until they have been approved in writing by us. If written notice of disapproval is not received by you from us within 14 days, we will be deemed to have approved them. If we require it, you must order all advertising and promotion through Us, our affiliate or our designated supplier. (Franchise Agreement, Section 12.6.)

Opening Advertising. You must conduct initial local marketing for the MOSQUITO SHIELD Business within the first 60 days that the MOSQUITO SHIELD Business is in operation or such other time that we require in writing. You must spend a minimum of $35,000 on local marketing for a single unit territory in a 6-month season, unless we approve a lesser amount in writing. If you purchase additional territories or your territory has a longer season, additional marketing funds to support growth may be required. In addition, you must expend between $5,000 and $15,000 in the same calendar year for additional local marketing and promotion. You are required to purchase a trade show display and promotional materials within 90 days of signing the Franchise Agreement. (Franchise Agreement, Section 12.1.)

Local Advertising. In addition to the opening advertising and advertising funds described above and below, in each calendar year after the first calendar year that your MOSQUITO SHIELD Business is open for business, you must spend a minimum of the greater of (a) $50,000 or (b) 10% of Gross Sales, on local marketing, advertising, and promotion in such manner as we may, in our sole discretion, direct in the Operations Manual or otherwise in writing from time to time. If we determine that you have not spent the requisite amounts, we may require you to pay such unexpended amounts into the Brand Fund. (Franchise Agreement, Section 12.2.)

Brand Fund. We will establish a MOSQUITO SHIELD Brand Fund to which all MOSQUITO SHIELD franchisees are required to contribute. Payments to the Brand Fund are payable weekly in the same manner as the Royalty due under the Franchise Agreement. You must contribute 2% of Gross Sales for the preceding week to the Brand Fund. (Franchise Agreement, Section 12.3.) We and our affiliate will contribute to the Brand Fund on the same basis as franchisees are generally required to contribute.

We direct all marketing programs of the Brand Fund, with sole discretion over the concepts, materials, and endorsements used in such programs and the geographic market and media placement and allocation of them. The Brand Fund's advertising may be disseminated in print, radio, or television, and may be local, regional, or national in scope. The source of the advertising is from in-house or Franchisor approved advertising, but we reserve the right to use an outside agency in the future. The Brand Fund, all contributions to it, and any of its earnings, are used exclusively to meet any and all costs of maintaining, administering, directing, conducting and preparing advertising, marketing, public relations, and/or promotional programs and materials, and any other activities which we believe will enhance the image of the System, including, among other things, the costs of preparing and conducting radio, cable television and print advertising campaigns; developing, maintaining, and updating a Web site on the Internet; direct mail advertising; marketing surveys; employing advertising and/or public relations agencies to assist; purchasing promotional items; and providing promotional and other marketing materials and services to the businesses operating under the System. (Franchise Agreement, Section 12.3.2.)

The Brand Fund will be accounted for separate from our other funds, and will not be used to defray any of our general operating expenses, except we retain the right to obtain reimbursement from the Fund for our out-of-pocket costs and expenses incurred in administering the Brand Fund, for monies contributed to the Brand Fund to reimburse us for administrative costs and overhead incurred by us in any activities related to the administration of the Brand Fund and its programs, and a pro rata portion of the salaries of personnel who spend time on Fund-related matters. We may spend, on behalf of the Brand Fund, in any fiscal year, an amount that is greater or less than the aggregate contribution of all MOSQUITO SHIELD businesses to the Brand Fund in that year and the Brand Fund may borrow from us or others to cover deficits or invest any surplus for future use. All interest earned on monies contributed to the Brand Fund will be used to pay advertising costs before other assets of the Brand Fund are expended. We will prepare an annual statement of monies collected and costs incurred by the Brand Fund and furnish the statement to you upon written

request. The financial statements of the Brand Fund are not audited. We will account for contributions to the Brand Fund separate from other amounts we receive. (Franchise Agreement, 12.3.3.) We will not use any monies contributed to the Brand Fund for the solicitation of the sale of franchises, except to the extent such solicitation may be used for advertising on our website. In our most recently concluded fiscal year ending December 31, 2025, all Brand Fund contributions were used as follows: 3.1% for software/website support, 69% for administration, and 27.9% for media placement and creation (print and online). Expenses exceeded amounts received, so there was no surplus.

Except as indicated above, we do not receive payment for providing goods or services to the Brand Fund. We have no obligation to make expenditures that are equivalent or proportionate to your Brand Fund contribution or to ensure that you benefit directly or pro rata from the production or placement of advertising from the System Marketing Fund. We have no obligation to spend any amount on advertising in your area or territory. (Franchise Agreement, Section 12.3.1.)

The Brand Fund is intended to be of perpetual duration. However, we maintain the right to terminate the Brand Fund. The Brand Fund may not be terminated, however, until all monies in the Brand Fund have been expended for advertising and/or promotional purposes or returned to its contributors on the basis of their respective contributions. (Franchise Agreement, Section 12.3.5.)

Advertising Cooperative. We reserve the right to designate any geographical area for purposes of establishing a regional advertising and promotional cooperative ("Cooperative") in the future, and to determine whether such a Cooperative applies to your MOSQUITO SHIELD Business. If we have established a Cooperative applicable to your MOSQUITO SHIELD Business at the time you commence operation, you must immediately become a member of the Cooperative. If we establish a Cooperative applicable to your MOSQUITO SHIELD Business at any later time during the term of your Franchise Agreement, you must become a member of such Cooperative within 30 days of the date on which the Cooperative commences operation. If your MOSQUITO SHIELD Business is within the APR of more than one Cooperative, then you are only required to be a member of one Cooperative. (Franchise Agreement, Section 12.4.)

Each Cooperative will be organized and governed in a form and manner, will commence operation on a date, and will operate according to written governing documents, all of which we must approve in advance in writing. Each Cooperative will be organized for the exclusive purpose of administering regional advertising programs and developing, subject to our approval, standardized advertising materials for use by the members in local advertising. No promotional or advertising plans or materials may be used by a Cooperative or furnished to its members without our prior approval. Each Cooperative will have the right to require its members to make contributions to the Cooperative in the amounts as are determined by the Cooperative. You will not be required to contribute more than $25,000 per calendar year to the Cooperative, unless two-thirds of the members of the Cooperative vote in favor of a greater contribution. Your contributions to a Cooperative will be credited towards the local advertising expenditure required to be made under the Franchise Agreement. (Franchise Agreement, Section 12.4.)

We reserve the right to require Cooperatives to be changed, dissolved, or merged. (Franchise Agreement, Section 12.4.)

Franchise Advisory Council. We have the right, in our sole discretion, to require you to become a member of and participate actively in a franchise advisory council ("Advisory Council") in your area. You must participate actively in the Advisory Council as we designate and participate in all Advisory Council meetings approved by us. We have the right to amend the governing documents for the Advisory Council in our sole discretion at any time. We will determine the topic

areas to be considered by the Advisory Council. The purposes of the Advisory Council will include exchanging ideas and problem-solving methods, advising us on expenditures for system-wide advertising, and coordinating franchisee efforts. Amounts and expenditures may vary from time to time due to variations in Advisory Council participation and costs, as determined by the Advisory Council, and as approved by us. We will have the right to change or dissolve the Advisory Council at any time in our sole discretion. (Franchise Agreement, Section 7.20.)

Website. Unless approved by us in writing, you may not establish a separate Website in connection with the Franchised Business. However, we will have the right to establish one or more webpages within our Website, which is currently www.moshield.com but may be changed by us in our sole discretion. You must update and add content to your webpage(s) from time to time as we direct. We will have the right to restrict your ability to edit your webpage(s) in our discretion. The term "Website" means an interactive electronic document contained in a network of computers linked by communications software, commonly referred to as the Internet or World Wide Web, including any account, page, or other presence on a social or business networking media site, such as Facebook, Twitter, Linked In, and on-line blogs and forums ("Networking Media Sites"). You may not establish accounts or "pages," or maintain a presence on any Networking Media Site without our prior written approval. If granted approval, you must include us as an administrator and grant us full access to your Networking Media Sites and accounts. You may not make any posting or other contribution to a Networking Media Site relating to us, the System, the Proprietary Marks, or the Franchised Business that (a) is derogatory, disparaging, or critical of us, (b) is offensive, inflammatory, or indecent, (c) harms the goodwill and public image of the System and/or the Proprietary Marks, or (d) violates our policies relating to the use of Networking Media Sites.

We have the right to require that you not have any Website other than the webpage(s), if any, made available on our Website. However, if we approve a separate Website for you, then you must submit to us, for our prior written approval, a sample of the proposed Website domain name, format, visible content (including proposed screen shots), and non-visible content (including meta tags) in the form and manner we may reasonably require. If we grant approval for you to maintain a separate Website and content, you must include us as an administrator and grant us full access to your separate Website. (Franchise Agreement, Section 8.8).

Computer System

We have the right to specify or require that certain brands, types, makes, and/or models of communications, computer systems, and hardware be used by you, including: (a) back office, mobile devices, and point of sale systems, data, audio, video, and voice storage, retrieval, and transmission systems for use at the MOSQUITO SHIELD Business; (b) printers and other peripheral hardware or devices; (c) archival back-up systems; (d) Internet access mode and speed; and (e) physical, electronic, and other security systems (the "Computer System"). (Franchise Agreement, Section 8.4.)

You must use the computer software programs or services, including operational and accounting software services, that we designate from time to time in the Manuals or in writing in connection with the Computer System (the "Required Software"), which you must install at your expense. These may include standards for use set forth in the Manuals, including prescribed forms and timing of required reports. We also have the right, but not the obligation, to develop or have developed for it, or to designate: (a) updates, supplements, modifications, or enhancements to the Required Software, which you must install at your expense; (b) the tangible media upon which you record data; and (c) the database file structure of the Computer System. (Franchise Agreement, Section 8.4.)

We have entered into license agreement (subject to annual renewal) with a third party provider, that permits us, and will permit our franchisees, to use a proprietary business management, customer

management, Sales Center integration, and mobile routing software developed for the Mosquito Shield business. After your payment of the initial and ongoing software fees described in Items 5, 6 and 7 above, we will permit you to access the hosted website for the Required Software.

At our request, you must purchase or lease, and maintain, the Computer System and the Required Software, which will cost approximately $3,000 to purchase. The Computer System and the Required Software will be used for a variety of matters related to the Franchised Business, including customer management and routing. We will have the right at any time to independently and remotely retrieve and use this data and information from your Computer System or Required Software that we deem necessary or desirable. There are no restrictions on our right to access this data and information. You must keep your Computer System in good maintenance and repair and install all additions, changes, modifications, substitutions, and/or replacements to your Computer System or Required Software as we may reasonably direct periodically in writing, all at your own expense. We estimate that an optional third-party maintenance and support contract for your Computer System would be approximately $49.00 to $99.00 per month. You must upgrade or update your Computer System and Required Software at your expense as we may require. There is no limitation on how often we may require these upgrades or the cost of these upgrades. Your Computer System must be operational before you open your MOSQUITO SHIELD Business. (Franchise Agreement, Section 8.4.)

We currently provide support for our software, but neither we nor any of our affiliates or any third parties are obligated to provide ongoing maintenance, support, repairs, upgrades, or updates to your Computer System or Required Software. You may have to pay a third party additional fees for these services.

We have a right to the periodic monthly, quarterly, and annual business reports and financial statements as set out in the Operations Manual. We also have a right to inspect or audit your business records, including all records, reports, financial statements, tax returns (including sales tax, business/corporate tax, and individual tax returns), and supporting documentation. Failure to comply with reporting requirements or with any duly noticed audit can result in penalties and the cost of the audit as set forth in Item 6.

Operations Manual

You must operate the MOSQUITO SHIELD Business in accordance with the Operations Manual. Upon your completion of the initial training program to our satisfaction, we will either lend you one paper or electronic copy of the Operations Manual or provide you with access to the Operations Manual via the Internet, extranet, or other electronic means for your use during the term of the Franchise Agreement only. The Operations Manual may consist of multiple volumes of printed text or other electronically stored data. We may revise the contents of the Operations Manual, and you must comply with each new or changed standard. You must at all times insure that your copy of the Operations Manual is kept current and up to date. (Franchise Agreement, Section 9.) The Table of Contents of the Operations Manual is attached to this disclosure document as Exhibit B. The Operations Manual has a total of 177 pages.

Training Programs

Our current initial training program consists of 3-5 days of management and technical training. We have the right, at our option, to shorten the length of training. We will train up to three people at no additional charge, including you (or your managing shareholder, member, or partner), your Operations Manager, and/or a technician, who must attend and successfully complete to our satisfaction the initial training program (a technician who is not also serving as Operations Manager need only complete the technical portion of the training). All training will take place at our training facility in North Attleboro,

Massachusetts or at our Springville, Utah location, or at a separate location determined by us. We also reserve the right to conduct training via an on-line live web service. On the job training will take place at an existing MOSQUITO SHIELD business near our training facilities in North Attleboro, Massachusetts or Springville, Utah. The initial training program will be conducted at our mutual convenience before the MOSQUITO SHIELD Business opens. We do not have regularly scheduled training classes, as they are held on an as-needed basis and as requested (available at least within 30 days of signing your franchise agreement). No other additional or refresher courses are required for you to commence operation of your franchise. Any person who you employ after commencing operation in the position of Operations Manager or technician must attend and complete the initial training program to our satisfaction within 30 days of his or her hire and pay us our then-current training fee. You also are required to participate in all other activities required to operate the MOSQUITO SHIELD franchise. You will be responsible for all travel and living expenses which you (or your managing shareholder, member, or partner) and your employees incur in connection with any training. If we determine that you (or your managing shareholder, member, or partner) are unable to complete initial training to our satisfaction, we have the right to terminate the franchise agreement. You are required to complete the training program at least three (3) weeks, but no more than twenty-four (24) weeks, prior to promoting and opening your MOSQUITO SHIELD Business.

Instructional materials for the training program consist of the Operations Manual. The instructors are Michael Moorhouse and Dave LeVeque. Mr. Moorhouse is our President, since 2022, and was our Vice President since we were formed in November 2012 through 2022. Mr. LeVeque has been the Vice President of Operations of Mosquito Shield Franchise, LLC since March of 2024. He held previous positions including Director of Operations, Director of Development and General Manager of Resale Development with CertaPro Painters, working remotely, from May 2015 through February 2024.

You or your manager must attend the regularly scheduled huddles, meetings, and conferences which are identified and scheduled by us as set forth in the Operations Manual. These are offered to provide additional and ongoing training aimed at your business performance and improvement. If any are rescheduled without at least 2 business days' notice, your absence will be regarded as excused. Likewise, if you obtain prior permission to be absent, such will not impact your compliance with these requirements.

TRAINING PROGRAM

SUBJECT	HOURS OF CLASSROOM TRAINING	HOURS OF ON THE JOB TRAINING	LOCATION
Operations Manual	1	0	North Attleboro, MA, or as otherwise determined
Tour of the location(s)	2	0	North Attleboro, MA, or as otherwise determined
Franchise Business Model	2	0	North Attleboro, MA, or as otherwise determined

SUBJECT	HOURS OF CLASSROOM TRAINING	HOURS OF ON THE JOB TRAINING	LOCATION
Marketing	6	0	North Attleboro, MA, or as otherwise determined
Franchise Reporting Requirements	1	0	North Attleboro, MA, or as otherwise determined
Financial Overview	1	0	North Attleboro, MA, or as otherwise determined
Technician Recruiting and Retention	1	0	North Attleboro, MA, or as otherwise determined
Overview of Services	1.5	0	North Attleboro, MA, or as otherwise determined
Application Procedures	0	10-12	North Attleboro, MA, or as otherwise determined
Totals	15.5	10-12	

ITEM 12

TERRITORY

You will be granted a specific Area of Primary Responsibility, or APR, in which to operate your franchise. If you purchase multiple territories, you will have multiple APRs. Your APR will be defined as a specific area based on the number of potential customers that meet our specific customer profile and will be specified in the Franchise Agreement. We anticipate that a typical APR will consist of an area that will have between approximately 80,000 single-family homes located within it, as determined by us based on the most recent U.S. census data. As described in Item 5, you may purchase a larger territory in our sole discretion.

Your APR is an exclusive territory, and, subject to your attainment of minimum sales requirements as described below in this Item 12, we will not establish or operate, or license another person to establish or operate, another MOSQUITO SHIELD business under the System and the Proprietary Marks within your APR. You may not service or solicit business outside of the APR without our prior written consent.

You must operate the MOSQUITO SHIELD Business only from a location and adjacent or separate storage facility(ies) approved by us ("Approved Location"), which may include your home, and a storage unit, warehouse space, or comparable location that we approve.

We (and our affiliates) retain the right: (a) to establish and operate, and license others to establish and operate, a MOSQUITO SHIELD business under the System and the Proprietary Marks at any location outside your APR, regardless of the proximity to your APR or the Approved Location; (b) to sell or distribute, or license others to sell or distribute, directly or indirectly, any products, including those products sold through the MOSQUITO SHIELD System, through channels of distribution other than a MOSQUITO SHIELD business (including the Internet), at

any location whether within or outside your APR under any proprietary marks (including the Proprietary Marks); (c) to sell or distribute, or license others to sell or distribute, directly or indirectly, any services and products, including those services and products sold through the MOSQUITO SHIELD System, using proprietary marks other than the Proprietary Marks; (d) to acquire, be acquired by, merge with, or otherwise affiliate with, and thereafter own and operate, and franchise or license others to own and operate, any business of any kind, including any business that offers services and products similar to those offered by you under the System and Proprietary Marks; and (e) to terminate the territorial protection described in this Item 12 if you fail to attain or exceed the Minimum Gross Sales requirements described in the following paragraph.

Your territorial protection in your Area of Primary Responsibility is dependent on your attaining or exceeding the Minimum Gross Sales requirements during each 12-month period during the term of the Franchise Agreement, starting on the date your Franchised Business opens and ending on each anniversary date of your opening. The required Minimum Gross Sales are:

12 - Month Period	Single Territory	2 Territories	3 Territories	4 Territories	5 Territories
1	$45,000	$67,500	$90,000	$110,000	$140,000
2	$90,000	$135,000	$180,000	$220,000	$280,000
3	$157,500	$236,250	$315,000	$385,000	$490,000
4	$236,250	$354,375	$472,500	$577,500	$735,000
5+	$283,500	$425,250	$567,000	$693,000	$882,000

If you fail to meet the Minimum Gross Sales requirements, we may collect the difference between the actual royalty you had paid us during the 12-month period and 8% of the required Minimum Gross Sales amount. In addition, we have the right: (a) to reduce the size of your APR; (b) to eliminate your APR as a protected area; or (c) to terminate the Franchise Agreement. If we reduce or eliminate your APR, we will have the right to operate and/or license others to operate in that area which is no longer part of your APR. The Minimum Gross Sales requirements are not a representation, estimation, or projection of your Gross Sales, earning potential, profits, or expenses you may incur in connection with the Franchised Business. Other than this condition, there are no other circumstances or conditions that must be met to maintain your territorial protection.

You may not provide services to, solicit, or actively market to customers in the APR of any other MOSQUITO SHIELD business, whether owned and operated by us or another franchisee, except with our prior written consent. You are not permitted to solicit or accept orders from consumers outside of your territory when their location is in the APR of any other MOSQUITO SHIELD business, and you do not have the right to use other channels of distribution (such as the internet, catalog sales, telemarking, or other direct marketing) to make any such sales. You must follow the procedures specified in the Operations Manual (and/or coordinate with us) for referring sales or customers located within the APR of other MOSQUITO SHIELD businesses. We have established a national Sales Center to handle in-bound sales calls during peak selling periods, as we determine. All calls received by the Sales Center from inquiries located within your APR will either be converted to a sale or directed back to you as a lead.

Except to the extent described above, neither we nor our affiliates have used other channels of distribution such as the internet, catalog sales, telemarketing or other direct marketing to make sales within a franchisee's APR using either our principal trademark or any other trademark but we reserve

the right to do so. We are not required to pay you any compensation for soliciting or accepting orders from inside your APR.

Neither we nor our affiliate have established, or intend to establish, any other franchises or company-owned outlets or other channel of distribution selling or leasing similar services or products under a different trademark, but we reserve the right to do so.

The definition of your APR, as well as any other terms of the Franchise Agreement, may not be changed without our and your written consent. You may not relocate your MOSQUITO SHIELD Business without our prior written approval. We have the right, in our sole discretion, to withhold approval of relocation. You do not receive an option, right of first refusal or similar right to acquire additional franchises in your area.

ITEM 13

TRADEMARKS

You will be granted the right, by the Franchise Agreement, to establish and operate a Franchised Business under the Mark "MOSQUITO SHIELD," and other trademarks, trade names, and service marks we may designate as part of the System.

Our affiliate, MSLLC, has registered the following trademarks on the Principal Register of the United States Patent and Trademark Office:

TRADEMARK	REGISTRATION NUMBER	REGISTRATION DATE	REGISTER
MOSQUITO SHIELD	3636568	June 9, 2009	Principal
BITE EM BACK	3636567	June 9, 2009	Principal
	6383863	June 15, 2021	Principal
mosquito shield	4083199	January 10, 2012	Principal

	5324482	October 31, 2017	Principal
TICK SHIELD	4083137	January 10, 2012	Principal
	4083134	January 10, 2012	Principal
SKEETER SHIELD	4832101	October 13, 2015	Principal
MOSQUITO TERMINATORS	85136182	October 11, 2011	Principal
DECORATE WITH LIGHTS	6591942	December 14, 2021	Principal

Our affiliate, MSLLC, owns the MOSQUITO SHIELD mark and has licensed to us the right to use and permit our franchisees to use the MOSQUITO SHIELD mark. Except for the license agreement ("License Agreement") between our affiliate and us, there are no agreements currently in effect which significantly limit our right to use or license the use of the Proprietary Marks which are in any manner material to the franchise. The term of the License Agreement is indefinite. Either MSLLC or we can terminate the License Agreement and the rights granted under the License Agreement, with or without cause and by providing 30 days prior written notice to the other party. If the License Agreement is terminated, MSLLC will assume all of our rights and obligations relating to MSLLC's marks under any effective franchise agreement.

You agree to use our current and future trademarks, service marks and trade names only in the ways we have approved in advance in writing as we have set forth in our Operations Manual or other written materials. You also agree to cease using any trademarks, service marks or trade

names we determine to be no longer part of the MOSQUITO SHIELD system standards, including the MOSQUITO SHIELD trademark. We reserve the right, at our sole discretion, to modify, add to, or discontinue use of the Proprietary Marks, or to substitute different marks for use in identifying the System and the business operating under the Proprietary Marks. You must promptly comply with such changes, revisions and/or substitutions, and bear all the costs of modifying your signs, advertising materials, interior graphics and any other items which bear the Proprietary Marks to conform with them.

No renewals have yet become necessary, and upon the time arriving for renewal all required filings will be made. All required affidavits pertaining to this registration have been filed. There are no currently effective material determinations of the Patent and Trademark Office, the Trademark Trial and Appeal Board, the trademark administrator of this state, or any court, nor any pending infringement, opposition, or cancellation proceeding, nor any pending material litigation involving the Proprietary Marks which may be relevant to their use in this state or otherwise. We have no actual knowledge of either superior prior rights or infringing uses that could materially affect your use of the Proprietary Marks in the state where your franchise may be located.

We are not obligated, by the terms of the Franchise Agreement or otherwise, to protect your right to use the principal trademarks. You must promptly notify us of any suspected unauthorized use of the Proprietary Marks, any challenge to the validity of the Proprietary Marks, or any challenge to our license of, our right to use and to license others to use, or your right to use, the Proprietary Marks. We have the sole right to direct and control any administrative proceeding or litigation involving the Proprietary Marks, including any settlement. We have the right, but not the obligation, to take action against uses by others that may constitute infringement of the Proprietary Marks. We will defend you against any third party claim, suit, or demand arising out of your use of the Proprietary Marks. If we, in our sole discretion, determine that you have used the Proprietary Marks in accordance with this Agreement, the cost of such defense, including the cost of any judgment or settlement, will be borne by us. If we, in our sole discretion, determine that you have not used the Proprietary Marks in accordance with this Agreement, the cost of such defense, including the cost of any judgment or settlement, will be borne by you. In the event of any litigation relating to your use of the Proprietary Marks, you must sign any documents and do such acts as may, in our opinion, be necessary to carry out such defense or prosecution, including, becoming a nominal party to any legal action. Except to the extent that such litigation is the result of your use of the Proprietary Marks in a manner inconsistent with the terms of this Agreement, we agree to reimburse you for your out-of-pocket costs in doing such acts.

ITEM 14

PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

Patents and Copyrights

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

We reserve the right to modify or discontinue using the subject matter covered by a patent or copyright. In such event, we may require you, at your expense, to modify or discontinue using the subject matter in the operation of your Franchised Business.

Confidential Operations Manual

In order to protect our reputation and goodwill and to maintain high standards of operation under the System, you must operate your MOSQUITO SHIELD Business in accordance with the standards, methods, policies, and procedures specified in the Operations Manual. Upon your completion of our initial training program to our satisfaction, we will loan you one copy of the Operations Manual for the term of your Franchise Agreement. The Operations Manual may consist of multiple volumes of printed text, computer disks, or other electronically stored data.

You must treat the Operations Manual, any other manuals created for or approved for use in the operation of the MOSQUITO SHIELD Business, and the information contained in it, as confidential, and you must use all reasonable efforts to maintain that information as secret and confidential. You must not copy, duplicate, record, or otherwise reproduce these materials, in whole or in part, or otherwise make the same available to any unauthorized person. The Operations Manual will remain our sole property and must be kept in a secure place on the MOSQUITO SHIELD Business premises. We may revise the contents of the Operations Manual, and you must comply with each new or changed standard.

You must ensure that the Operations Manual is kept current at all times. In the event of any dispute as to the contents of the Operations Manual, the terms of the master copy maintained by us at our home office will be controlling.

Confidential Information

You must not, during or after the term of the Franchise Agreement, communicate, divulge, or use for the benefit of any other person, partnership, association, limited liability company or corporation any confidential information, knowledge or know-how concerning the methods of operation of the MOSQUITO SHIELD Business, including, but not limited to, the Operations Manual, the Mosquito and Tick Proprietary Blend or its ingredients, knowledge of specifications for and suppliers of certain goods, services, equipment, materials and supplies, product costs, accounting methods, including both paper and electronic spreadsheets, knowledge of the operating results and financial performance of other MOSQUITO SHIELD businesses, customer lists, customer accounts, and customer information, whether developed by us or you independently or with our assistance, management tools, or advertising which may be communicated to you or of which you may be apprised by virtue of your operation of the MOSQUITO SHIELD Business. You may divulge confidential information only to those of your employees as must have access to it in order to operate the MOSQUITO SHIELD Business.

At our request, you must require your Operations Manager, technician(s), and any other personnel having access to any of our confidential information to sign covenants (attached as Exhibit D to the Franchise Agreement) that they will maintain the confidentiality of information they receive in connection with their employment by you at the MOSQUITO SHIELD Business.

ITEM 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

During operating hours, your MOSQUITO SHIELD Business must be under the direct supervision of one of your principals or your Operations Manager who has satisfactorily completed the Initial Training Program, which we reserve the right to approve in our sole discretion. There is no specific amount of equity interest that the supervisor must own. All technicians who apply control materials must be licensed to do so and have completed our Initial Training Program.

You must obtain and furnish to us signed non-competition and confidentiality covenants (attached as Exhibit D to the Franchise Agreement) from your employees having access to our confidential information, including your Operations Manager and technician(s). If your MOSQUITO SHIELD Business is owned by an entity, all owners of the entity must personally sign the Franchise Agreement as a Principal. If you are a married individual, your spouse must sign our Spouse Guaranty, which is attached to our Franchise Agreement as Attachment 5.

ITEM 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must maintain in sufficient supply, and use at all times, only those types of control materials and brands and/or models of other products, equipment (including control materials application equipment and one or more Vehicle(s) for use in the Franchised Business, bearing the signage we require, tools, and computer hardware and software), materials and supplies that conform to our written standards and specifications, and to refrain from using nonconforming items, without our prior written consent.

You are required: (a) to offer and sell only the mosquito, tick, flea and other pest control services and products as have been expressly approved for sale in writing by us; (b) to refrain from any deviation from our standards and specifications without our prior written consent; (c) to discontinue selling and offering for sale any services, products, merchandise, and equipment which we may, in our discretion, disapprove in writing at any time; (d) to purchase all equipment, materials, products, supplies and services from suppliers as we approve and designate in the Operations Manual or otherwise in writing from time to time; (e) to refrain from selling or providing any services or products at any type of location prohibited by us in the Operations Manuals or otherwise in writing from time to time; (f) to refrain from offering or selling general landscaping or lawn care services, except to the extent you operate an existing business that offers such services, as approved by us; (g) to refrain from selling or advertising any services or products on the Internet without our prior written approval; (h) to follow our standards, specifications, and procedures for providing residential customers periodic pest management services under our form of MOSQUITO SHIELD customer contract for one-time application of those services, to require those customers to pay by credit card, and to provide commercial customers services as described in the Operations Manual or otherwise in writing from time to time; (i) to use, in the operation of the Franchised Business, our standards, specifications, and procedures.

We reserve the right to add additional authorized products and services that you must sell or offer for sale in your MOSQUITO SHIELD Business, including pest and/or termite control and complementary services and products. Required or authorized goods and services and designated or approved suppliers (which may be limited to or include us or our affiliates) of goods, services, equipment, materials and supplies are set forth in our Operations Manual or otherwise in writing from time to time. Your right to offer complementary service and products lines is subject to our approval, which may be conditioned on your compliance with your franchise agreement, payment of an additional fee and execution of an addendum to your franchise agreement. We may periodically modify the Operations Manual as we determine and any such modifications may obligate you to invest additional capital in the MOSQUITO SHIELD businesses and/or incur higher operating costs. The Franchise Agreement does not limit our right to make changes in the types of authorized goods and services.

ITEM 17

RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

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

THE FRANCHISE RELATIONSHIP

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
a. Length of the franchise term	2.1	10 years.
b. Renewal or extension of the term	2.2	You have the right to renew the Franchise Agreement for the length of our then-current initial term, provided that the renewal term will be no less than 5 years.
c. Requirements for you to renew or extend	2.2	Give written notice between 8 and 12 months before the end of the current term; make or provide for renovation or modernization of the Business as we reasonably require, including purchase of additional vehicles or modification of vehicles; not be in default of any agreement between us and you, or between any of our affiliates and you; complied with such agreements during their terms; satisfied all obligations, including monetary obligations, due and owed to us or to our affiliates, and met those obligations throughout the term of the Franchise Agreement; if you operate your MOSQUITO SHIELD Business in any location other than your personal residence, you must present evidence that you have the right to remain in possession of the Premises for the duration of the renewal term or obtain our approval for a new location; sign our then-current franchise agreement, which may have materially different terms and conditions than your original franchise agreement; sign a general release of us and our affiliates; comply with our then-current qualification and training requirements; and pay us a renewal fee.
d. Termination by you	15	You may not terminate the Franchise Agreement except by operation of law.
e. Termination by us without cause	Not Applicable	Not Applicable
f. Termination by us with cause	15	We have the right to terminate the Franchise Agreement with cause. Depending upon the reason for termination, we may not provide you an opportunity to cure. See this Item 17(g) and (h) for further description.
g. "Cause" defined – curable defaults	15.3	We must provide you with an opportunity to cure the following deficiencies: if you fail to substantially comply with any of the requirements imposed by the Franchise Agreement or fail to carry out the terms of the Franchise Agreement in good faith; if you fail, refuse or neglect promptly to pay any monies owing

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
		to us or our affiliates when due, or to submit the financial or other information required by us under the Franchise Agreement; if you fail to maintain or observe any of the standards or procedures prescribed by us in the Franchise Agreement, the Operations Manual, or otherwise in writing; except as otherwise provided in the Franchise Agreement, if you fail, refuse or neglect to obtain our prior written approval or consent as required by this Agreement; if, upon inspection by us or a government inspector, your MOSQUITO SHIELD Business is in violation of the health, safety, or sanitation standards prescribed by us in the Franchise Agreement, the Operations Manual, or otherwise in writing, or is in violation of any health or safety law, codes, or regulation; if you act, or fail to act, in any manner which is inconsistent with or contrary to your lease or sublease for the Premises, or in any way jeopardize your right to renewal of such lease or sublease; if you engage in any business or market any service or product under a name or mark which, in our opinion, is confusingly similar to the Proprietary Marks; or if you fail to comply with all applicable laws, rules and regulations related to the operation of the MOSQUITO SHIELD Business.
h. "Cause" defined – non-curable defaults	15.1 and 15.3	We may terminate the Franchise Agreement without providing you an opportunity to cure the following deficiencies: if you fail to open and operate the business within the applicable time limit; if you or your designated manager fail to complete the Initial Training Program to our satisfaction; if you customize or otherwise alter you vehicle in violation of our requirements; if you at any time cease to operate or otherwise abandon the business for 5 consecutive business days; if you fail to attain or exceed our Minimum Gross Sales requirement; if you or any of your principals, officers, or directors are convicted of a felony, a crime involving moral turpitude, or any other crime or offense that we believe is reasonably likely to have an adverse effect on the System, the marks, the goodwill associated with the business or if you, any of your principals, officers, or directors engage in any behavior that we believe is reasonably likely to have an adverse effect on the System, the Proprietary Marks, the goodwill associated with the business; if a threat or danger to public health or safety results from the construction, maintenance, or operation of your business; if you purport to assign or transfer any direct or indirect interest in the Franchise Agreement without complying with the requirements under the Franchise Agreement; if you fail to comply with the confidentiality and non-competition covenants set forth in the Franchise Agreement; if you intentionally under-report your Gross Sales; if you knowingly maintain false books or records or submit any false reports or other documentation to us; if you misuse or make any unauthorized use of the Proprietary Marks

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
		or any other identifying characteristics of the System; if you refuse to permit us to inspect the Premises or your customers' homes, or the books, records or accounts of your business upon demand; if you, after curing any default, commit the same default again; if you sell or use products not previously approved by us, or purchase any product from a supplier not previously approved by us; if you (or any of your owners) have made any material misrepresentation to us or any other party or omission in connection with your purchase of the business; if we cure any default by you relating to a transfer of the business; if you have insufficient funds in your bank account to pay any amount to us on 3 or more occasions in a 12 month period; if you commit 3 or more curable defaults in a 12 month period; if you commit 2 or more of the same default in a 12 month period; if you become insolvent or make a general assignment for the benefit of creditors; a petition in bankruptcy is filed by you or such a petition is filed against and not opposed by you; you are adjudicated bankrupt or insolvent; a bill in equity or other proceeding for the appointment of a receiver of you or other custodian for your business or assets is filed and consented to by you; a receiver or other custodian (permanent or temporary) of your assets or property, or any part, is appointed by any court of competent jurisdiction; proceedings for a composition with creditors under any state or federal law should be instituted by or against you; a final judgment remains unsatisfied or of record for 30 days or longer (unless supersedeas bond is filed); you are dissolved; execution is levied against your business or property; suit to foreclose any lien or mortgage against the Premises or equipment is instituted against you and not dismissed within 30 days.
i. Your obligations on termination/non-renewal	16	Upon termination or non-renewal, you must: cease operations; cease use of confidential information and Proprietary Marks; cancel any assumed name registration or equivalent registration obtained by you which contains any Mark; at our option you must assign the lease or sublease for the Premises; pay all amounts due to us; return the Operations Manual and all confidential information; cease to use any MOSQUITO SHIELD business domain name, URL, or home page address, and not establish any Website using any similar or confusing domain name, URL, and/or home page address; comply with all post-termination covenants, assign all customer accounts and contracts to our designee, and sell us any equipment that we elect to purchase.
j. Assignment of contract by us	14.1	We have the right to transfer or assign all or any part of our rights or obligations under the Franchise Agreement to any person or legal entity.

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
k. "Transfer" by you – defined	14.2 and 14.3	You may not transfer any interest in the Franchise Agreement or Franchisee, or sell substantially all of the assets of the Franchised Business, without our prior written consent.
l. Our approval of transfer by you	14.3	Any purported assignment or transfer, by operation of law or otherwise, not having our written consent required by the Franchise Agreement, will be null and void.
m. Conditions for our approval of transfer	14.3	We may impose any or all of the following conditions on our approval of your proposed transfer: you have satisfied your accrued monetary obligations and other obligations to us and our affiliates; you are not in default of any agreement between us and you, or between any of our affiliates and you; you sign a general release of us; the transferee enter into a written assignment, assuming and agreeing to perform your obligations under the Franchise Agreement, and that you guarantee the performance of all such obligations; the transferee shows to us that it meets our standards, as specified in the Franchise Agreement; the transferee sign our then-current form of franchise agreement; you remain liable for all of your obligations to us in connection with the Franchised Business which arose prior to the transfer; the transferee complete our training programs; and you pay a transfer fee to us.
n. Our right of first refusal to acquire your business	14.5	We will have the option to purchase the seller's interest on the same terms and conditions offered by a third party.
o. Our option to purchase your business	16.9	On termination or expiration, we have the option to purchase from you any or all of the assets related to the operation of the Franchised Business at fair market value, or 60% of your original investment, whichever is less.
p. Your death or disability	14.6	Upon the death or mental incapacity of any person with any interest in the Franchise Agreement, in you, or in substantially all of the assets of the Franchised Business, the executor, administrator, or personal representative must transfer the deceased's interest to a third party approved by us within 6 months after his/her death. Such transfers will be subject to the same conditions as any other transfer.

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
q. Non-competition covenants during the term of the franchise	17.2	You must not (a) divert or attempt to divert any present or prospective business or customer of any MOSQUITO SHIELD business to any competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Proprietary Marks and the System; or (b) own, maintain, operate, engage in, act as a consultant for, perform services for, or have any interest in any retail business which is the same as, or substantially similar to, a MOSQUITO SHIELD business; or offers to sell or sells mosquito, tick, flea and other pest control services or other services, equipment, products or items which are the same as, or substantially similar to, any of the services, equipment, product or other items offered by a MOSQUITO SHIELD business.
r. Non-competition covenants after the franchise is terminated or expires	17.3	You must not, for a continuous uninterrupted period of 2 years following the transfer, termination or expiration of the Franchise Agreement own, maintain, operate, engage in, be employed by, provide assistance to, or have any interest in (as owner or otherwise) any retail business that is the same as, or substantially similar to, a MOSQUITO SHIELD business; or offers to sell or sells mosquito, tick, flea and other pest control services or other services, equipment, products or items which are the same as, or substantially similar to, any of the services, equipment, product or other items offered by a MOSQUITO SHIELD business, and that is, or intended to be, operated within: (i) the APR (as defined in the Franchise Agreement); (ii) 20 miles of the Approved Location; or (iii) 20 miles of the location of other any other MOSQUITO SHIELD business in operation or under construction.
s. Modification of the Agreement	24	The Franchise Agreement may only be modified by written agreement signed by both parties.
t. Integration/merger clause	24	Only the terms of the Franchise Agreement are binding (subject to state law). Any representations or promises outside of the disclosure document and Franchise Agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	26.2	Except as otherwise provided and subject to applicable state law, all disputes and claims relating to the Franchise Agreement must first be submitted to mediation.
v. Choice of forum	26.3	Subject to applicable state law, any action must be brought in Utah County, Utah.

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
w. Choice of law	26.1	Subject to applicable state law, the Franchise Agreement will be interpreted and construed under the laws of Utah.

ITEM 18

PUBLIC FIGURES

There are no public figures involved in the sale of this 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.

This Item contains a historic financial performance representation of our franchised outlets in operation on December 31, 2024, our fiscal year end.

Company-Owned Location Performance

In early 2025, we acquired a franchised business from its prior owners, operating in southeast Pennsylvania. It is an established business with 5+ years of operational history, and operated in a larger geographic area than is currently standard for new territories. Its historical performance from 2025 is reflected below. The table does reflect an adjustment, to include the current royalty expense, increased from its preexisting franchise agreement to conform to what you will expect on the terms of your franchise agreement.

Table: Company-Owned Franchise—2025 Income and Adjusted Costs and EBITDA*

Total Income	$2,490,178.61	
EXPENSES		
$777,179.47	COGS	31.2%
$45,346.17	Facilities & Supplies	1.8%
$282,086.17	Payroll and Personnel	11.3%
$129,396.30	Marketing & Advertising	5.2%
$25,988.57	Insurance	1.0%
$13,803.61	Contract Services	0.6%
$13,585.53	Local Tax, Fines & Licensing	0.5%
$18,859.54	Technology Expense	0.8%
$13,698.28	Equipment Repairs	0.6%
$199,214.29	Royalties*	8.0%

$16,557.12	Travel & Entertainment	0.7%
$78,384.35	Bank Charges	3.1%
$3,974.71	Misc.	0.2%
$1,618,074.11	Total Costs	65.0%
	Adjusted EBITDA*	35.0%
	*Royalties are calcaulted at the new franchisee rate of 8%	

Franchisee Performance

On December 31, 2025, we had a total of 407 franchised territories ("units"). The first Table below contains System-wide Gross Sales data for these franchised outlets that had completed more than two full seasons of operation (the "Reporting Period") (those who had not completed two or more seasons of operation by December 31, 2025 are not included because the business ramp-up period varies and would not provide reliable information for those with less experience). The second Table contains historically reported recurring revenue and annual retention rates reported by this same group of reporting franchisees. We have excluded the Gross Sales of those units who opened or closed during the Reporting Period, and the 45 units who did not operate in material compliance with their franchise agreements (in ways that would make their data unrepresentative of your operations) and the Mosquito Shield System as well as three units which did not report their data to us.

Some of our franchisees operate multiple franchised outlets, each pursuant to a separate franchise agreement. These multi-unit franchisees, however, customarily provide us with a combined financial report that consolidates the Gross Sales of all of their franchised outlets. "Gross Sales" means all revenue derived from the operation of the MOSQUITO SHIELD Business, less refunds, adjustments, discounts, credits and allowances.

TABLE 1
2025 GROSS SALES

Combined						
Average	398,950.19	Median	235,812.18			
High	2,732,473.11	Low	49,388.54			
Quartiles	Avg	Low	High	Median	Avg terr in Quartile	Average customer per tier
1	1,002,272	434,589	2,732,473	788,100	10.0	1,396
2	342,703	264,217	430,388	350,373	4.0	456
3	181,665	138,857	239,504	170,767	4.3	271
4	101,342	49,389	129,597	100,946	3.4	173
Avg # Territories	5.38	1	23	4		
Exceed average	20	30%				
reporting outlets	66					

Notes – Table 1

1. AVERAGE is defined as the cumulative revenue divided by the number of Franchisees for that specific grouping.
2. MEDIAN is defined as the middle range of revenue at the individual Franchisee level for that specific grouping.
3. HIGHEST is defined as the highest grossing Franchisee in the franchise system for that specific grouping.
4. LOWEST is defined as the lowest grossing Franchisee in the franchise system for that specific grouping.

System-Wide Sales Data:

Year	Total Annual Sales
2025	$29,830,420
2024	$26,747,121
2023	$23,770,555

Such data is represented in the chart below:

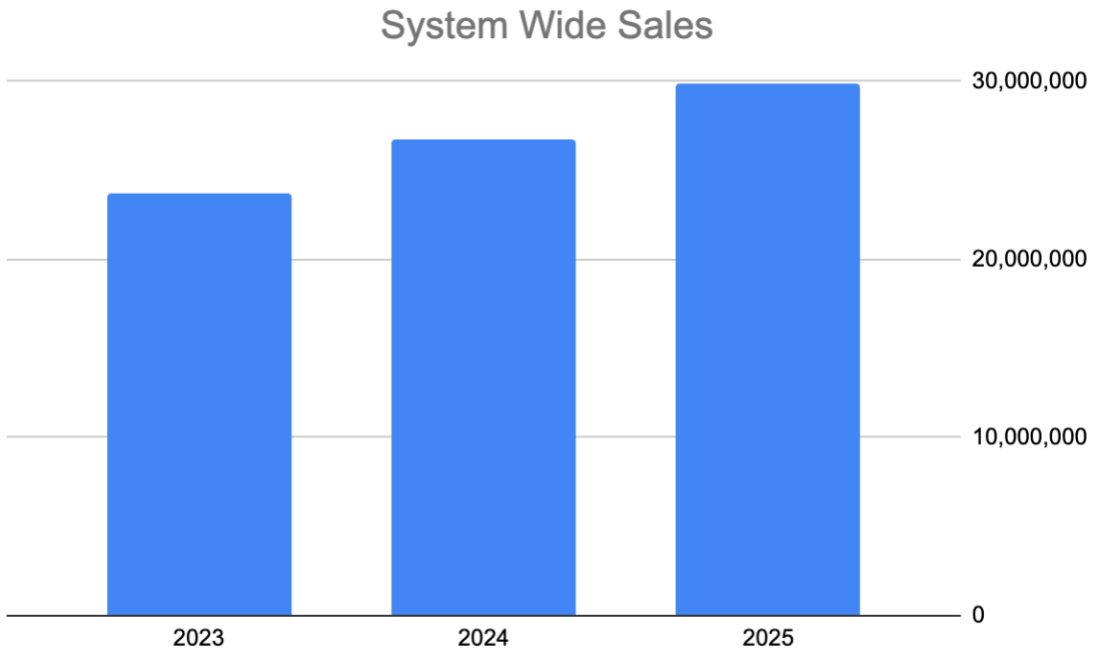

TABLE 2
RECURRING REVENUE AND ANNUAL RETENTION RATES
2025 System-Wide*

Category			2025 year
2025 Total Customers			36,884
Retention Rate**			82.5%
Average Revenue per Customer			$756.54
2025 Prepay dollars			$6,670,757.55
2024 Pre-pay percentage			24%
New Customer Sales			
-Mosquito Only			-$6,155,996
-Tick Only or Add-on Tick			-$525,423
-Perimeter Only or Add-on Perimeter			-$269,341
-Event			-$112,121
-Customer Acquisition Cost ("CAC")***			-$267***
-Lifetime Value of Customer****			-$2,521

*The same non-conforming and non-operating franchisees were excluded from this Table 2 as from previous tables, for the same reasons.

**The Retention Rate represents the average number of customers, system-wide (it is not calculated location-by-location) out of the annual total customer count, who have not cancelled services at the conclusion of the reporting period.

***CAC data was available to us from those franchisees for whom data was reported. Not all customer acquisition cost data was available to all franchisees or to us. As a result, this reflects data from all current franchisees in operation for at least two full seasons, as indicated in the preface to this financial performance representation, but was limited to the 52 franchisees operating 298 out of the 407 units for which data was reported to us and available more generally. None were excluded apart from these limitations.

****Lifetime Value for a customer was calculated based on the standard service cost, in year 1, with system-wide averages for add-on services in the following years, and continuing for system-wide averages of four total years. Thus, year 1 was calculated at $499, with years 2-4 at $674, based on these averages.

NOTE:The pre-pay dollars reflect amounts collected during fall of 2025 together with amounts received prior to the commencement of the 2026 season (January 2026 – March 2026).

Written substantiation of the data used in preparing these figures will be made available to you upon reasonable request. The information presented above has not been audited.

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

Other than the preceding financial performance representation, we do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Michael Moorhouse, 761 W. 1200 N., Ste 300, Springville, Utah 02760, (508) 316-3429, the Federal Trade Commission, and the appropriate state regulatory agencies listed in Exhibit A.

ITEM 20

OUTLETS AND FRANCHISEE INFORMATION

Table No. 1

System-wide Outlet Summary
For Years 2023 to 2025

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the end of the Year	Net Changes
Franchised	2023	**373**	**416**	43
	2024	**416**	**435**	19
	2025	**435**	**384**	-51
Company Owned	2023	0	0	0
	2024	0	0	0
	2025	0	23	23
Total Outlets	2023	**373**	416	43
	2024	**416**	435	19
	2025	**435**	407	-28

Table No. 2

Transfers of Outlets From Franchisees to New Owners (Other than the Franchisor)
For Years 2023 to 2025

State	Year	Number of Transfers
Connecticut	2023	3
	2024	0
	2025	0
Florida	2023	7
	2024	2
	2025	6
Georgia	2023	3
	2024	0
	2025	2
Illinois	2023	2
	2024	6
	2025	0
Indiana	2023	10
	2024	0
	2025	0
Massachusetts	2023	0
	2024	0
	2025	6
Michigan	2023	1
	2024	0
	2025	0
Nebraska	2023	1

	2024	1
	2025	0
New Jersey	2023	0
	2024	13
	2025	0
North Carolina	2023	0
	2024	0
	2025	3
Tennessee	2023	1
	2024	0
	2025	0
Texas	2023	4
	2024	0
	2025	6
Virginia	2023	0
	2024	0
	2025	0
Wisconsin	2023	1
	2024	0
	2025	0
Total	2023	33
	2024	22
	2025	23

Table No. 3

Status of Franchised Outlets
For Years 2023 to 2025

State	Year	Franchises at the Start of the Year	Franchises Opened	Terminations	Non-renewals	Reacquired by Franchisor	Ceased Operation - other reasons	End of the Year
AL	2023	0	0	0	0	0	0	0
	2024	0	4	0	0	0	0	4
	2025	4	0	0	0	0	0	4
AR	2023	5	0	3	0	0	0	2
	2024	2	0	2	0	0	0	0
	2025	0	0	0	0	0	0	0
CA								
	2023	15	0	5	0	0	0	10
	2024	10	0	0	0	0	0	10
	2025	10	0	5	0	0	0	5
CT								
	2023	6	0	3	0	0	0	3
	2024	3	0	0	0	0	0	3
	2025	3	0	0	0	0	0	3
DE	2023	6	0	0	0	0	0	6
	2024	6	0	0	0	0	0	6
	2025	6	0	0	0	0	0	6
FL								
	2023	50	7	11	0	0	0	46
	2024	46	0	5	0	0	0	41
	2025	41	2	0	0	0	0	43
GA								
	2023	19	2	5	0	0	0	16
	2024	16	0	0	0	0	0	16

	2025	**18**	**2**	**0**	**0**	**0**	**0**	**20**
IL								
	2023	**7**	**4**	**0**	**0**	**0**	**0**	**11**
	2024	**11**	**3**	**1**	**0**	**0**	**0**	**13**
	2025	**13**	**0**	**4**	**0**	**0**	**0**	**9**
IN								
	2023	**13**	**1**	**0**	**0**	**0**	**0**	**14**
	2024	**14**	**0**	**3**	**0**	**0**	**0**	**11**
	2025	**11**	**0**	**0**	**0**	**0**	**0**	**11**
KY								
	2023	**3**	**0**	**0**	**0**	**0**	**0**	**3**
	2024	**3**	**0**	**3**	**0**	**0**	**0**	**0**
	2025	**0**	**0**	**0**	**0**	**0**	**0**	**0**
KS								
	2023	**0**	**3**	**0**	**0**	**0**	**0**	**3**
	2024	**3**	**0**	**1**	**0**	**0**	**0**	**2**
	2025	**2**	**0**	**0**	**0**	**0**	**0**	**2**
LA								
	2023	**3**	**0**	**0**	**0**	**0**	**0**	**3**
	2024	**3**	**4**	**0**	**0**	**0**	**0**	**7**
	2025	**7**	**0**	**3**	**0**	**0**	**0**	**4**
MA								
	2023	**9**	**0**	**0**	**0**	**0**	**0**	**9**
	2024	**9**	**31**	**1**	**0**	**0**	**0**	**39**
	2025	**39**	**0**	**3**	**0**	**0**	**0**	**36**
MD								
	2023	**14**	**1**	**0**	**0**	**0**	**0**	**15**
	2024	**15**	**0**	**6**	**0**	**0**	**0**	**9**
	2025	**9**	**0**	**2**	**0**	**0**	**0**	**7**
ME								
	2023	**1**	**0**	**0**	**0**	**0**	**0**	**1**
	2024	**1**	**0**	**0**	**0**	**0**	**1**	**0**
	2025	**0**	**0**	**0**	**0**	**0**	**0**	**0**

MI								
	2023	**16**	**8**	**5**	**0**	**0**	**0**	**19**
	2024	**19**	**0**	**3**	**0**	**0**	**0**	**16**
	2025	**16**	**0**	**0**	**0**	**0**	**0**	**16**
MN								
	2023	**4**	**6**	**0**	**0**	**0**	**0**	**10**
	2024	**10**	**6**	**0**	**0**	**0**	**0**	**16**
	2025	**16**	**1**	**0**	**0**	**0**	**0**	**17**
MO								
	2023	**8**	**0**	**2**	**0**	**0**	**0**	**6**
	2024	**6**	**0**	**6**	**0**	**0**	**0**	**0**
	2025	**0**	**0**	**0**	**0**	**0**	**0**	**0**
NC								
	2023	**18**	**5**	**2**	**0**	**0**	**0**	**21**
	2024	**21**	**0**	**5**	**0**	**0**	**0**	**16**
	2025	**16**	**0**	**5**	**0**	**0**	**3**	**8**
NE								
	2023	**2**	**1**	**1**	**0**	**0**	**0**	**2**
	2024	**2**	**3**	**0**	**0**	**0**	**0**	**5**
	2025	**5**	**0**	**1**	**0**	**0**	**0**	**4**
NH								
	2023	**1**	**4**	**0**	**0**	**0**	**0**	**5**
	2024	**5**	**0**	**0**	**0**	**0**	**0**	**5**
	2025	**5**	**0**	**0**	**0**	**0**	**0**	**5**
NJ								
	2023	**23**	**11**	**0**	**0**	**0**	**0**	**34**
	2024	**34**	**6**	**4**	**0**	**0**	**0**	**36**
	2025	**36**	**4**	**0**	**0**	**0**	**0**	**40**
NY	**2023**	**24**	**8**	**0**	**0**	**0**	**0**	**32**
	2024	**32**	**1**	**0**	**0**	**0**	**0**	**33**
	2025	**33**	**0**	**0**	**0**	**0**	**0**	**33**

OH	**2023**	**11**	**1**	**0**	**0**	**0**	**0**	**12**
	2024	**12**	**0**	**1**	**0**	**0**	**0**	**11**
	2025	**11**	**0**	**5**	**0**	**0**	**0**	**6**
OK								
	2023	**8**	**0**	**2**	**0**	**0**	**0**	**6**
	2024	**6**	**0**	**0**	**0**	**0**	**0**	**6**
	2025	**6**	**0**	**0**	**0**	**0**	**0**	**6**
PA								
	2023	**12**	**21**	**1**	**0**	**0**	**0**	**32**
	2024	**32**	**0**	**0**	**0**	**0**	**0**	**32**
	2025	**32**	**0**	**0**	**0**	**23**	**0**	**9**
RI								
	2023	**1**	**0**	**0**	**0**	**0**	**0**	**1**
	2024	**1**	**6**	**0**	**0**	**0**	**0**	**7**
	2025	**7**	**0**	**0**	**0**	**0**	**0**	**7**
SC								
	2023	**8**	**3**	**7**	**0**	**0**	**0**	**4**
	2024	**4**	**0**	**0**	**0**	**0**	**0**	**4**
	2025	**4**	**3**	**0**	**0**	**0**	**0**	**7**
SD								
	2023	**1**	**0**	**0**	**0**	**0**	**0**	**1**
	2024	**1**	**0**	**0**	**0**	**0**	**0**	**1**
	2025	**1**	**0**	**0**	**0**	**0**	**0**	**1**
TN								
	2023	**11**	**5**	**0**	**0**	**0**	**0**	**16**
	2024	**16**	**0**	**0**	**0**	**0**	**0**	**16**
	2025	**16**	**0**	**4**	**0**	**0**	**0**	**12**
TX								
	2023	**51**	**7**	**6**	**0**	**0**	**0**	**52**
	2024	**52**	**0**	**4**	**0**	**0**	**0**	**48**
	2025	**48**	**1**	**6**	**0**	**0**	**0**	**43**
UT								
	2023	**2**	**0**	**0**	**0**	**0**	**0**	**2**

	2024	**2**	**0**	**0**	**0**	**0**	**0**	**2**
	2025	**2**	**0**	**0**	**0**	**0**	**0**	**2**
VA								
	2023	**8**	**0**	**0**	**0**	**0**	**0**	**8**
	2024	**8**	**2**	**0**	**0**	**0**	**0**	**10**
	2025	**10**	**0**	**0**	**0**	**0**	**0**	**10**
WI								
	2023	**13**	**1**	**3**	**0**	**0**	**0**	**11**
	2024	**11**	**0**	**1**	**0**	**0**	**0**	**10**
	2025	**10**	**0**	**0**	**0**	**0**	**0**	**10**
Totals								
	2023	**373**	**99**	**56**	**0**	**0**	**0**	**416**
	2024	**416**	**66**	**46**	**0**	**0**	**1**	**435**
	2025	**435**	**13**	**38**	**0**	**23**	**3**	**384**

Table No. 4

Status of Company Owned* Outlets
For Years 2023 to 2025

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisees	Outlets Closed	Reacquired by Franchisor	Outlets Sold to Franchisees	Outlets at End of the Year
PA	**2023**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
	2024	**0**	**0**	**0**	**0**	**0**	**0**	**0**
	2025	**0**	**0**	**23**	**0**	**0**	**0**	**23**
Total	**2023**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
	2024	**0**	**0**	**0**	**0**	**0**	**0**	**0**
	2025	**0**	**0**	**23**	**0**	**0**	**0**	**23**

Table No. 5

Projected Openings as of December 31, 2025 through December 31, 2026

State	Franchise Agreements Signed but not Opened	Projected new Franchise Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Current Fiscal Year
CA	2	0	0
FL	2	0	0
TOTALS	4	0	0

A list of our current franchisees and the addresses and telephone numbers of their outlets is attached as Exhibit C. Also listed in Exhibit C is the name, city and state, and last known telephone number of each franchisee that 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 has not communicated with MOSQUITO SHIELD within the 10 weeks preceding the Issuance Date of this Disclosure Document. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

There are no trademark-specific franchisee organizations associated with the System. No franchisees have signed confidentiality clauses during the last three fiscal years that restrict their ability to speak with you about their franchised business.

ITEM 21

FINANCIAL STATEMENTS

Exhibit D contains our Parent's audited financial statements for the years ended December 31, 2024 and 2023 and our audited financial statements for the year ended December 31, 2022. As explained in Item 1, we reorganized as Mosquito Shield Franchise, LLC on February 25, 2022. Our Certificate of Conversion is also included in Exhibit D. Also included in Exhibit D is our Parent's guaranty of performance.

Our fiscal year ends on December 31.

ITEM 22

CONTRACTS

Copies of all proposed agreements regarding the franchise offering are included in Exhibit E. These include our Franchise Agreement and all attachments to it (Approved Location and Franchisee Acknowledgement Statement, Area of Primary Responsibility, Confidentiality and Non-Compete Agreement, Spouse Guaranty, Ancillary Services Addendum).

ITEM 23

RECEIPTS

A receipt in duplicate is attached to this disclosure document as Exhibit G. You should sign both copies of the receipt. Keep one copy for your own records and return the other signed copy to Mosquito Shield Franchise, LLC, 761 W. 1200 N., Ste 300, Springville, Utah 02760.

EXHIBIT A

AGENCIES/AGENTS FOR SERVICE OF PROCESS

This list includes the names, addresses and telephone numbers of state agencies having responsibility for franchising disclosure/registration laws, and serving as our agents for service of process (to the extent that we are registered in their states). This list also includes the names, addresses and telephone numbers of other agencies, companies or entities serving as our agents for service of process.

State	State Agency	Agent for Service of Process
CALIFORNIA	Commissioner of the Department of Financial Protection and Innovation Department of Financial Protection and Innovation 320 West 4th Street, Suite 750 Los Angeles, CA 90013 (213) 576-7505 Toll-free (866-275-2677)	Commissioner of the Department of Financial Protection and Innovation
CONNECTICUT	State of Connecticut Department of Banking Securities & Business Investments Division 260 Constitution Plaza Hartford, CT 06103-1800 (860) 240-8230	Banking Commissioner
HAWAII	Business Registration Division Department of Commerce and Consumer Affairs 335 Merchant Street, Room 203 Honolulu, HI 96813 (808) 586-2722	Commissioner of Securities of the State of Hawaii
ILLINOIS	Office of Attorney General Franchise Division 500 South Second Street Springfield, IL 62706 (217) 782-4465	Illinois Attorney General
INDIANA	Indiana Secretary of State Securities Division 302 West Washington St., Room E-111 Indianapolis, IN 46204 (317) 232-6681	Indiana Secretary of State 201 State House Indianapolis, IN 46204
MARYLAND	Office of the Attorney General Division of Securities 200 St. Paul Place Baltimore, MD 21202-2020 (410) 576-6360	Maryland Securities Commissioner 200 St. Paul Place Baltimore, MD 21202-2020 (410) 576-6360
MICHIGAN	Michigan Department of Attorney General Consumer Protection Division Antitrust and Franchise Unit 670 Law Building Lansing, MI 48913 (517) 373-7117	Michigan Department of Commerce, Corporations and Securities Bureau

State	State Agency	Agent for Service of Process
MINNESOTA	Minnesota Department of Commerce 85 7th Place East, Suite 280 St. Paul, MN 55101-2198 (651) 539-1500	Minnesota Commissioner of Commerce
NEW YORK	NYS Department of Law Investor Protection Bureau 28 Liberty Street, 21st Floor New York, NY 10005 (212) 416-8222	Attention: New York Secretary of State New York Department of State One Commerce Plaza 99 Washington Avenue, 6th Floor Albany, NY 11231-0001 (518) 473-2492
NORTH DAKOTA	North Dakota Securities Department 600 East Boulevard, 5th Floor Bismarck, ND 58505-0510 (701) 328-4712	North Dakota Securities Commissioner
OREGON	Department of Consumer and Business Services Division of Finance and Corporate Labor and Industries Building Salem, Oregon 97310 (503) 378-4387	Director of the Department of Consumer and Business Services
RHODE ISLAND	Department of Business Regulation Division of Securities 1511 Pontiac Avenue, Building 69-1 Cranston, RI 02920 (401) 462-9585	Director of Rhode Island Department of Business Regulation
SOUTH DAKOTA	Division of Insurance Securities Regulation 124 South Euclid, Suite 104 Pierre, SD 57501 (605) 773-3563	Director of Insurance-Securities Regulation
VIRGINIA	State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street, 9th Floor Richmond, VA 23219 (804) 371-9051	Clerk of State Corporation Commission 1300 East Main Street, 1st Floor Richmond, VA 23219 (804) 371-9733
WASHINGTON	Department of Financial Institutions Securities Division P.O. Box 9033 Olympia, WA 98507-9033 (360) 902-8760	Director of Washington Financial Institutions Securities Division 150 Israel Road, SW Tumwater, WA 98501
WISCONSIN	Wisconsin Securities Commissioner Securities and Franchise Registration 345 W. Washington Avenue Madison, WI 53703 (608) 266-8559	Commissioner of Securities of Wisconsin

EXHIBIT B

OPERATIONS MANUAL TABLE OF CONTENTS

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EXHIBIT C

FRANCHISED OUTLETS AS OF DECEMBER 31, 2025

Owner	Address	City	State / Province	Phone Number
Keith And Ina Scott	7734 Madison Boulevard Suite 119, Huntsville, AL 35806	Huntsville	AL	(256) 701-7576
Desire Stephens	1267 Stoner Ave. #203, Los Angeles, CA 90025	Los Angeles	CA	(402) 301-4048
Leslie McGee (Sold not open)	11965 Terra Bella St. #4, Sylmar, CA 91342	Sylmar	CA	(818) 272-7256
Amy Decesare	650 Gilead Street, Hebron, CT 06248	Hebron	CT	(401) 323-1114
Bradford & Kristi Sutliffe	11808 Haslet Rd, Lewes, DE 19958	Lewes	DE	(301) 717-2184
Scot Huning	1016 Talley Rd, Wilmington, DE 19809	Wilmington	DE	(302) 494-7728
Bob And Kathy Hinkle	2037 Southeast 27th Terrace, Cape Coral, FL 33904	Cape Coral	FL	770-584–0502
Eric Vincent	3808 Cherrybrook Loop, Ft. Myers, FL 33966	Ft. Myers	FL	(724) 321-8531
Robert Fernandez	1172 SW 85th Avenue, Miami, FL 33144	Miami	FL	(305) 399-7018
Kim Haber & Roy Billesbach	1355 Cleveland Road, Miami Beach, FL 33141	Miami Beach	FL	(305) 439-8646
Michael and Shannon Smith	1808 Bonser Rd., Minneola, FL 34715	Minneola	FL	N/A
Jeordan Legon	16009 Redington Drive, Redington Beach, FL 33708	Redington Beach	FL	(617) 678-2076
Kevin Vinnett	13735 Ogakor Drive, Riverview, FL 33579	Riverview	FL	(813) 810-1258
Edward and Kim Crowley (sold not open)	7611 S Wall St, Tampa, FL 33616	Tampa	FL	(850) 544-7935
Jason Juliano	4511 Portobello Cir, Valrico, FL 33596	Valrico	FL	(914) 400-9430
Eric Swenson	2090 Atlantic Blvd, Vero Beach, FL 32960	Vero Beach	FL	(772) 321-4245
Scott Rodgers	1214 Cypress Point East, Winter Haven, FL 33884	Winter Haven	FL	(863) 268-3775

Paul Heaton	1921 Felker Ward St NW, Atlanta, GA 30318	Atlanta	GA	(678) 522-8949
Andrew Barrs	6909 Gaines Ridge Rd, Columbus, GA 31904	Columbus	GA	(706) 604-9427
Viral Desai	3739 Silo Trace, Lilburn, GA 30047	Lilburn	GA	(770) 912-8382
Sarah Edwards And Mark Giles	1175 Weldstone Ct., Sandy Springs, GA 30350	Sandy Springs	GA	(864) 320-4020
Bill And Donna Bassett	4 Sanderling Court, Savannah, GA 31411	Savannah	GA	N/A
Chris & Becca Phillips	1037 AVERY CREEK DRIVE, WOODSTOCK, GA 30188	WOODSTOCK	GA	(828) 310-6559
Mark Tarullo & Melissa Didrickson	307 Felicia Ct, Bloomingdale, IL 60108	Bloomingdale	IL	(630) 995-6380
Thomas Oconnor	9135 S Leavitt Street, Chicago, IL 60643	Chicago	IL	(773) 771-5100
Greg And Katie Blair	9866 Cumberland Rd, Fishers, IN 46037	Fishers	IN	(513) 550-1015
Gary And Robin Haines	25341 West 53rd Court North, Andale, KS 67001	Andale	KS	(210) 792-6499
Jesse And Nicole Futrell	99 Jasmine Drive, Covington, LA 70433	Covington	LA	(318) 542-5452
Felipe Madeira	6656 Vicksburg Street, New Orleans, LA 70124	New Orleans	LA	(504) 218-9239
Lisa Rowe, Robert Rowe	104 Cushing Hill, Hanover, MA 02339	Hanover	MA	(781) 871-5354
Eithne Smith & Brad Maher	138 Elmwood Street, North Attleboro, MA 02760	North Attleboro	MA	(508) 982-3551
Don Moorhouse	19 Mallard Lane, Westfield, MA 01085	Westfield	MA	(508) 410-5208
John Koss	190R Main Street, Wilmington, MA 01887	Wilmington	MA	(978) 253-4030
Karen And John Kirlin	3506 Manor Rd, Chevy Chase, MD 20815	Chevy Chase	MD	(301) 802-4663
Jamie Raul	25419 Adams Landing Rd Denton, MD 21629	Denton	MD	N/A
Eric & Whitney Wheeling	167 Cardamon Drive, Edgewater, MD 21037	Edgewater	MD	(410) 422-3093
Dennis And Susan Shaffer	2011 Trout Farm Road, Jarrettsville, MD 21084	Jarrettsville	MD	(443) 540-7014

Chuck Barnes, Susan Barnes	22830 14.5 Mile Road, Bellevue, MI 49021	Bellevue	MI	(269) 430-1511
Dan Martin	31145 Bycroft, Farmington Hills, MI 48331	Farmington Hills	MI	(248) 301-1425
Alexander Horn	9200 County Road, Hamel, MI 55340	Hamel	MI	(320) 266-5405
Lamar Ballinger	3180 Bunn Road, Jonesville, MI 49250	Jonesville	MI	(517) 320-0737
Brandon And Yanika Baugh	6857 Lakeway Street, Ypsilanti, MI 48197	Ypsilanti	MI	(734) 330-1359
Mike Musson, Ray Musson	120 Birch Street, Mahtomedi, MN 55115	Mahtomedi	MN	(763) 355-7422
Jonathan Woodrome	1808 S Tucker Blvd, Saint Louis, MO 63104	Saint Louis	MO	N/A
Brian And Ashley Garner	3625 South Tryon Street, Charlotte, NC 28217	Charlotte	NC	(336) 601-6360
Keith And Kristy Brown	2908 Aquila Way, Raleigh, NC 27614	Raleigh	NC	(919) 606-7128
Anthony And Kylee Hudson	3570 S 203rd Circle, Omaha, NE 68130	Omaha	NE	N/A
Michael Moorhouse	174 Calef Hwy, Barrington, NH 03825	Barrington	NH	N/A
Joe And Karina Roman	1527 Essex Ave, Linden, NJ 07036	Linden	NJ	(908) 487-0042
Ken & Laura Steenstra	99 Graham Ave, Linden, NJ 07508	Linden	NJ	(201) 851-2146
Doren Davis	1222 Thomas AVE, North Brunswick, NJ 08902	North Brunswick	NJ	(732) 599-9746
Daniel And Paula Smith	410 West End Road, South Orange, NJ 07079	South Orange	NJ	(973) 986-1059
Seth Rothman	264 South Chestnut Street, Washington, NJ 07676	Washington	NJ	N/A
Jon Steward	91 Aviary Rd, West Deptford, NJ 08086	West Deptford	NJ	(856) 425-8970
John Kelly	38 West Denis Lane, Coram, NY 11727	Coram	NY	(631) 877-3712
Ohavia Feldmand & Leon Lantsman	35 Robert Road, Inwood, NY 11096	Inwood	NY	(516) 351-6036

Josh Klauber and Sergey Mikhaylov	107 Eakins Road, Manhasset, NY 11030	Manhasset	NY	(516) 993-0205
Robert Moll	25 Ponderosa Court, Orchard Park, NY 14127	Orchard Park	NY	(716) 983-4333
Jeremy And Olivia Morgante	451 Winona Blvd, Rochester, NY 14617	Rochester	NY	(585) 750-4296
Bradley And Amy Resch	9472 West Ave, Blue Ash, OH 45242	Blue Ash	OH	(513) 739-6807
Shawn And Kimberly Bone	1524 Spangler Road,, Fairborn, OH 45324	Fairborn	OH	(937) 604-4988
Adam Hubregtse	7675 Lett Circle / PO Box 288, Newalla, OK 74857	Newalla	OK	(605) 390-9141
Benjamin Havens	245 W Middlesex Dr., Carlisle, PA 17013	Carlisle	PA	(717) 902-9249
Dustin Thomas Defebo (Vincent)	319 Juniper Way, McMurray, PA 15317	McMurray	PA	(412) 953-8358
Dustin & Jennifer Schouten	255 W. 2700 N, Unit 65B, Pleasant View, UT 84414	Unit 65B	Pl	(801) 440-7973
Noel Buchanan	2112 Wentworth Drive, Rock Hill, SC 29732	Rock Hill	SC	(803) 242-0772
Jason And Adrianne Meyer	5817 W 36 St., Sioux Falls, SD 57106	Sioux Falls	SD	(218) 329-0002
Richard Poole & Michael Powell	118 Sherbrook Ln, Hendersonville, TN 37075	Hendersonville	TN	(615) 969-6710
Nathan Lefebvre	10376 Harrison Springs Ln, Knoxville, TN 37932	Knoxville	TN	(865) 888-7171
Peter And Holly O'malley	4444 Princeton Road, Memphis, TN 38117	Memphis	TN	(901) 493-6176
Caroline And Andrew Galloway	8023 Forrest Trail Drive, Dallas, TX 75238	Dallas	TX	(317) 201-2053
Charles And Carrie Simpson	2231 Ellis Drive, Flower Mound, TX 75028	Flower Mound	TX	(832) 875-7381
Damon And Michelle Trout	6980 Clipper Dr, Grand Prarie, TX 75054	Grand Prarie	TX	(972) 689-6755
Joseph Bosco	26602 Bentgreen Chase Court, Katy, TX 77494	Katy	TX	(321) 217-4306
Jennifer And Lance Ames	2800 Santa Lydia Street, Mission, TX 78572	Mission	TX	(956) 975-4521
Travis & Erin Faulk	5610 Fort Worth Avenue, Odessa, TX 79762	Odessa	TX	(432) 288-2313

Joshua & Rebecca Rider	8721 Havant Lane, Plano, TX 75024	Plano	TX	(760) 687-8882
Sonny Knox	8182 Two Winds, San Antonio, TX 78255	San Antonio	TX	(210) 559-8370
Chris & Robin Neely	2804 Dorset, The Colony, TX 75056	The Colony	TX	(214) 326-9831
Aaron Brockman / David Guisinger	2010 Berkeley, Wichita Falls, TX 76308	Wichita Falls	TX	(940) 704-8377
Connor King And Dana Vandervelde	5616 Kinns Rd, Richmond, VA 23225	Richmond	VA	(770) 823-4040
Jay Meadows	35900 Allder School Road, Round Hill, VA 20141	Round Hill	VA	(571) 370-9800
James And Nicole Wisoky	N61W14389 Brookside Dr, Menomonee Falls, WI 53051	Menomonee Falls	WI	(414) 530-3039
Susan Mcbeth	2035 N Hubbard St., Milwaukee, WI 53212	Milwaukee	WI	(414) 378-2820
Nathan Grundy	E9155 Ebony Rose Ln, New London, WI 54961	New London	WI	(912) 346-5959
Bill Prahl	3654 Haymeadow Rd, Rhinelander, WI 54501	Rhinelander	WI	(715) 891-5081

Notes:
Various franchise owners have acquired multiple APR or Units, such that the number of individuals on the roster is less than the number of APR/Units reflected in the Item 20 Tables.
Certain franchises are owned by multiple owners, and as a result, certain franchises are listed multiple times so as to disclose their owners.

FORMER MOSQUITO SHIELD FRANCHISEES

The following is a list of those former Mosquito Shield franchisees that 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 has not communicated with MOSQUITO SHIELD within the 10 weeks preceding the Issuance Date of this Disclosure Document:

Owner	**Address**	**Phone Number**
Maximiliano Garcia Diaz Ceballos	701 Brickell Key Boulevard, Unit 2409 Miami, FL 33131	(786) 835-9149
Bret & Danielle Basinski	192 Isle Verde Way, Palm Beach Gardens, FL 33418	(954) 732-0618

Tj & Julie Kissane	5030 Lake Fjord Pass, Marietta, GA 30068	(770) 778-7286
James Harrigan	4150 Western Avenue, Springs, IL 60558	(708) 330-1224
Sanna & Samir Souri	1039 Shirley Street, Winthrop, MA 02152	(617) 388-4931
Doug And Kathleen Dalrymple	7004 Bristol Road, Baltimore, MD 21212	(410) 365-9620
Saket Nigam, And Sean Welsh	424 Whithaven Ave, Charlotte, NC 28208	(919) 523-6865
Kevin Johnson & Castus Horton	2887 Camelot Court, Willoughby Hills, OH 44092	(440) 488-3994
Alec Carberry	5803 S 136th St., Omaha, NE 68137	(402) 238-5895
Jesse Miller	11488 Trenton Road, Galena, OH 43021	(614) 795-0177
Ricky Heflin	4818 Central Ave, Middletown, OH 45044	(309) 642-4474
Tina & Rick Brogan	1104 Dawn Drive, West Chester, PA 19380	(484) 343-3911
Brad Magnus	2229 Egret Lane, Piney Flats, TN 37686	(727) 440-4000
Brent Seebohm	600 Broadway #2713, Nashville, TN 37203	N/A
Bill And Heather Brown	5900 Balcones Drive, Ste 4492, Austin, TX 78731	(610) 368-9166

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

EXHIBIT D

MOSQUITO SHIELD FINANCIAL STATEMENTS

Right Answers, Right Here.

TANNER

Accountants & Advisors

FS PEP HOLDCO, LLC and SUBSIDIARIES

Consolidated Financial Statements
As of December 31, 2023 and 2022
and For the Years Then Ended

Together with Independent Auditors' Report

TANNER

Independent Auditors' Report

To the Board of Managers of
FS PEP Holdco, LLC

Opinion

We have audited the accompanying consolidated financial statements of FS PEP Holdco, LLC and subsidiaries (collectively, the Company), which comprise the consolidated balance sheets as of December 31, 2023 and 2022, and the related consolidated statements of operations, members' equity, and cash flows for the years then ended, and the related notes to consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of FS PEP Holdco, LLC and subsidiaries as of December 31, 2023 and 2022, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

3300 N. Triumph Blvd., Suite 410, Lehi, UT 84043

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

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

Tanner LLC

April 5, 2024

Consolidated Balance Sheets

	As of December 31, 2023	2022
Assets		
Current assets:		
Cash	$ 1,338,811	$ 3,760,121
Restricted cash	840,143	543,616
Accounts receivable, net of an allowance for credit losses of $105,953 and $58,660, respectively	3,532,277	2,360,599
Current portion of contract assets	1,382,859	1,350,919
Prepaid and other current assets	1,460,144	792,682
Total current assets	8,554,234	8,807,937
Goodwill, net	56,518,636	63,918,327
Intangible assets, net	50,358,496	54,137,918
Contract assets, net of current portion	10,981,453	9,616,933
Operating lease right-of-use assets	1,246,432	1,153,787
Other assets	706,855	703,934
Total assets	$ 128,366,106	$ 138,338,836
Liabilities and Members' Equity		
Current liabilities:		
Accounts payable	$ 655,035	$ 602,708
Accrued expenses	1,997,785	2,643,685
Current portion of contract liabilities	2,371,381	1,960,914
Current portion of operating lease liabilities	229,780	154,246
Current portion of long-term debt	481,000	491,176
Total current liabilities	5,734,981	5,852,729
Contract liabilities, net of current portion	17,138,458	13,714,594
Operating lease liabilities, net of current portion	1,070,182	1,031,261
Long-term debt, net of current portion and debt issuance costs	46,148,366	46,381,407
Deferred income taxes	5,507,405	5,083,150
Total liabilities	75,599,392	72,063,141
Commitments and contingencies (Notes 4, 6 & 7)		
Members' equity	52,766,714	66,275,695
Total liabilities and members' equity	$ 128,366,106	$ 138,338,836

See accompanying notes to consolidated financial statements.

1

Consolidated Statements of Operations

	For the Years Ended December 31,	
	2023	**2022**
Revenues	$ 34,597,657	$ 26,026,524
Cost of revenues	10,001,056	5,463,228
Gross profit	24,596,601	20,563,296
Operating expenses:		
Selling, general and administrative	20,522,378	18,837,743
Depreciation and amortization	11,307,800	10,597,574
Total operating expenses	31,830,178	29,435,317
Loss from operations	(7,233,577)	(8,872,021)
Other income (expense):		
Interest expense	(5,506,427)	(3,821,499)
Gain on sale of unconsolidated subsidiary	-	1,025,637
Other income (expense)	(204,868)	(51,463)
Total other expense, net	(5,711,295)	(2,847,325)
Loss before income taxes	(12,944,872)	(11,719,346)
Income tax benefit (provision)	(765,698)	1,280,676
Net loss	$ (13,710,570)	$ (10,438,670)

See accompanying notes to consolidated financial statements.

2

Consolidated Statements of Operations

	For the Years Ended December 31,	
	2023	**2022**
Revenues	$ 34,597,657	$ 26,026,524
Cost of revenues	10,001,056	5,463,228
Gross profit	24,596,601	20,563,296
Operating expenses:		
Selling, general and administrative	20,522,378	18,837,743
Depreciation and amortization	11,307,800	10,597,574
Total operating expenses	31,830,178	29,435,317
Loss from operations	(7,233,577)	(8,872,021)
Other income (expense):		
Interest expense	(5,506,427)	(3,821,499)
Gain on sale of unconsolidated subsidiary	-	1,025,637
Other income (expense)	(204,868)	(51,463)
Total other expense, net	(5,711,295)	(2,847,325)
Loss before income taxes	(12,944,872)	(11,719,346)
Income tax benefit (provision)	(765,698)	1,280,676
Net loss	$ (13,710,570)	$ (10,438,670)

See accompanying notes to consolidated financial statements.

2

Consolidated Statements of Cash Flows

	For the Years Ended December 31,	
	2023	**2022**
Cash flows from operating activities:		
Net loss	$ (13,710,570)	$ (10,438,670)
Adjustments to reconcile net loss to net cash used in operating activities:		
Amortization of goodwill and intangible assets	11,179,113	10,568,470
Depreciation of fixed assets	128,687	29,104
Amortization of deferred financing costs	237,783	213,726
Amortization of operating lease right-of-use assets	265,177	108,253
Equity-based compensation	201,589	-
Gain on sale of unconsolidated subsidiary	-	(1,025,637)
Loss (gain) on disposal of fixed assets	(11,390)	43,615
Provision for bad debt	47,293	25,950
Decrease (increase) in:		
Accounts receivable	(1,218,971)	(777,114)
Contract assets	(1,396,460)	(2,540,535)
Other assets	(428,865)	(535,234)
Increase (decrease) in:		
Accounts payable and accrued expenses	(593,573)	2,012,196
Contract liabilities	3,834,331	3,647,786
Operating lease liabilities	(243,367)	(76,533)
Deferred taxes	424,255	(1,269,181)
Net cash used in operating activities	(1,284,968)	(13,804)
Cash flows from investing activities:		
Purchase of property and equipment	(441,815)	(238,771)
Proceeds from sale of property and equipment	83,000	-
Contingent consideration paid	-	(1,200,000)
Proceeds from sale of unconsolidated subsidiary	-	1,623,174
Net cash paid for acquisitions	-	(46,109,861)
Net cash used in investing activities	(358,815)	(45,925,458)
Cash flows from financing activities:		
Member contributions	-	29,025,980
Borrowing on long-term debt	-	20,100,000
Payment of debt issuance costs	-	(307,500)
Repayment of long-term debt	(481,000)	(378,894)
Member distributions	-	(250,000)
Net cash provided by (used in) financing activities	(481,000)	48,189,586
Net change in cash and restricted cash	(2,124,783)	2,250,324
Cash and restricted cash at beginning of year	4,303,737	2,053,413
Cash and restricted cash at end of year	$ 2,178,954	$ 4,303,737
Supplemental disclosure of cash flow information:		
Cash paid for interest	$ 5,102,711	$ 3,053,817
Cash paid for income taxes	110,538	1,916
Supplemental disclosure of non-cash investing and financing information:		
Operating lease right-of-use assets and liabilities added through new contracts	$ 357,822	$ -
Operating lease right-of-use assets and liabilities recorded upon adoption of ASC Topic 842, *Leases*	-	1,175,322
Cash acquired through acquisition	-	124,418
Contingent consideration settled through issuance of equity	-	300,000
Measurement period adjustment to goodwill	-	1,474,328
Rollover equity contributions in acquisitions	-	6,230,000

See accompanying notes to consolidated financial statements.

4

Notes to Consolidated Financial Statements

1. Description of Organization and Summary of Significant Accounting Policies

Organization

FS PEP Holdco, LLC is a holding company established for the purpose of acquiring and operating home services related franchisor companies. Through its franchisor entities located throughout the United States, the Company seeks to establish profitable and sustainable franchise systems that provide franchise partners the tools to profitably operate and own a successful home service business.

Basis of Presentation and Principles of Consolidation

The consolidated financial statements presented in conformity with accounting principles generally accepted in the United States of America (US GAAP) and include the accounts of FS PEP Holdco, LLC and its wholly owned subsidiaries: Five Star Connect, Inc.; Gotcha Covered Franchising, LLC; Ringside Development Company; Bio-One IP Group; LLC, Ringside Group, LLC; Mosquito Shield Franchise, LLC; 1-800-Packounts Holdco, LLC; and Five Star Franchising, LLC and its wholly owned subsidiary Five Star Bath, LLC.

FS PEP Holdco, LLC was formed on April 9, 2021 (date of inception) and during 2021 began acquiring operating companies. The consolidated financial statements reflect the operations of FS PEP Holdco, LLC and all of its subsidiaries (collectively the Company). All intercompany balances and transactions have been eliminated in consolidation.

Use of Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Concentrations of Credit Risk

The Company maintains its cash in bank deposit accounts which, at times, exceed federally insured limits. To date, the Company has not experienced a loss or lack of access to its invested cash and cash equivalents; however, no assurance can be provided that access to the Company's invested cash will not be impacted by adverse conditions in the financial markets.

Restricted Cash

Restricted cash balances relate to cash franchisees contribute to the Company's national branding funds. Cash contributed by franchisees to the national branding funds are to be used in accordance with the franchise agreements with a focus on marketing and advertising.

Accounts Receivable

Accounts receivable consist of amounts due on franchisee accounts for various fees including royalties, support fees, branding fees, insurance, training, and expendable equipment. The allowance for credit losses and other reserves are based upon the Company's historical experience with franchisees and considers the age of the receivable and the franchisees' ability to pay. Accounts are written-off when determined to be uncollectible and all reasonable efforts to collect the receivable have been exhausted. Accounts receivable do not include any amounts for interest. An allowance for credit losses of $105,953 and $58,660 was accrued as of December 31, 2023 and 2022, respectively.

Notes Receivable

Some franchise agreements allow for the financing of initial franchising fees over a term of one to five years. These receivables bear interest ranging from 4.00% to 10.00% and are reviewed for collectability by assessing the franchisee's completion of training, commencing operations, and revenue generation. As of December 31, 2023 and 2022, the Company had $239,770 and $436,865 outstanding on notes receivable, which have been included in the other assets account on the accompanying consolidated balance sheets.

Contract Assets
The Company incurs broker or sales commission expenses paid to third parties to obtain franchise agreements with franchisees. The commissions are related to franchise fee revenue and are capitalized as contract assets and recognized over the term of the respective franchise agreement.

Goodwill and Intangible Assets
Goodwill represents the excess purchase price over fair value of net assets acquired that is not allocable to separately identifiable intangible assets. Other identifiable intangible assets primarily consist of trade names and franchise agreements in place. These assets are amortized using the straight-line method over the estimated useful life of the asset acquired.

The Company amortizes goodwill over a period of ten years. The Company evaluates the recoverability of the carrying amount of goodwill at the entity level whenever events or circumstances indicate the carrying amount may not be recoverable. Management has determined there was no impairment as of December 31, 2023 and 2022.

Investment in Unconsolidated Subsidiary
The Company's investment in Joe Homebuyer Franchising, LLC, was owned 50% by Five Star Franchising, LLC and 50% by an outside party. The investment was accounted for under the equity method of accounting. On March 9, 2022, the Company completed the sale of its equity interests in Joe Homebuyer Franchising, LLC to the existing equity partner for $1,623,174. As a result of this sale, the Company recognized a gain of $1,025,637.

Debt Issuance Costs
The Company defers costs related to issuing debt and amortizes the costs using the effective interest method, to interest expense over the term of the related debt.

Revenue Recognition
The Company primarily derives revenue from royalties, call center services, franchise and license fees, equipment and product sales, and advertising services. Revenue is recognized from these contracts with customers by applying the following steps:

- Identification of the contract, or contracts, with a customer.
- Identification of the performance obligations in a contract.
- Determination of the transaction price.
- Allocation of the transaction price to the performance obligations in the contract.
- Recognition of revenue when, or as, performance obligations are satisfied.

Royalties
The Company sells individual franchises as well as territory agreements (Franchise Agreements) that grant the right to operate a location, using the Company's software and trademarks, generally for a period of five or ten years. The franchisees are equipped with certain equipment and samples and are trained at the Company's facilities. The Franchise Agreements require franchisees to pay continuing fees, or royalties, on a monthly basis based on the terms of the Franchise Agreement. Royalty income is based on either a percentage (generally ranging from 2% to 7%) of franchisee gross sales, minimum monthly payments, or other calculated amounts as defined in the Franchise Agreement and is recognized as the royalties are at the franchisees' point of sale.

Call Center Services

The Company provides certain sales and marketing support services for franchisees, including the operation of a call center for inbound-customer and marketing related calls. The fees associated with the call center are structured as either a fixed monthly fee or a variable fee based on the monthly usage of the call center. Revenue for call center services are recognized during the month that the services are performed.

Franchise Fees

The Franchise Agreements require the franchisee to pay an initial fee to obtain the rights associated with the Franchise Agreements. Initial franchise fee revenue is partially recognized upon substantial completion of the startup services required of the Company. The remainder of the franchise fee revenue is recognized over the term of the Franchise Agreement. All fees collected in advance are deferred until performance obligations are met, and revenue is earned. Deferred amounts are classified as contract liabilities in the accompanying consolidated balance sheets.

Franchise sales resulting from leads furnished by independent franchise brokers are subject to a sales commission. The costs of commissions paid to franchise brokers are capitalized and recognized over the same period as the related revenue.

Equipment and Product Sales

Revenue from the sale of equipment and products is recognized when title and risk of loss transfers to the buyer, which is generally upon shipment.

Advertising Services

Under the terms of the Franchise Agreements, the Company may establish national branding funds and charge a fee of up to 3% of the franchisees' gross receipts to pay for marketing costs that benefit multiple franchises and are used to promote the brands. Marketing revenues and expenses are recognized in equal amounts as marketing expenses are incurred. Any amounts collected but unspent at the end of the year are accrued for as a liability on the accompanying consolidated balance sheets until the related expense has been incurred.

Other Revenues

Other revenues include vendor rebates, fees generated by consulting services, monthly technology access fees and other miscellaneous fees allowable under the terms of the Franchise Agreements. Consulting and other fees are recognized as revenue once the consulting or other services have been performed, these services are short term in nature and provided on a month-to-month basis. Monthly technology access fees are recognized during the month that services are performed.

Amounts recognized as revenue for the different revenue types were as follows for the years ended December 31, 2023 and 2022:

	2023	2022
Royalties	$ 11,447,971	$ 10,191,623
Call center services	2,799,481	2,977,806
Franchise fees	4,622,915	3,823,573
Equipment and product sales	2,414,926	3,830,583
Advertising services	7,184,067	3,683,755
Other revenues	6,128,297	1,519,184
	$ 34,597,657	$ 26,026,524

Contract Liabilities
Contract liabilities represent billings made to or payments received from franchisees for which the related performance obligation has not yet been fulfilled. This primarily consists of franchise fees that have been received but are deferred to be recognized over the term of the franchise agreement. Deposits for conferences and trainings are also deferred until the point at which the service has been provided.

Recently Adopted Accounting Pronouncements
In June 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2016- 13, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments* (ASU 2016-13 or ASC 326). ASU 2016-13 revises the accounting requirements related to the measurement of credit losses and requires organizations to measure all expected credit losses for financial assets based on historical experience, current conditions, and reasonable and supportable forecasts about collectability. Assets must be presented in the financial statements at the net amount expected to be collected. During 2019, the FASB issued additional ASUs amending certain aspects of ASU 2016-13.

On January 1, 2023, the Company adopted ASC 326 and all the related amendments using the modified retrospective method. The Company's adoption did not result in a significant impact to the opening balance of retained earnings and the comparative information has not been adjusted or restated.

Leases
Management determines if a contract is or contains a lease at inception or modification of a contract. A contract is or contains a lease if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration. Control over the use of the identified asset means the lessee has both (a) the right to obtain substantially all of the economic benefits from the use of the asset and (b) the right to direct the use of the asset. Such assets are classified as ROU assets with a corresponding lease liability.

For all arrangements where it is determined that a lease exists, the related ROU assets and lease liabilities are recorded as either operating or finance leases. At inception or modification, the Company calculates the present value of lease payments using the implicit rate determined from the contract or the Company's incremental borrowing rate applicable to the lease, which is determined by estimating what it would cost the Company to borrow a collateralized amount equal to the total lease payments over the lease term based on the contractual terms of the lease and the location of the leased asset. The present value is adjusted for prepaid lease payments, lease incentives, and initial direct costs. Lease expense is recognized for these leases on a straight-line basis over the expected lease term. Non-lease costs, such as common-area maintenance costs, taxes, and insurance, are not included in the measurement of the ROU assets and lease liabilities. The depreciable life of assets and leasehold improvements are limited by the expected lease term.

Sales Tax
The Company accounts for sales tax on a net basis and excluded from revenues.

Shipping and Handling Costs
The Company classifies freight billed to customers as sales revenue and the related freight costs as cost of sales.

Advertising and Marketing
Advertising and marketing costs included in operating expenses primarily consist of collateral marketing materials and are expensed as incurred. These costs are included in general and administrative expenses and were $1,963,625 and $2,153,360 during the years ended December 31, 2023 and 2022, respectively.

Income Taxes
The Company is a limited liability company under provisions of the Internal Revenue Code and has elected to be treated as a partnership for income tax purposes. As such, the payment and recognition of income taxes are the responsibility of the members of the Company.

The Company files income tax returns in the US federal and state jurisdictions. The Company is generally subject to US federal, state and local income tax examination by tax authorities for a period of three years from the date of filing. The Company is not currently under examination in any jurisdiction in which it operates.

The Company is required to determine whether its tax positions are more likely than not to be sustained upon examination by the applicable taxing authority, based on the technical merits of the position. The tax benefits recognized are measured as the largest amount of benefit that has a greater than 50% likelihood of being realized upon ultimate settlement with the relevant taxing authorities. Based on its analysis, the Company has determined that it has not incurred any liability for unrecognized tax benefits as of December 31, 2023. The Company does not expect that its assessment regarding unrecognized tax benefits will materially change over the next 12 months.

Certain subsidiaries of the Company recognize deferred income tax assets and liabilities for the expected future tax consequences of events that have been included in the subsidiary financial statements or tax returns. Under this method, deferred income tax assets and liabilities are determined based on the difference between financial statement and tax bases of assets and liabilities using estimated tax rates in effect for the year in which the differences are expected to reverse. Deferred tax assets are recognized only if it is more likely than not that the asset will be realized in future years.

Subsequent Events

Management has evaluated events and transactions for potential recognition or disclosure through April 5, 2024, which is the day the consolidated financial statements were available to be issued.

2. Acquisitions of Subsidiary Entities

During the year ended December 31, 2022, the Company entered into the following acquisition agreements:

On January 31, 2022, the Company entered into a securities purchase agreement to acquire 100% of the equity interests in 1-800-Packouts, LLC (Packouts). The securities purchase agreement included payment of rollover interest of $4,230,000 wherein the former owner was granted an ownership interest in the Company, which was included in the total consideration paid for the acquisition. The securities purchase agreements also included two delayed cash payments of $1,000,000 made in June 2023 and December 2023. These payments were valued at present value of $1,795,418 as of the acquisition date. This amount was accrued and included in the 2022 issued financials.

On March 11, 2022, the Company entered into a securities purchase agreement to acquire 100% of the equity interests in Mosquito Shield Finance Corporation (Mosquito Shield). The securities purchase agreement included payment of rollover interest of $2,000,000 wherein the former owner was granted an ownership interest in the Company, which was included in the total consideration paid for the acquisition.

In relation to these acquisitions, the Company elected to early adopt Accounting Standards Update 2021-08, *Business Combinations* (ASU 2021-08). ASU 2021-08 allows a Company to recognize and measure contract assets and contract liabilities in accordance with ASC 606, *Revenue from Contracts with Customers*. Accordingly, the contract assets and contract liabilities were recognized at carryover value from the predecessor, rather than at fair value.

The following is a summary of the estimated fair values of the assets acquired and the liabilities assumed with each acquisition during the year ended December 31, 2022:

	Packouts	Mosquito Shield
Cash	$ 5,966	$ 118,452
Accounts receivable	117,678	584,222
Contract assets	-	7,878,108
Other assets	49,810	392,928
Operating lease right-of-use asset	86,718	-
Trade name	4,380,000	6,600,000
Franchise agreements	1,790,000	11,200,000
Goodwill	18,214,963	12,067,365
Liabilities assumed	(86,718)	(10,935,213)
Total purchase price	$ 24,558,417	$ 27,905,862

Each of these transactions have been accounted for as a business combination using the acquisition method and the operations of the acquired entities have been consolidated with the operations of the Company as of the respective dates of the transactions.

The assets acquired and liabilities assumed were recorded based on their estimated fair values as of the date of acquisition as determined by management. The excess of the purchase price over the fair values of assets acquired and liabilities assumed was recorded as goodwill. The value of goodwill recognized in connection with the transactions can be attributed to a number of business factors including, but not limited to, the ability of the Company to grow given the additional capital and strategic expertise brought to the Company by the new ownership group.

Trade names were valued using a relief from royalty discounted cash flows method. Franchise agreements were valued using excess of earnings discounted cash flows method. The estimated useful lives of trade names is 15 years, franchise agreements is 13 to 15 years, and goodwill is 10 years.

3. Goodwill and Intangible Assets

Goodwill and intangible assets consist of the following as of December 31:

	2023	2022
Trade name	$ 27,550,000	$ 27,550,000
Franchise agreements	30,900,000	30,900,000
Goodwill	72,717,748	72,717,748
Total intangible assets	131,167,748	131,167,748
Less: accumulated amortization	(24,290,616)	(13,111,503)
Intangible assets, net	$ 106,877,132	$ 118,056,245

Amortization expense resulting from goodwill and intangible assets was $11,179,113 and $10,568,470 for the years ended December 31, 2023 and 2022, respectively.

The future aggregate amounts of amortization expense to be recognized related to definite-lived intangible assets as of December 31, 2023 are as follows:

Years Ending December 31,		
2024	$	11,186,801
2025		11,186,801
2026		11,186,801
2027		11,186,801
2028		11,186,801
Thereafter		50,943,127
	$	106,877,132

4. Long-Term Debt

In connection with the acquisitions of the subsidiary companies, the Company entered into a financing arrangement with Deerpath Fund Services, LLC (Deerpath) that matures on September 3, 2026. Under the financing arrangement, the Company received an initial term loan with a principal amount of $28,000,000, to be used for the 2021 acquisitions as well as amounts available for future transactions as follows: (1) up to an aggregate of $15,000,000 available as delayed draw term loans, which was fully used for the Packouts and Mosquito Shield acquisitions in 2022, and (2) contingent amounts of up to $25,000,000 available for future financing to be negotiated, of which $5,100,000 had been drawn for the Mosquito Shield acquisition. The loans bear interest rate of a 3-month term SOFR plus 5.65% (11.04% as of December 31, 2023). As of December 31, 2023 and 2022, the amount drawn on the facility was $48,100,000. The facility also provides for a revolving line with available draws up to $2,000,000, which had not been drawn on as of December 31, 2023 and 2022.

During 2022, the Company had also entered into short term notes payable with former owners of the subsidiary entities in the amount of $78,594. These amounts have no specific maturity date or repayment schedule, but were fully repaid in 2022. As part of the acquisition of Mosquito Shield, the Company acquired $59,801 of notes payable to a financial institution that were fully repaid during 2022.

As of December 31, 2023 the Company had future maturities of notes payable as follows:

Years Ending December 31,		
2024	$	481,000
2025		481,000
2026		46,416,500
		47,378,500
Less: debt issuance costs		(749,134)
	$	46,629,366

Future amortization of debt issuance costs for the Company's notes payables as of December 31, 2023 are as follows:

Years Ending December 31,		
2024	$	255,474
2025		274,481
2026		219,179
	$	749,134

5. Operating Leases

The Company has entered into certain operating leases for office space under operating lease arrangements with original lease terms ranging from 36 to 120 months. As of December 31, 2023, there was a weighted average of 5.5 years remaining on the original lease terms. The Company estimated their incremental borrowing rate in calculating the ROU asset and operating lease liability as the rate implicit in the leases were not known, the weighted average incremental borrowing rate used was 5.79%.

The following table reconciles the undiscounted future cash flows to the operating lease liability recorded on the accompanying balance sheet as of December 31, 2023:

Years Ending December 31,		
2024	$	297,565
2025		266,383
2026		260,354
2027		179,048
2028		166,598
Thereafter		378,010
Total lease payments		1,547,958
Less: interest		(247,996)
	$	1,299,962

Operating lease payments in the table above and operating ROU asset and lease liability on the accompanying balance sheets are shown net of sublease income. Rent expense under the operating leases totaled was $302,043 and $162,279 for the years ended December 31, 2023 and 2022, respectively.

6. Commitments and Contingencies

Litigation

The Company is involved in legal proceedings from time to time arising in the normal course of business. Management, after consultation with legal counsel, believes that the outcome of these proceedings will not have a material impact on the Company's consolidated financial position, results of operations, or liquidity.

Employee Agreements

The Company has entered into employment agreements with certain officers and employees of the Company, which require that certain severance payments are made in the event of termination without cause.

Indemnification Agreements

Under the Company's organizational documents, the Company's officers, employees and directors are indemnified against certain liabilities arising out of the performance of their duties. The Company's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Company that have not yet occurred. However, based on experience, the Company expects any risk of loss to be remote. The Company also has an insurance policy for its directors and officers to insure them against liabilities arising from the performance of their duties in their positions with the Company or its subsidiaries.

7. Related Party Transactions

The Company pays a management fee to a certain member of the Company on an annual basis based on revenues. The Company made payments of management fees of $570,389 and $1,613,745 for services rendered during the years ended December 31, 2023 and 2022, respectively.

The Company provides call center and other management services to another franchisor that is under common ownership. Additionally, the Company incurs certain expenses on behalf of that related franchisor and bills them for costs incurred. Amounts charged for services performed during the years ended December 31, 2023 and 2022, amounted to $250,031 and $86,101, respectively, and are included in revenues. As of December 31, 2023 and 2022, accounts receivable due from this related party were $250,031 and $86,101, respectively.

8. Income Taxes

The benefit (provision) for income taxes consists of the following for the years ended December 31, 2023 and 2022:

	2023	2022
Current:		
Federal	$ (262,480)	$ 8,833
State	(78,963)	2,662
Total current	(341,443)	11,495
Deferred:		
Federal	(292,567)	1,048,721
State	(131,688)	220,460
Total deferred	(424,255)	1,269,181
Total benefit (provision) for income taxes	$ (765,698)	$ 1,280,676

Significant components of the Company's deferred income tax assets (liabilities) are as follows as of December 31:

	2023	2022
Deferred income tax assets (liabilities):		
Intangible assets	$ (5,747,861)	$ (5,340,652)
Deferred costs	(16,114)	(62,708)
Fixed Assets	(44,540)	(35,068)
Deferred revenue	140,945	30,312
NOL carryforwards	166,613	290,452
Other	(6,448)	34,514
	$ (5,507,405)	$ (5,083,150)

Associated with the acquisition of Ringside Development Company, there were $27.5 million of identifiable intangible assets that were acquired. Ringside Development Company is structured as a C-Corporation for income tax purposes and thus is responsible for accruing the provision (benefit) for income taxes attributable to operations. This transaction was not a taxable transaction for income tax purposes and thus the tax liabilities associated with intangible assets are classified as permanent differences because they are not timing differences that will eventually be recognized in the tax return. This liability is recorded to accrue for the future tax effect that would occur if the intangible assets were to be recovered at the recorded carrying value as there is an assumption that all assets will be used in service or sold, thus a deferred tax liability is established to account for the future tax effect of recovery.

The benefit (provision) for income taxes attributable to loss before income taxes differed from the amount obtained by applying the federal statutory income tax rate to loss before income taxes due to tax rate adjustments, state taxes, permanent differences in deductible goodwill amortization, and prior period adjustments and true-ups.

Note that for U.S. Federal income tax purposes, given the change in control that occurred pursuant to the acquisition of Five Star Connect, Inc. and Ringside Development Company, the Company's net operating loss carryforwards are subject to Internal Revenue Code (IRC) Section 382 which, as determined by IRC Section 382, the net operating loss carryforwards and tax credits generated as of the acquisition date may be limited in their annual usage in the future.

As the acquisitions that occurred in 2021 were structured as stock purchases, the resulting definite-lived intangible assets recognized carried a tax basis of $0. Accordingly, the amortization expense recognized for U.S. GAAP purposes is not deductible for income tax purposes and is considered a permanent difference.

The Company has concluded that there are no significant uncertain tax positions requiring disclosure, and there are no material amounts of unrecognized tax benefits.

9. Subsequent Events

In March 2024, the Company completed an acquisition of the brand, Card My Yard, from a related party. The acquisition was settled primarily for an exchange of equity in the Company.

Right Answers, Right Here.

TANNER

Accountants & Advisors

FS PEP HOLDCO, LLC and SUBSIDIARIES

Consolidated Financial Statements
As of December 31, 2024 and 2023
and For the Years Then Ended

Together with Independent Auditors' Report

TANNER

Independent Auditors' Report

To the Board of Managers of
FS PEP Holdco, LLC

Opinion

We have audited the accompanying consolidated financial statements of FS PEP Holdco, LLC and subsidiaries (collectively, the Company), which comprise the consolidated balance sheets as of December 31, 2024 and 2023, and the related consolidated statements of operations, members' equity, and cash flows for the years then ended, and the related notes to consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of FS PEP Holdco, LLC and subsidiaries as of December 31, 2024 and 2023, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Due to the March 2024 acquisition of an entity under common control, CMY Holdco, LLC (Note 2), the historical activity prior to the acquisition of CMY Holdco, LLC and its wholly-owned subsidiary, Card my Yard Franchising, LLC, have been retrospectively combined in the consolidated financial statements of the Company. We did not audit the 2023 financial statements of Card my Yard Franchising, LLC, which statements reflect total assets of $10,040,671, and total revenues of $3,521,565. Those statements were audited by other auditors, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Card my Yard Franchising, LLC as of December 31, 2023, and for the year then ended, is based solely on the report of the other auditors.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

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Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

Tanner LLC

April 23, 2025

Consolidated Balance Sheets

	As of December 31, 2024	2023
Assets		
Current assets:		
Cash	$ 3,690,691	$ 1,455,349
Restricted cash	-	840,143
Accounts receivable, net of an allowance for credit losses of $74,296 and $105,953, respectively	6,102,611	3,565,178
Other current receivable	820,000	-
Current portion of contract assets	1,797,429	1,382,859
Prepaid and other current assets	1,803,912	1,537,556
Total current assets	14,214,643	8,781,085
Goodwill, net	52,556,496	66,184,756
Intangible assets, net	45,678,810	50,358,496
Contract assets, net of current portion	13,317,603	10,981,453
Operating lease right-of-use assets	1,603,081	1,272,436
Other assets	2,206,748	828,551
Total assets	$ 129,577,381	$ 138,406,777
Liabilities and Members' Equity		
Current liabilities:		
Accounts payable	$ 1,515,669	$ 713,523
Accrued expenses	2,383,578	2,656,030
Current portion of contract liabilities	3,227,336	2,517,756
Current portion of operating lease liabilities	360,394	256,163
Revolving credit facility	1,100,000	-
Current portion of long-term debt, net of debt issuance costs	206,519	851,000
Total current liabilities	8,793,496	6,994,472
Contract liabilities, net of current portion	20,994,540	17,393,479
Operating lease liabilities, net of current portion	1,321,919	1,070,182
Long-term debt, net of current portion and debt issuance costs	46,197,321	46,148,366
Deferred income tax liabilities	4,942,067	5,507,405
Total liabilities	82,249,343	77,113,904
Commitments and contingencies (Notes 4, 5 & 6)		
Members' equity	47,328,038	61,292,873
Total liabilities and members' equity	$ 129,577,381	$ 138,406,777

See accompanying notes to consolidated financial statements. 1

Consolidated Statements of Operations

	For the Years Ended December 31,	
	2024	**2023**
Revenues	$ 47,493,372	$ 38,119,222
Cost of revenues	14,071,864	10,711,574
Gross profit	33,421,508	27,407,648
Operating expenses:		
Selling, general, and administrative	28,732,110	24,077,839
Depreciation and amortization	11,953,138	12,782,735
Total operating expenses	40,685,248	36,860,574
Loss from operations	(7,263,740)	(9,452,926)
Other income (expense):		
Interest expense	(5,462,474)	(5,530,375)
Other income (expense)	43,809	(218,954)
Total other expense, net	(5,418,665)	(5,749,329)
Loss before income taxes	(12,682,405)	(15,202,255)
Income tax benefit (provision)	432,399	(765,698)
Net loss	$ (12,250,006)	$ (15,967,953)

See accompanying notes to consolidated financial statements. 2

Consolidated Statements of Members' Equity

For the years ended December 31, 2024 and 2023

	Members' Equity
Balance as of January 1, 2023	$ 77,059,237
Equity-based compensation	201,589
Net loss	(15,967,953)
Balance as of December 31, 2023	61,292,873
Equity-based compensation	163,300
Member units issued for acquisition (Note 2)	3,000,000
Repurchase of member units	(4,878,129)
Net loss	(12,250,006)
Balance as of December 31, 2024	$ 47,328,038

See accompanying notes to consolidated financial statements.

Consolidated Statements of Cash Flows

	For the Years Ended December 31,	
	2024	**2023**
Cash flows from operating activities:		
Net loss	$ (12,250,006)	$ (15,967,953)
Adjustments to reconcile net loss to net cash used in operating activities:		
Amortization of goodwill and intangible assets	11,662,770	12,639,099
Depreciation of fixed assets	290,368	143,636
Amortization of deferred financing costs	255,474	237,783
Amortization of operating lease right-of-use assets	378,441	263,663
Equity-based compensation	163,300	201,589
Gain on disposal of fixed assets	(2,189)	(11,390)
Credit loss expense	466,027	47,293
Decrease (increase) in:		
Accounts receivable	(2,952,504)	(1,251,872)
Contract assets	(2,750,720)	(1,396,460)
Other assets	516,161	(385,204)
Increase (decrease) in:		
Accounts payable and accrued expenses	480,916	4,506
Contract liabilities	4,310,641	3,834,331
Operating lease liabilities	(353,118)	(243,367)
Deferred income taxes	(565,338)	424,255
Net cash used in operating activities	(349,777)	(1,460,091)
Cash flows from investing activities:		
Purchase of property and equipment	(1,813,949)	(441,815)
Net cash paid for acquisition	(991,946)	-
Proceeds from acquisition related legal settlement	4,950,000	-
Proceeds from sale of property and equipment	-	83,000
Purchase of intangibles	-	(5,355)
Net cash provided by (used in) investing activities	2,144,105	(364,170)
Cash flows from financing activities:		
Borrowing on line of credit	1,100,000	-
Borrowing on long-term debt	-	245,000
Repayment of long-term debt	(851,000)	(481,000)
Purchase of membership units	(648,129)	-
Net cash used in financing activities	(399,129)	(236,000)
Net change in cash and restricted cash	1,395,199	(2,060,261)
Cash and restricted cash at beginning of year	2,295,492	4,355,753
Cash and restricted cash at end of year	$ 3,690,691	$ 2,295,492

See accompanying notes to consolidated financial statements.

Consolidated Statements of Cash Flows - Continued

	For the Years Ended December 31,	
	2024	**2023**
Supplemental disclosure of cash flow information:		
Cash paid for interest	$ 5,748,129	$ 5,102,711
Cash paid for income taxes	644,566	110,538
Supplemental disclosure of non-cash investing and financing information:		
Operating lease right-of-use assets and liabilities added through new contracts	$ 489,629	$ 357,822
Reduction of of member units and related assets due to legal settlement	4,230,000	-
Reconciliation of cash and restricted cash:		
Cash	$ 3,690,691	$ 1,455,349
Restricted cash	-	840,143
Cash and restricted cash at end of year	$ 3,690,691	$ 2,295,492

See accompanying notes to consolidated financial statements.

5

1. Description of Organization and Summary of Significant Accounting Policies

Organization

FS PEP Holdco, LLC is a holding company established for the purpose of acquiring and operating home services related franchisor companies. Through its franchisor entities located throughout the United States, the Company seeks to establish profitable and sustainable franchise systems that provide franchise partners the tools to profitably operate and own a successful home service business.

Basis of Presentation and Principles of Consolidation

The consolidated financial statements are presented in conformity with accounting principles generally accepted in the United States of America (US GAAP) and include the accounts of FS PEP Holdco, LLC and its wholly owned subsidiaries: Five Star Connect, Inc.; Gotcha Covered Franchising, LLC; Ringside Development Company; Bio-One IP Group, LLC; Ringside Group, LLC; Mosquito Shield Franchise, LLC; 1-800-Packounts Holdco, LLC; CMY Holdco, LLC; Five Star Bath, Inc; Five Star Franchising, LLC; and its wholly owned subsidiary Five Star Bath, LLC.

FS PEP Holdco, LLC was formed on April 9, 2021, (date of inception) and during 2021 began acquiring operating companies. The consolidated financial statements reflect the operations of FS PEP Holdco, LLC and all of its subsidiaries (collectively the Company). All intercompany balances and transactions have been eliminated in consolidation.

Use of Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Concentrations of Credit Risk

The Company maintains its cash in bank deposit accounts which, at times, exceed federally insured limits. To date, the Company has not experienced a loss or lack of access to its invested cash and cash equivalents; however, no assurance can be provided that access to the Company's invested cash will not be impacted by adverse conditions in the financial markets.

Restricted Cash

Restricted cash balances relate to cash franchisees contribute to the Company's national branding funds. Cash contributed by franchisees to the national branding funds are to be used in accordance with the franchise agreements with a focus on marketing and advertising.

Accounts Receivable, net

Accounts receivable consist of amounts due on franchisee accounts for various fees including royalties, support fees, branding fees, insurance, training, and expendable equipment. The allowance for credit losses and other reserves are based upon the Company's historical experience with franchisees and considers the age of the receivable and the franchisees' ability to pay. Accounts are written-off when determined to be uncollectible and all reasonable efforts to collect the receivable have been exhausted. Accounts receivable do not include any amounts for interest.

The balances in accounts receivable and the allowance for credit losses were as follows as of December 31:

	2024	2023	2022
Accounts receivable	$ 6,176,907	$ 3,671,131	$ 2,419,259
Allowance for credit losses	(74,296)	(105,953)	(58,660)

Notes Receivable

Some franchise agreements allow for the financing of initial franchising fees over a term of one to five years. These receivables bear interest ranging from 4% to 10% and are reviewed for collectability by assessing the franchisee's completion of training, commencing operations, and revenue generation. As of December 31, 2024 and 2023, the Company had $66,850 and $239,770 outstanding on notes receivable, which have been included in the other assets account on the accompanying consolidated balance sheets. Management has determined that no allowance for credit loss is necessary for these notes receivable as of December 31, 2024 or 2023.

Contract Assets

The Company incurs broker and sales commission expenses paid to third parties to obtain franchise agreements with franchisees. The commissions are related to franchise fee revenue and are capitalized as contract assets and recognized over the term of the respective franchise agreement.

Goodwill and Intangible Assets

Goodwill represents the excess purchase price over fair value of net assets acquired that is not allocable to separately identifiable intangible assets. Other identifiable intangible assets primarily consist of trade names and franchise agreements in place. These assets are amortized using the straight-line method over the estimated useful life of the asset acquired.

The Company amortizes goodwill over a period of ten years. The Company evaluates the recoverability of the carrying amount of goodwill at the entity level whenever events or circumstances indicate the carrying amount may not be recoverable. Management has determined there was no impairment as of December 31, 2024 and 2023.

Debt Issuance Costs

The Company defers costs related to issuing debt and amortizes the costs using the effective interest method, to interest expense over the term of the related debt.

Revenue Recognition

The Company primarily derives revenue from royalties, call center services, franchise and license fees, equipment and product sales, and advertising services. Revenue is recognized from these contracts with customers by applying the following steps:

- Identification of the contract, or contracts, with a customer.
- Identification of the performance obligations in a contract.
- Determination of the transaction price.
- Allocation of the transaction price to the performance obligations in the contract.
- Recognition of revenue when, or as, performance obligations are satisfied.

Royalties

The Company sells individual franchises as well as territory agreements (Franchise Agreements) that grant the right to operate a location, using the Company's software and trademarks, generally for a period of five or ten years. The franchisees are equipped with certain equipment and samples and are trained at the Company's facilities. The Franchise Agreements require franchisees to pay continuing fees, or royalties, on a monthly basis based on the terms of the Franchise Agreement. Royalty income is based on either a percentage (generally ranging from 6% to 25%) of franchisee gross sales, minimum monthly payments, or other calculated amounts as defined in the Franchise Agreement and is recognized as the royalties are at the franchisees' point of sale.

Call Center Services

The Company provides certain sales and marketing support services for franchisees, including the operation of a call center for inbound-customer and marketing related calls. The fees associated with the call center are structured as either a fixed monthly fee or a variable fee based on the monthly usage of the call center. Revenue for call center services are recognized during the month that the services are performed.

Franchise Fees

The Franchise Agreements require the franchisee to pay an initial fee to obtain the rights associated with the Franchise Agreements. Initial franchise fee revenue is partially recognized upon substantial completion of the startup services required of the Company. The remainder of the franchise fee revenue is recognized over the term of the Franchise Agreement. All fees collected in advance are deferred until performance obligations are met, and revenue is earned. Deferred amounts are classified as contract liabilities in the accompanying consolidated balance sheets. The balance of contract liabilities was $24,221,876, $19,911,235, and $15,968,514, as of December 31, 2024, 2023, and 2022, respectively.

Franchise sales resulting from leads furnished by independent franchise brokers are subject to a sales commission. The costs of commissions paid to franchise brokers are capitalized and recognized over the same period as the related revenue.

Equipment and Product Sales

Revenue from the sale of equipment and products is recognized when title and risk of loss transfers to the buyer, which is generally upon shipment.

Advertising Services

Under the terms of the Franchise Agreements, the Company may establish national branding funds and charge a fee of up to 3% of the franchisees' gross receipts to pay for marketing costs that benefit multiple franchises and are used to promote the brands. Marketing revenues and expenses are recognized in equal amounts as marketing expenses are incurred. Any amounts collected but unspent at the end of the year are accrued for as a liability on the accompanying consolidated balance sheets until the related expense has been incurred.

Installation Sales

Company-operated franchises provide shower and bath installations that are generally completed within 1-2 days. Revenue is recognized at the point-in-time the product installation is completed and accepted by the customer.

Vendor Rebates

The Company receives rebates from certain vendors used by franchisees. Vendor rebate revenue is recognized at the point-in-time the associated sales to vendors are recorded and the rebate is earned.

Other Revenues

Other revenues include fees generated by consulting services, monthly technology access fees and other miscellaneous fees allowable under the terms of the Franchise Agreements. Consulting and other fees are recognized as revenue once the consulting or other services have been performed, these services are short term in nature and provided on a month-to-month basis. Monthly technology access fees are recognized during the month that services are performed.

Amounts recognized as revenue for the different revenue types were as follows for the years ended December 31, 2024 and 2023:

	2024	2023
Royalties	$ 16,760,701	$ 13,797,504
Advertising services	8,154,242	7,184,067
Other revenues	6,665,981	5,113,894
Franchise fees	5,798,078	5,023,575
Equipment and product sales	3,878,525	2,414,926
Call center services	3,018,653	2,799,481
Vendor rebates	2,782,697	1,785,775
Installation sales	434,495	-
	$ 47,493,372	$ 38,119,222

Contract Liabilities

Contract liabilities represent billings made to or payments received from franchisees for which the related performance obligation has not yet been fulfilled. This primarily consists of franchise fees that have been received but are deferred to be recognized over the term of the franchise agreement. Deposits for conferences and trainings are also deferred until the point at which the service has been provided.

Leases

Management determines if a contract is or contains a lease at inception or modification of a contract. A contract is or contains a lease if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration. Control over the use of the identified asset means the lessee has both (a) the right to obtain substantially all of the economic benefits from the use of the asset and (b) the right to direct the use of the asset. Such assets are classified as ROU assets with a corresponding lease liability.

For all arrangements where it is determined that a lease exists, the related ROU assets and lease liabilities are recorded as either operating or finance leases. At inception or modification, the Company calculates the present value of lease payments using the implicit rate determined from the contract or the Company's incremental borrowing rate applicable to the lease, which is determined by estimating what it would cost the Company to borrow a collateralized amount equal to the total lease payments over the lease term based on the contractual terms of the lease and the location of the leased asset. The present value is adjusted for prepaid lease payments, lease incentives, and initial direct costs. Lease expense is recognized for these leases on a straight-line basis over the expected lease term. Non-lease costs, such as common-area maintenance costs, taxes, and insurance, are not included in the measurement of the ROU assets and lease liabilities. The depreciable life of assets and leasehold improvements are limited by the expected lease term.

Sales Tax

The Company accounts for sales tax on a net basis and excluded from revenues.

Shipping and Handling Costs

The Company classifies freight billed to customers as sales revenue and the related freight costs as cost of sales.

Advertising and Marketing
Advertising and marketing costs included in operating expenses primarily consist of collateral marketing materials and are expensed as incurred. These costs are included in selling, general, and administrative expenses and were $1,995,154 and $2,089,788 during the years ended December 31, 2024 and 2023, respectively.

Income Taxes
The Company is a limited liability company under provisions of the Internal Revenue Code and has elected to be treated as a partnership for income tax purposes. As such, the payment and recognition of income taxes are the responsibility of the members of the Company.

The Company files income tax returns in the US federal and state jurisdictions. The Company is generally subject to US federal, state and local income tax examination by tax authorities for a period of three years from the date of filing. The Company is not currently under examination in any jurisdiction in which it operates.

The Company is required to determine whether its tax positions are more likely than not to be sustained upon examination by the applicable taxing authority, based on the technical merits of the position. The tax benefits recognized are measured as the largest amount of benefit that has a greater than 50% likelihood of being realized upon ultimate settlement with the relevant taxing authorities. Based on its analysis, the Company has determined that it has not incurred any liability for unrecognized tax benefits as of December 31, 2024. The Company does not expect that its assessment regarding unrecognized tax benefits will materially change over the next 12 months.

Certain subsidiaries of the Company recognize deferred income tax assets and liabilities for the expected future tax consequences of events that have been included in the subsidiary financial statements or tax returns. Under this method, deferred income tax assets and liabilities are determined based on the difference between financial statement and tax bases of assets and liabilities using estimated tax rates in effect for the year in which the differences are expected to reverse. Deferred tax assets are recognized only if it is more likely than not that the asset will be realized in future years.

Subsequent Events
Management has evaluated events and transactions for potential recognition or disclosure through April 23, 2025, which is the day the consolidated financial statements were available to be issued.

2. Acquisitions of Subsidiary Entities

CMY Holdco, LLC
On March 26, 2024, the Company entered into a contribution and exchange agreement to acquire 100% of the membership interests in CMY Holdco, LLC (CMY) from a common owner wherein the common owner was granted additional ownership interest in the Company. The agreement also includes contingent consideration of up to $5,605,000 to be paid if CMY reaches certain system sales metrics over the 36 month period after the acquisition. Management has determined that it is not probable that the metrics will be achieved, and no liability related to the contingent consideration has been recorded in the accompanying consolidated balance sheets.

The acquisition of CMY qualified as a commonly controlled transaction which requires retrospective combination of the entities for all periods presented. In accordance with US GAAP, as of January 1, 2023, the beginning balances of assets, liabilities, and members' equity have been adjusted to include the historical cost values of CMY. The Company's consolidated statements of operations for the years ended December 31, 2024 and 2023, include all of CMY's operations as if CMY had been combined as of January 1, 2023.

Five Star Bath, Inc.

On December 13, 2024, the Company entered into a securities purchase agreement to acquire 100% of the shares of a franchisee, Five Star Bath, Inc. The securities purchase agreement included payment of rollover ownership interest of $3,000,000 wherein the former owner was granted an ownership interest in the Company, and a cash payment of $1,100,000.

The purchase consideration has been allocated based on the assessment of the fair market values of the acquired assets and liabilities assumed. The excess of the purchase price over the fair value of the net assets gives rise to goodwill.

The following table sets forth the allocation of the purchase consideration to the assets acquired and liabilities assumed:

Total consideration	$	4,100,000
Rollover equity		(3,000,000)
Cash acquired		(108,054)
Net cash paid	$	991,946
Cash	$	108,054
Accounts receivable		50,956
Prepaids and other assets		634,944
Operating lease right-of-use asset		219,457
Goodwill		3,354,824
Operating lease liability		(219,457)
Other liabilities assumed		(48,778)
Total purchase price	$	4,100,000

Legal Settlement

During 2024, the Company entered into a settlement agreement for claims made under the indemnity clause of the purchase agreement for the 2022 acquisition agreement of 1-800 Packouts, LLC (Packouts). The Company claimed they incurred losses due to alleged breaches of franchise-related representations and warranties by the former owner of Packouts and member of the Company. In March 2024, both parties entered into a settlement agreement to resolve these claims. Under the terms of the agreement, the Company received a total settlement of $10,000,000. The settlement stipulated that the Company would repurchase the former owner's membership interest in the Company in exchange for a reduction of the legal settlement receivable at an agreed value of $4,230,000. The remaining settlement amount would be received as periodic cash payments. During the year ended December 31, 2024, the Company received cash payments totaling $4,950,000 and the remaining receivable amount of $820,000 is due in September 2025.

The Company determined that since this settlement was related to the acquisition of Packouts, the settlement of amount would be treated as a reduction in the related purchase price and the acquired assets.

3. Goodwill and Intangible Assets

Goodwill and intangible assets consist of the following as of December 31:

	2024	2023
Trade name	$ 27,550,000	$ 27,550,000
Franchise agreements	30,900,000	30,900,000
Goodwill	80,483,637	87,128,812
Total intangible assets	138,933,637	145,578,812
Less: accumulated amortization	(40,698,331)	(29,035,560)
Intangible assets, net	$ 98,235,306	$ 116,543,252

Amortization expense resulting from goodwill and intangible assets was $11,662,770 and $12,639,099 for the years ended December 31, 2024 and 2023, respectively.

The future aggregate amounts of amortization expense to be recognized related to definite-lived intangible assets as of December 31, 2024, are as follows:

Years Ending December 31,	
2025	$ 11,668,434
2026	11,668,434
2027	11,668,434
2028	11,668,434
2029	11,668,434
Thereafter	39,893,136
	$ 98,235,306

4. Long-Term Debt and Revolving Credit Facility

In connection with the acquisitions of subsidiary companies in prior years, the Company entered into a financing arrangement with Deerpath Fund Services, LLC (Deerpath) that matures on September 3, 2026. Under the financing arrangement, the Company received an initial term loan with a principal amount of $28,000,000, to be used for acquisitions which occurred in 2021, as well as amounts available for future transactions as follows: (1) up to an aggregate of $15,000,000 available as delayed draw term loans, and (2) contingent amounts of up to $25,000,000 available for future financing to be negotiated. The loans bear an interest rate of a 3-month term SOFR plus 5.65% (10.24% as of December 31, 2024). As of December 31, 2024 and 2023, the total amount that has been drawn on the facility was $48,100,000. The arrangement also provides for a revolving credit facility with available draws up to $2,000,000, of which the Company had drawn $1,100,000 as of December 31, 2024.

As of December 31, 2024, the Company had future maturities of notes payable as follows:

Years Ending December 31,	
2025	$ 481,000
2026	46,416,500
	46,897,500
Less: debt issuance costs	(493,660)
	$ 46,403,840

Future amortization of debt issuance costs for the Company's notes payables as of December 31, 2024, are as follows:

Years Ending December 31,		
2025	$	274,481
2026		219,179
	$	493,660

5. Operating Leases

The Company has entered into certain operating leases for office space under operating lease arrangements. As of December 31, 2024, there was a weighted average of 4.3 years remaining on the original lease terms. The Company estimated their incremental borrowing rate in calculating the ROU asset and operating lease liability as the rate implicit in the leases were not known. The weighted average incremental borrowing rate used was 5.77%.

The following table reconciles the undiscounted future cash flows to the operating lease liability recorded on the accompanying consolidated balance sheet as of December 31, 2024:

Years Ending December 31,		
2025	$	511,334
2026		456,597
2027		312,535
2028		231,112
2029		203,190
Thereafter		213,394
Total lease payments		1,928,162
Less: interest		(245,849)
	$	1,682,313

The Company elected the short-term lease recognition exemption and short-term leases, which have an initial term of 12 months or less, are not included in right-of-use asseets or corresponding lease liabilities. The components of lease cost were as follows for the years ended December 31:

	2024	2023
Operating lease cost	$ 425,914	$ 406,131
Short-term lease cost	133,893	200,074
Total	$ 559,807	$ 606,205

6. Commitments and Contingencies

Litigation

The Company is involved in legal proceedings from time to time arising in the normal course of business. Management, after consultation with legal counsel, believes that the outcome of these proceedings will not have a material impact on the Company's consolidated financial position, results of operations, or liquidity.

Employee Agreements
The Company has entered into employment agreements with certain officers and employees of the Company, which require that certain severance payments are made in the event of termination without cause.

Indemnification Agreements
Under the Company's organizational documents, the Company's officers, employees and directors are indemnified against certain liabilities arising out of the performance of their duties. The Company's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Company that have not yet occurred. However, based on experience, the Company expects any risk of loss to be remote. The Company also has an insurance policy for its directors and officers to insure them against liabilities arising from the performance of their duties in their positions with the Company or its subsidiaries.

7. Related Party Transactions
The Company pays a management fee to a certain member of the Company on an annual basis based on revenues. The Company made payments of management fees of $784,283 and $870,389 for services rendered during the years ended December 31, 2024 and 2023, respectively.

The Company provided call center and other management services to another franchisor that is under common ownership. Additionally, the Company incurred certain expenses on behalf of that related franchisor and billed them for costs incurred. Amounts charged for services performed during the years ended December 31, 2024 and 2023, amounted to $0 and $250,031, respectively, and are included in revenues. As of December 31, 2024 and 2023, accounts receivable due from this related party were $0 and $250,031, respectively. As of March 2024, this franchisor was no longer under common ownership.

8. Income Taxes
The benefit (provision) for income taxes consists of the following for the years ended December 31, 2024 and 2023:

	2024	2023
Current:		
Federal	$ (133,183)	$ (262,480)
State	244	(78,963)
Total current	(132,939)	(341,443)
Deferred:		
Federal	453,482	(292,567)
State	111,856	(131,688)
Total deferred	565,338	(424,255)
Total benefit (provision) for income taxes	$ 432,399	$ (765,698)

Significant components of the Company's deferred income tax assets (liabilities) are as follows as of December 31:

	2024	2023
Deferred income tax assets (liabilities):		
Intangible assets	$ (5,284,048)	$ (5,747,861)
Deferred costs	(153,662)	(16,114)
Fixed assets	(36,969)	(44,540)
Deferred revenue	249,196	140,945
NOL carryforwards	287,562	166,613
Other	(4,146)	(6,448)
	$ (4,942,067)	$ (5,507,405)

The benefit (provision) for income taxes attributable to income before benefit (provision) for income taxes differed from the amount obtained by applying the federal statutory income tax rate to income (loss) before income taxes due to tax rate adjustments, state taxes, permanent differences in deductible goodwill amortization, and prior period adjustments and true-ups.

As of December 31, 2024, the Company had U.S. federal and state tax-basis net operating loss carryforwards (NOLs) of approximately $1,182,000 and $1,045,000, respectively. The federal and state NOLs will begin to expire in 2038 and 2036, respectively.

The Company has concluded that there are no significant uncertain tax positions requiring disclosure, and there are no material amounts of unrecognized tax benefits.

9. Subsequent Events

In February 2025, the Company completed an acquisition of a Bio-One franchisee, Phillips & O'Brien, LLC, for a purchase price of $300,000.

Right Answers, Right Here.

TANNER

Accountants & Advisors

FS PEP HOLDCO, LLC and SUBSIDIARIES

Consolidated Financial Statements
As of December 31, 2025 and 2024
and For the Years Then Ended

Together with Independent Auditors' Report

TANNER

Independent Auditors' Report

To the Board of Managers of
FS PEP Holdco, LLC

Opinion

We have audited the accompanying consolidated financial statements of FS PEP Holdco, LLC and subsidiaries (collectively, the Company), which comprise the consolidated balance sheets as of December 31, 2025 and 2024, and the related consolidated statements of operations, members' equity, and cash flows for the years then ended, and the related notes to consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of FS PEP Holdco, LLC and subsidiaries as of December 31, 2025 and 2024, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Due to the March 2024 acquisition of an entity under common control, CMY Holdco, LLC (Note 2), the historical activity prior to the acquisition of CMY Holdco, LLC and its wholly-owned subsidiary, Card my Yard Franchising, LLC, have been retrospectively combined in the consolidated financial statements of the Company.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

3300 N. Triumph Blvd., Suite 410, Lehi, UT 84043

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

Tanner LLP

April 1, 2026

3300 N. Triumph Blvd., Suite 410, Lehi, UT 84043

Consolidated Balance Sheets

	As of December 31, 2025	2024
Assets		
Current assets:		
Cash	$ 4,539,992	$ 3,690,691
Accounts receivable, net of an allowance for credit losses of $441,212 and $74,296, respectively	9,557,463	6,102,611
Other current receivable	-	820,000
Current portion of contract assets	2,094,653	1,797,429
Prepaid and other current assets	2,703,573	1,803,912
Total current assets	18,895,681	14,214,643
Goodwill, net	49,709,291	52,556,496
Intangible assets, net	42,587,632	45,678,810
Contract assets, net of current portion	13,973,962	13,317,603
Operating lease right-of-use assets	1,411,994	1,603,081
Other assets	3,765,821	2,206,748
Total assets	$ 130,344,381	$ 129,577,381
Liabilities and Members' Equity		
Current liabilities:		
Accounts payable	$ 2,393,312	$ 1,515,669
Accrued expenses	3,864,563	2,383,578
Current portion of contract liabilities	5,562,715	3,227,336
Current portion of operating lease liabilities	523,286	360,394
Revolving credit facility	-	1,100,000
Current portion of long-term debt, net of debt issuance costs	565,996	206,519
Total current liabilities	12,909,872	8,793,496
Contract liabilities, net of current portion	21,102,341	20,994,540
Operating lease liabilities, net of current portion	1,011,953	1,321,919
Long-term debt, net of current portion and debt issuance costs	50,597,210	46,197,321
Revolving credit facility	1,100,000	-
Deferred income tax liabilities	4,626,115	4,942,067
Total liabilities	91,347,491	82,249,343
Commitments and contingencies (Notes 4, 5 & 6)		
Members' equity	38,996,890	47,328,038
Total liabilities and members' equity	$ 130,344,381	$ 129,577,381

See accompanying notes to consolidated financial statements. 1

Consolidated Statements of Operations

	For the Years Ended December 31,	
	2025	**2024**
Revenues	$ 75,322,650	$ 47,493,372
Cost of revenues	24,352,610	14,071,864
Gross profit	50,970,040	33,421,508
Operating expenses:		
Selling, general, and administrative	40,837,272	28,732,110
Depreciation and amortization	12,794,667	11,953,138
Total operating expenses	53,631,939	40,685,248
Loss from operations	(2,661,899)	(7,263,740)
Other income (expense):		
Interest expense	(5,763,645)	(5,462,474)
Other income (expense)	(176,690)	43,809
Total other expense, net	(5,940,335)	(5,418,665)
Loss before income taxes	(8,602,234)	(12,682,405)
Income tax benefit (provision)	(33,882)	432,399
Net loss	$ (8,636,116)	$ (12,250,006)

See accompanying notes to consolidated financial statements.

Consolidated Statements of Members' Equity

For the years ended December 31, 2025 and 2024

	Members' Equity
Balance as of January 1, 2024	$ 61,292,873
Equity-based compensation	163,300
Member units issued for acquisition (Note 2)	3,000,000
Repurchase of member units	(4,878,129)
Net loss	(12,250,006)
Balance as of December 31, 2024	47,328,038
Equity-based compensation	204,968
Member units issued for acquisition (Note 2)	100,000
Net loss	(8,636,116)
Balance as of December 31, 2025	$ 38,996,890

See accompanying notes to consolidated financial statements.

Consolidated Statements of Cash Flows

	For the Years Ended December 31,	
	2025	**2024**
Cash flows from operating activities:		
Net loss	$ (8,636,116)	$ (12,250,006)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Amortization of goodwill and intangible assets	11,968,566	11,662,770
Depreciation of fixed assets	826,101	290,368
Amortization of deferred financing costs	334,614	255,474
Amortization of operating lease right-of-use assets	432,840	378,441
Equity-based compensation	204,968	163,300
Gain on disposal of fixed assets	-	(2,189)
Credit loss expense	1,045,996	466,027
Decrease (increase) in:		
Accounts receivable	(4,497,955)	(2,952,504)
Contract assets	(953,583)	(2,750,720)
Other assets	(784,749)	516,161
Increase (decrease) in:		
Accounts payable and accrued expenses	2,146,131	480,916
Contract liabilities	1,441,376	4,310,641
Operating lease liabilities	(388,827)	(353,118)
Deferred income taxes	(315,952)	(565,338)
Net cash provided by (used in) operating activities	2,823,410	(349,777)
Cash flows from investing activities:		
Purchase of property and equipment	(1,985,719)	(1,813,949)
Net cash paid for acquisition	(445,892)	(991,946)
Proceeds from acquisition related legal settlement	820,000	4,950,000
Net cash provided by (used in) investing activities	(1,611,611)	2,144,105
Cash flows from financing activities:		
Payment of debt issuance costs	(245,980)	-
Borrowing on line of credit	-	1,100,000
Borrowing on long-term debt	416,915	-
Repayment of long-term debt	(533,433)	(851,000)
Purchase of membership units	-	(648,129)
Net cash used in financing activities	(362,498)	(399,129)
Net change in cash	849,301	1,395,199
Cash at beginning of year	3,690,691	2,295,492
Cash at end of year	$ 4,539,992	$ 3,690,691

See accompanying notes to consolidated financial statements. 4

Consolidated Statements of Cash Flows - Continued

	For the Years Ended December 31,	
	2025	**2024**
Supplemental disclosure of cash flow information:		
Cash paid for interest	$ 5,377,981	$ 5,748,129
Cash paid for income taxes	73,651	644,566
Supplemental disclosure of non-cash investing and financing information:		
Operating lease right-of-use assets and liabilities added through new contracts	$ 165,441	$ 489,629
Reduction of member units and related assets due to legal settlement	-	4,230,000

See accompanying notes to consolidated financial statements.

1. Description of Organization and Summary of Significant Accounting Policies

Organization

FS PEP Holdco, LLC is a holding company established for the purpose of acquiring and operating home services related franchisor companies. Through its franchisor entities located throughout the United States, the Company seeks to establish profitable and sustainable franchise systems that provide franchise partners the tools to profitably operate and own a successful home service business.

Basis of Presentation and Principles of Consolidation

The consolidated financial statements are presented in conformity with accounting principles generally accepted in the United States of America (US GAAP) and include the accounts of FS PEP Holdco, LLC and its wholly owned subsidiaries: Five Star Connect, Inc.; Gotcha Covered Franchising, LLC; Ringside Development Company, and its wholly owned subsidiary Bio-One Atlanta, LLC; Bio-One IP Group, LLC; Ringside Group, LLC; Mosquito Shield Franchise, LLC, and its wholly owned subsidiary MS SEPA, LLC; 1-800-Packouts Holdco, LLC; CMY Holdco, LLC; Five Star Bath, Inc; Five Star Franchising, LLC, and its wholly owned subsidiary Five Star Bath, LLC; and In and Out Floors, LLC.

FS PEP Holdco, LLC was formed on April 9, 2021, and during 2021 began acquiring operating companies. The consolidated financial statements reflect the operations of FS PEP Holdco, LLC and all of its subsidiaries (collectively the Company). All intercompany balances and transactions have been eliminated in consolidation.

Use of Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Concentrations of Credit Risk

The Company maintains its cash in bank deposit accounts which, at times, exceed federally insured limits. To date, the Company has not experienced a loss or lack of access to its invested cash and cash equivalents; however, no assurance can be provided that access to the Company's invested cash will not be impacted by adverse conditions in the financial markets.

Accounts Receivable

Accounts receivable consists of amounts due on franchisee accounts for various fees including royalties, support fees, branding fees, insurance, training, and expendable equipment. The allowance for credit losses and other reserves are based upon the Company's historical experience with franchisees and considers the age of the receivable and the franchisees' ability to pay. Accounts are written off when determined to be uncollectible and all reasonable efforts to collect the receivable have been exhausted. Accounts receivable does not include any amounts for interest.

The balances in accounts receivable and the allowance for credit losses were as follows as of December 31:

	2025	2024	2023
Accounts receivable	$ 9,998,675	$ 6,176,907	$ 3,671,131
Allowance for credit losses	(441,212)	(74,296)	(105,953)
Accounts receivable, net	$ 9,557,463	$ 6,102,611	$ 3,565,178

Contract Assets
The Company incurs broker and sales commission expenses paid to third parties to obtain franchise agreements with franchisees. The commissions are related to franchise fee revenue and are capitalized as contract assets and recognized over the term of the respective franchise agreement.

Goodwill and Intangible Assets
Goodwill represents the excess purchase price over fair value of net assets acquired that is not allocable to separately identifiable intangible assets. Other identifiable intangible assets primarily consist of trade names and franchise agreements in place. These assets are amortized using the straight-line method over the estimated useful life of the asset acquired.

The Company amortizes goodwill over a period of ten years. The Company evaluates the recoverability of the carrying amount of goodwill at the entity level whenever events or circumstances indicate the carrying amount may not be recoverable. Management has determined there was no impairment as of December 31, 2025 and 2024.

Debt Issuance Costs
The Company defers costs related to issuing debt and amortizes the costs using the effective interest method, to interest expense over the term of the related debt.

Revenue Recognition
The Company primarily derives revenue from royalties, call center services, franchise and license fees, equipment and product sales, and advertising services. Revenue is recognized from these contracts with customers by applying the following steps:

- Identification of the contract, or contracts, with a customer.
- Identification of the performance obligations in a contract.
- Determination of the transaction price.
- Allocation of the transaction price to the performance obligations in the contract.
- Recognition of revenue when, or as, performance obligations are satisfied.

Royalties
The Company sells individual franchises as well as territory agreements (Franchise Agreements) that grant the right to operate a location, using the Company's software and trademarks, generally for a period of five or ten years. The franchisees are equipped with certain equipment and samples and are trained at the Company's facilities. The Franchise Agreements require franchisees to pay continuing fees, or royalties, on a monthly basis based on the terms of the Franchise Agreement. Royalty income is based on either a percentage (generally ranging from 6% to 25%) of franchisee gross sales, minimum monthly payments, or other calculated amounts as defined in the Franchise Agreement and is recognized as the royalties are at the franchisees' point of sale.

Call Center Services
The Company provides certain sales and marketing support services for franchisees, including the operation of a call center for inbound-customer and marketing related calls. The fees associated with the call center are structured as either a fixed monthly fee or a variable fee based on the monthly usage of the call center. Revenue for call center services are recognized during the month that the services are performed.

Franchise Fees

The Franchise Agreements require the franchisee to pay an initial fee to obtain the rights associated with the Franchise Agreements. Initial franchise fee revenue is partially recognized upon substantial completion of the startup services required of the Company. The remainder of the franchise fee revenue is recognized over the term of the Franchise Agreement. All fees collected in advance are deferred until performance obligations are met, and revenue is earned. Deferred amounts are classified as contract liabilities in the accompanying consolidated balance sheets. The balance of contract liabilities was $26,665,056, $24,221,876, and $19,911,235, as of December 31, 2025, 2024, and 2023, respectively.

Franchise sales resulting from leads furnished by independent franchise brokers are subject to a sales commission. The costs of commissions paid to franchise brokers are capitalized and recognized over the same period as the related revenue.

Equipment and Product Sales

Revenue from the sale of equipment and products is recognized when title and risk of loss transfers to the buyer, which is generally upon shipment.

Advertising Services

Under the terms of the Franchise Agreements, the Company may establish national branding funds and charge a fee of up to 3% of the franchisees' gross receipts to pay for marketing costs that benefit multiple franchises and are used to promote the brands. Marketing revenues and expenses are recognized in equal amounts as marketing expenses are incurred. Any amounts collected but unspent at the end of the year are accrued for as a liability on the accompanying consolidated balance sheets until the related expense has been incurred.

Company-owned Franchise Operations

Company-owned franchises provide (i) residential installation services, including shower, bath, and flooring installations, (ii) bio-hazard cleanup and remediation services, and (iii) residential pest control services, including mosquito spraying and abatement.

Residential installation services, including shower, bath, and flooring installations, are typically completed within one to several days depending on the scope of the project. Revenue for these services is recognized at a point in time upon completion of the installation and customer acceptance, as this represents the transfer of control of the promised goods and services.

Bio-hazard cleanup and remediation services are generally short-term in nature and may be completed within a single day or over a limited number of days depending on the scope of the project. Revenue is recognized at a point in time upon completion of services and customer acceptance, as the customer simultaneously receives and consumes the benefits of the services and the Company has a right to payment upon completion.

Residential pest control services, including mosquito spraying and abatement, are typically performed on a recurring or contract basis over a defined service period. Revenue for these services is recognized over time as the services are performed, as the customer simultaneously receives and consumes the benefits of the services. For one-time treatments, revenue is recognized at a point in time upon completion of the service.

Vendor Rebates

The Company receives rebates from certain vendors used by franchisees. Vendor rebate revenue is recognized at the point-in-time the associated sales to vendors are recorded and the rebate is earned.

Other Revenues

Other revenues include fees generated by consulting services, monthly technology access fees and other miscellaneous fees allowable under the terms of the Franchise Agreements. Consulting and other fees are recognized as revenue once the consulting or other services have been performed, these services are short term in nature and provided on a month-to-month basis. Monthly technology access fees are recognized during the month that services are performed.

Amounts recognized as revenue for the different revenue types were as follows for the years ended December 31:

	2025	2024
Royalties	$ 20,434,288	$ 16,760,701
Company-owned franchise operations	16,724,007	434,495
Other revenues	9,131,670	6,665,981
Advertising services	8,620,322	8,154,242
Franchise fees	6,875,338	5,798,078
Call center services	5,390,396	3,018,653
Equipment and product sales	4,190,369	3,878,525
Vendor rebates	3,956,260	2,782,697
	$ 75,322,650	$ 47,493,372

Contract Liabilities

Contract liabilities represent billings made to or payments received from franchisees for which the related performance obligation has not yet been fulfilled. This primarily consists of franchise fees that have been received but are deferred to be recognized over the term of the franchise agreement. Deposits for conferences, trainings, and services are also deferred until the point at which the service has been provided.

Leases

Management determines if a contract is or contains a lease at inception or modification of a contract. A contract is or contains a lease if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration. Control over the use of the identified asset means the lessee has both (a) the right to obtain substantially all of the economic benefits from the use of the asset and (b) the right to direct the use of the asset. Such assets are classified as ROU assets with a corresponding lease liability.

For all arrangements where it is determined that a lease exists, the related ROU assets and lease liabilities are recorded as either operating or finance leases. At inception or modification, the Company calculates the present value of lease payments using the implicit rate determined from the contract or the Company's incremental borrowing rate applicable to the lease, which is determined by estimating what it would cost the Company to borrow a collateralized amount equal to the total lease payments over the lease term based on the contractual terms of the lease and the location of the leased asset. The present value is adjusted for prepaid lease payments, lease incentives, and initial direct costs. Lease expense is recognized for these leases on a straight-line basis over the expected lease term. Non-lease costs, such as common-area maintenance costs, taxes, and insurance, are not included in the measurement of the ROU assets and lease liabilities. The depreciable life of assets and leasehold improvements are limited by the expected lease term.

Sales Tax

The Company accounts for sales tax on a net basis and excluded from revenues.

Shipping and Handling Costs

The Company classifies freight billed to customers as sales revenue and the related freight costs as cost of sales.

Advertising and Marketing

Advertising and marketing costs included in operating expenses primarily consist of collateral marketing materials and are expensed as incurred. These costs are included in selling, general, and administrative expenses and were $2,395,606 and $1,995,154 during the years ended December 31, 2025 and 2024, respectively.

Income Taxes

The Company is a limited liability company under provisions of the Internal Revenue Code and has elected to be treated as a partnership for income tax purposes. As such, the payment and recognition of income taxes are the responsibility of the members of the Company.

The Company files income tax returns in the US federal and state jurisdictions. The Company is generally subject to US federal, state and local income tax examination by tax authorities for a period of three years from the date of filing. The Company is not currently under examination in any jurisdiction in which it operates.

The Company is required to determine whether its tax positions are more likely than not to be sustained upon examination by the applicable taxing authority, based on the technical merits of the position. The tax benefits recognized are measured as the largest amount of benefit that has a greater than 50% likelihood of being realized upon ultimate settlement with the relevant taxing authorities. Based on its analysis, the Company has determined that it has not incurred any liability for unrecognized tax benefits as of December 31, 2025. The Company does not expect that its assessment regarding unrecognized tax benefits will materially change over the next 12 months.

Certain subsidiaries of the Company recognize deferred income tax assets and liabilities for the expected future tax consequences of events that have been included in the subsidiary financial statements or tax returns. Under this method, deferred income tax assets and liabilities are determined based on the difference between financial statement and tax bases of assets and liabilities using estimated tax rates in effect for the year in which the differences are expected to reverse. Deferred tax assets are recognized only if it is more likely than not that the asset will be realized in future years.

Subsequent Events

Management has evaluated events and transactions for potential recognition or disclosure through April 1, 2026, which is the day the consolidated financial statements were available to be issued.

2. Acquisitions of Subsidiary Entities

During the year ended December 31, 2025, the Company entered into the following acquisition agreements:

Phillips & O'Brien, LLC (Bio-One Atlanta, LLC)

On February 14, 2025, the Company entered into a securities purchase agreement to acquire 100% of the equity interest of a franchisee, Phillips & O'Brien, LLC (Bio-One Atlanta, LLC). The securities purchase agreement included a cash payment of $300,000.

MS SEPA, LLC

On May 13, 2025, the Company entered into a securities purchase agreement to acquire 100% of the equity interest of a franchisee, MS SEPA, LLC. The securities purchase agreement included payment of rollover ownership interest of $100,000 wherein the former owner was granted an ownership interest in the Company, and a cash payment of $4,900,000. The agreement also includes contingent consideration of up to $1,000,000 to be paid if the acquired entity reaches certain system sales metrics in 2025. Management has determined that it is not probable that the metrics will be achieved, and no liability related to the contingent consideration has been recorded in the accompanying consolidated balance sheets.

In and Out Floors, LLC

On September 13, 2025, the Company entered into a securities purchase agreement to acquire 100% of the equity interest of In and Out Floors, LLC. The securities purchase agreement included a cash payment of $300,000 and a contingent consideration of up to $1,500,000 in 2026, $2,200,000 in 2027, and $2,800,000 in 2028 to be paid if the acquired entity reaches certain system sales metrics over the 36-month period after the year of the acquisition. Management has determined that it is not probable that the metrics will be achieved, and no liability related to the contingent consideration has been recorded in the accompanying consolidated balance sheets.

The purchase consideration for each of the acquisition has been allocated based on the assessment of the fair market values of the acquired assets and liabilities assumed. The excess of the purchase price over the fair value of the net assets gives rise to goodwill.

The following table sets forth the allocation of the purchase consideration to the assets acquired and liabilities assumed:

Consideration:	Bio-One Atlanta	MS SEPA	In and Out Floors
Total consideration	$ 300,000	$ 4,739,200	$ 300,000
Rollover equity	-	100,000	-
Funded debt, net of issuance cost	-	(4,787,250)	-
Prorated expenses	-	77,075	-
Working capital adjustment	-	(240,000)	-
Transaction expenses	-	(37,875)	-
Cash acquired	(2,799)	-	(3,259)
Net cash paid	$ 297,201	$ (148,850)	$ 296,741
Fair value of assets acquired and liabilities assumed:			
Cash	$ 2,799	$ -	$ 3,259
Accounts receivable	2,893	-	-
Other assets	80,600	433,767	-
Operating lease right-of-use asset	-	-	76,312
Goodwill	260,556	5,374,132	-
Territory allocation	-	-	395,495
Contract liabilities	-	(1,001,804)	-
Operating lease liability	-	-	(76,312)
Other liabilities assumed	(46,848)	(66,895)	(98,754)
Total purchase price	$ 300,000	$ 4,739,200	$ 300,000

During the year ended December 31, 2024, the Company entered into the following acquisition agreements:

CMY Holdco, LLC

On March 26, 2024, the Company entered into a contribution and exchange agreement to acquire 100% of the membership interests in CMY Holdco, LLC (CMY) from a common owner wherein the common owner was granted additional ownership interest in the Company. The agreement also includes contingent consideration of up to $5,605,000 to be paid if CMY reaches certain system sales metrics over the 36 month period after the acquisition. Management has determined that it is not probable that the metrics will be achieved, and no liability related to the contingent consideration has been recorded in the accompanying consolidated balance sheets.

The acquisition of CMY qualified as a commonly controlled transaction which requires retrospective combination of the entities for all periods presented. In accordance with US GAAP, as of January 1, 2023, the beginning balances of assets, liabilities, and members' equity have been adjusted to include the historical cost values of CMY. The Company's consolidated statements of operations for the years ended December 31, 2025 and 2024, include all of CMY's operations as if CMY had been combined as of January 1, 2023.

Five Star Bath, Inc.

On December 13, 2024, the Company entered into a securities purchase agreement to acquire 100% of the shares of a franchisee, Five Star Bath, Inc. The securities purchase agreement included payment of rollover ownership interest of $3,000,000 wherein the former owner was granted an ownership interest in the Company, and a cash payment of $1,100,000.

The purchase consideration has been allocated based on the assessment of the fair market values of the acquired assets and liabilities assumed. The excess of the purchase price over the fair value of the net assets gives rise to goodwill.

The following table sets forth the allocation of the purchase consideration to the assets acquired and liabilities assumed:

Total consideration	$	4,100,000
Rollover equity		(3,000,000)
Cash acquired		(108,054)
Net cash paid	$	991,946
Cash	$	108,054
Accounts receivable		50,956
Prepaids and other assets		634,944
Operating lease right-of-use asset		219,457
Goodwill		3,354,824
Operating lease liability		(219,457)
Other liabilities assumed		(48,778)
Total purchase price	$	4,100,000

Legal Settlement

During 2024, the Company entered into a settlement agreement for claims made under the indemnity clause of the purchase agreement for the 2022 acquisition agreement of 1-800 Packouts, LLC (Packouts). The Company claimed they incurred losses due to alleged breaches of franchise-related representations and warranties by the former owner of Packouts and member of the Company. In March 2024, both parties entered into a settlement agreement to resolve these claims. Under the terms of the agreement, the Company received a total settlement of $10,000,000. The settlement stipulated that the Company would repurchase the former owner's membership interest in the Company in exchange for a reduction of the legal settlement receivable at an agreed value of $4,230,000. The remaining settlement amount would be received as periodic cash payments. During the year ended December 31, 2025, the Company has received all of the remaining cash payments.

The Company determined that since this settlement was related to the acquisition of Packouts, the settlement of amount would be treated as a reduction in the related purchase price and the acquired assets.

3. Goodwill and Intangible Assets

Goodwill and intangible assets consist of the following as of December 31:

	2025	2024
Goodwill	$ 86,118,325	$ 80,483,637
Franchise agreements	30,900,000	30,900,000
Trade name	27,550,000	27,550,000
Territory allocation	395,495	-
Total intangible assets	144,963,820	138,933,637
Less: accumulated amortization	(52,666,897)	(40,698,331)
Intangible assets, net	$ 92,296,923	$ 98,235,306

Amortization expense resulting from goodwill and intangible assets was $11,968,566 and $11,662,770 for the years ended December 31, 2025 and 2024, respectively.

The future aggregate amounts of amortization expense to be recognized related to definite-lived intangible assets as of December 31, 2025, are as follows:

Years Ending December 31,	
2026	$ 12,258,258
2027	12,258,258
2028	12,258,258
2029	12,258,158
2030	11,897,810
Thereafter	31,366,181
	$ 92,296,923

4. Long-Term Debt and Revolving Credit Facility

In connection with the acquisitions of subsidiary companies in prior years, the Company entered into a financing arrangement with Deerpath Fund Services, LLC (Deerpath) that matures on September 3, 2027. Under the financing arrangement, the Company received an initial term loan with a principal amount of $28,000,000, to be used for acquisitions which occurred in 2021, as well as amounts available for future transactions as follows: (1) up to an aggregate of $15,000,000 available as delayed draw term loans, and (2) contingent amounts of up to $25,000,000 available for future financing to be negotiated, which $4,900,000 was used for the In and Out Floors acquisition in 2025. The loans bear an interest rate of a 3-month term SOFR plus 4.5% (9.94% as of December 31, 2025). As of December 31, 2025 and 2024, the total amount that has been drawn on the facility were $53,000,000 and $48,100,000. The arrangement also provides for a revolving credit facility with available draws up to $2,000,000, of which the Company had drawn $1,100,000 as of December 31, 2025.

During 2025, the Company entered into a promissory note with another financial institution that matures on February 3, 2032; interest rate is a fixed rate, 8% as of December 31, 2025. The Company's outstanding debt is secured by substantially all the Company's assets.

As of December 31, 2025, the Company had future maturities of notes payable as follows:

Years Ending December 31,		
2026	$	565,996
2027		50,801,027
2028		42,267
2029		45,872
2030		49,734
Thereafter		63,336
		51,568,232
Less: debt issuance costs		(405,026)
	$	51,163,206

Future amortization of debt issuance costs for the Company's notes payable as of December 31, 2025, are as follows:

Years Ending December 31,		
2026	$	243,015
2027		162,011
	$	405,026

The notes payable requires the Company to meet certain financial covenants. Management believes the Company was in compliance with these covenants as of December 31, 2025.

5. Operating Leases

The Company has entered into certain operating leases for office space under operating lease arrangements. As of December 31, 2025, there was a weighted average of 3.79 years remaining on the original lease terms. The Company estimated their incremental borrowing rate in calculating the ROU asset and operating lease liability as the rate implicit in the leases were not known. The weighted average incremental borrowing rate used was 5.88%.

The following table reconciles the undiscounted future cash flows to the operating lease liability recorded on the accompanying consolidated balance sheet as of December 31, 2025:

Years Ending December 31,		
2026	$	590,779
2027		386,251
2028		269,803
2029		203,005
2030		209,095
Thereafter		56,533
Total lease payments		1,715,466
Less: interest		(180,227)
	$	1,535,239

The Company elected the short-term lease recognition exemption and short-term leases, which have an initial term of 12 months or less, are not included in right-of-use assets or corresponding lease liabilities. The components of lease cost were as follows for the years ended December 31:

	2025	2024
Operating lease cost	$ 539,273	$ 425,914
Short-term lease cost	180,160	133,893
Total	$ 719,433	$ 559,807

6. Commitments and Contingencies

Litigation

The Company is involved in legal proceedings from time to time arising in the normal course of business. Management, after consultation with legal counsel, believes that the outcome of these proceedings will not have a material impact on the Company's consolidated financial position, results of operations, or liquidity.

Employee Agreements

The Company has entered into employment agreements with certain officers and employees of the Company, which require that certain severance payments are made in the event of termination without cause.

Indemnification Agreements

Under the Company's organizational documents, the Company's officers, employees and directors are indemnified against certain liabilities arising out of the performance of their duties. The Company's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Company that have not yet occurred. However, based on experience, the Company expects any risk of loss to be remote. The Company also has an insurance policy for its directors and officers to insure them against liabilities arising from the performance of their duties in their positions with the Company or its subsidiaries.

7. Equity

Profit Interest Units

The Company's grant agreement, approved on August 12, 2022, authorizes the grant of Class C Units to employees, officers, and managers of the Company. 50% of the grants are time vesting and have a vesting period of 4 years with 12.5% vesting on each of the anniversary of the grant date. The other 50% of the grants are vesting based on the performance condition of a liquidity event. As of December 31, 2025, the Company has granted a total of 53,167 Class C Units. Equity-based compensation for the years ended December 31, 2025 and 2024 was $204,968 and $163,300, respectively, which is included in selling, general, and administrative expenses in the accompanying consolidated statements of operations.

Discretionary and Liquidating Distribution

Distributions of net proceeds in connection with the consummation of a Liquidity Event or a liquidation of the Company shall be distributed in the following order and priority:

(i) first, to the holders of Class A Units in proportion to their relative portion of the Undistributed Class A Preferred Return;

(ii) second, to the holders of Class A Units in proportion to their relative portion of the Unreturned Class A Contributions, until each holder of Class A Units has received Distributions in an aggregate amount equal to the aggregate Unreturned Class A Contributions with respect to such holder's Class A Units outstanding immediately prior to such Distribution;

(iii) third, to the holders of Class B Units in proportion to their relative Class B Pro Rata Share, until the holders of Class B Units have collectively received Distributions in an aggregate amount equal to the Class B Pro Rata Portion of the amount of aggregate Distributions to the holders of Class A Units and Class B Units;

(iv) fourth, if applicable, to the holder of Vested Class D Units, the Class D Distribution Amount; and

(v) thereafter, to the holders of Class A Units, Class B Units and Vested Class C Units in proportion to the number of Class A Units, Class B Units and Vested Class C Units held by such Members; provided, however, that the total Distributions to holders of Class A Units shall not exceed the greater of (A) the aggregate Distributions to holders of Class A Units and (B) their aggregate pro rata share of all Distributions distributed to the holders of Class A Units, Class B Units and Vested Class C Units.

8. Related Party Transactions

The Company pays a management fee to a certain member of the Company on an annual basis based on revenues. The Company made payments of management fees of $881,427 and $784,283 for services rendered during the years ended December 31, 2025 and 2024, respectively.

9. Income Taxes

The benefit (provision) for income taxes consists of the following for the years ended December 31, 2025 and 2024:

	2025	2024
Current:		
Federal	$ (289,024)	$ (133,183)
State	(60,810)	244
Total current	(349,834)	(132,939)
Deferred:		
Federal	296,189	453,482
State	19,763	111,856
Total deferred	315,952	565,338
Total benefit (provision) for income taxes	$ (33,882)	$ 432,399

Significant components of the Company's deferred income tax assets (liabilities) are as follows as of December 31:

	2025	2024
Deferred income tax assets (liabilities):		
Intangible assets	$ (4,857,558)	$ (5,284,048)
Deferred costs	(245,439)	(153,662)
Fixed assets	(66,591)	(36,969)
Deferred revenue	324,393	249,196
NOL carryforwards	120,271	287,562
Other	98,809	(4,146)
	$ (4,626,115)	$ (4,942,067)

The benefit (provision) for income taxes attributable to income before benefit (provision) for income taxes differed from the amount obtained by applying the federal statutory income tax rate to income (loss) before income taxes due to tax rate adjustments, state taxes, permanent differences in deductible goodwill amortization, and prior period adjustments and true-ups.

As of December 31, 2025, the Company had U.S. federal and state tax-basis net operating loss carryforwards (NOLs) of approximately $509,000. The federal and state NOLs will begin to expire in 2038.

The Company has concluded that there are no significant uncertain tax positions requiring disclosure, and there are no material amounts of unrecognized tax benefits.

Exhibit – Parent's Guarantee of Performance

GUARANTEE OF PERFORMANCE

For value received, FS PEP Holdco, LLC , a Delaware limited liability company (the "Guarantor"), located at 761 W 1200 N, Ste 200, Springville UT 84663, absolutely and unconditionally guarantees to assume the duties and obligations of Mosquito Shield Franchise, LLC, located at 761 W 1200 N, Ste 300, Springville UT 84663(the "Franchisor"), under its franchise registration in each state where the franchise is registered, and under its Franchise Agreement identified in its 2025 Franchise Disclosure Document, as it may be amended, and as that Franchise Agreement may be entered into with franchisees and amended, modified or extended from time to time. This guarantee continues until all such obligations of the Franchisor under its franchise registrations and the Franchise Agreement are satisfied or until the liability of Franchisor to its franchisees under the Franchise Agreement has been completely discharged, whichever first occurs. The Guarantor is not discharged from liability if a claim by a franchisee against the Franchisor remains outstanding. Notice of acceptance is waived. The Guarantor does not waive receipt of notice of default on the part of the Franchisor. This guarantee is binding on the Guarantor and its successors and assigns.

The Guarantor signs this guarantee at Springville UT on the 30th day of April, 2025.

Guarantor:
FS PEP Holdco, LLC

By:
Name:
Title: Scott Abbott CEO

EXHIBIT E

FRANCHISE AGREEMENT

MOSQUITO SHIELD

FRANCHISE AGREEMENT

MOSQUITO SHIELD

DATA SHEET

Franchisee: _____
(Individual(s) and _____
Entity, if applicable) _____

Spouse Guarantor(s): _____
_____
_____

Effective Date: _____

Territory Count: _____

Territory/Territories Description: See attached Map and/or List of Zip Codes

Initial Franchise Fee: _____

Franchise Fee Allocation: _____

The terms of this Data Sheet are incorporated into the attached Franchise Agreement.

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Attachment 1 – Acknowledgement Statement

Attachment 2 – Approved Location and Area of Primary Responsibility

Attachment 2-1 – APR Map

Attachment 3 – Minimum Royalty

Attachment 4 – Confidentiality and Non-Competition Agreement

Attachment 5 – Spouse Guaranty

Attachment 6 – Disclosure of Franchisee Owners

MOSQUITO SHIELD
FRANCHISE AGREEMENT

This Franchise Agreement ("Agreement") is made and entered into this day of _____, by and between Mosquito Shield Franchise, LLC, a Delaware limited liability company, with its principal business address at 761 W. 1200 N., Ste 300 Suite 24, North Attleboro, MA. 02760 (referred to in this Agreement as "we", "us" or "our") and the Franchisee identified on the attached Data Sheet (referred to in this Agreement as "you" or "your").

RECITALS:

WHEREAS, we have expended and continue to expend considerable time and effort in the development of a distinctive format and system (the "System") for businesses that offer and sell mosquito, tick, flea and other pest control services for residential and commercial customers, and municipalities, and such other complementary products and services as we may specify from time to time;

WHEREAS, the distinguishing characteristics of the System include, without limitation, a unique combination of process and application, including access to our proprietary mosquito, tick, and flea treatment product and control materials, each of which includes natural ingredients, including the Mosquito and Tick Proprietary Blend (described below), and distinctive business formats, methods, procedures, designs, layouts, standards and specifications, all of which may be changed, improved and further developed by us from time to time;

WHEREAS, the System is identified by means of certain trade names, service marks, trademarks, logos, and indicia of origin, including, but not limited to, "MOSQUITO SHIELD," as are now designated and may hereafter be designated by us in writing for use in connection with the System (collectively, the "Proprietary Marks");

WHEREAS, our affiliate has developed a proprietary mosquito treatment product which includes use of natural ingredients ("Mosquito and Tick Proprietary Blend") for mosquito, tick, and flea maintenance, and other control materials for use in the System;

WHEREAS, we continue to develop, use, and control the use of such Proprietary Marks in order to identify for the public the source of services and products marketed thereunder and under the System, and to represent the System's high standards of quality, appearance, and service;

WHEREAS, you desire to enter into the business of operating a MOSQUITO SHIELD Business under our System and Proprietary Marks, and wish to enter into an agreement with us for that purpose, and to receive the training and other assistance we provide in connection therewith; and

WHEREAS, you understand and acknowledge the importance of our high standards of quality and service and the necessity of operating the business franchised hereunder in conformity with our standards and specifications.

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

1. GRANT

1.1 Grant of Franchise. We grant to you the right, and you undertake the obligation, upon the express terms and conditions set forth in this Agreement, to establish and operate a MOSQUITO SHIELD business under the Proprietary Marks and the System (the "MOSQUITO SHIELD Business" or "Franchised Business"), and to use the Proprietary Marks and the System, as they may be changed and improved from time to time at our sole discretion, solely in connection therewith and only at the location set forth in Section 1.2 hereof.

1.2 Approved Location. You shall operate the MOSQUITO SHIELD Business only at a location and adjacent or separate storage facility(ies) approved by us (the "Approved Location"), which may include your home, a storage unit, warehouse space, or comparable location we approve. The exact street address of the Approved Location is set forth in Attachment 2. You shall not relocate the MOSQUITO SHIELD Business without our prior written approval. We shall have the right, in our sole discretion, to withhold approval of relocation.

1.3 Your Area of Primary Responsibility. You shall operate the MOSQUITO SHIELD Business only within the area identified by the map and written description in Attachment 2 ("Area of Primary Responsibility" or "APR"). Except as otherwise provided in this Agreement, during the term of this Agreement, we shall not establish or operate, nor license any other person to establish or operate a MOSQUITO SHIELD business under the System and the Proprietary Marks at any location within your APR. We retain the rights, among others, on any terms and conditions we deem advisable, and without granting you any rights therein:

1.3.1 To establish and operate, and license others to establish and operate, a MOSQUITO SHIELD business under the System and the Proprietary Marks at any location outside your APR, notwithstanding the proximity to your APR or the Approved Location;

1.3.2 To sell or distribute, or license others to sell or distribute, directly or indirectly, any products, including those products sold through the MOSQUITO SHIELD System, through channels of distribution other than a MOSQUITO SHIELD business (including, without limitation, the Internet), at any location whether within or outside your APR under any proprietary marks (including the Proprietary Marks);

1.3.3 To sell or distribute, or license others to sell or distribute, directly or indirectly, any products and services, including those products and services sold through the MOSQUITO SHIELD System, using proprietary marks other than the Proprietary Marks;

1.3.4 To acquire, be acquired by, merge with, or otherwise affiliate with, and thereafter own and operate, and franchise or license others to own and operate, any business of any kind, including any business that offers products or services similar to those offered by you under the System and Proprietary Marks; and

1.3.5 To terminate the territorial protection described in Section 1.3 hereof if you fail to attain or exceed the Minimum Gross Sales requirements set forth in Section 7.3 hereof. The foregoing remedy shall be in addition to any other remedies we may have under this Agreement.

1.4 National Accounts. We reserve the right to enter into agreements with national and/or regional commercial customers that have locations both within and outside your Area of Primary Responsibility ("National Accounts"). We will give you the right to service any location of a National Account within your APR on the terms upon which we and the National Account have agreed. If, for any reason, you elect not to service a National Account that is offered to you, we may, in our discretion, service such National Account or appoint any other franchisee to service such National Account. If you enter into an agreement to provide services to a National Account, which includes locations within the area of primary responsibility of another MOSQUITO SHIELD franchisee, you must give such franchisee a right of first refusal to service the National Account within such franchisee's APR.

1.5 Alternate Channels of Distribution. You shall offer and sell products only from the MOSQUITO SHIELD Business and only in accordance with the requirements of this Agreement and the procedures set forth in the Operations Manual, as defined in Section 3.5 below. You shall only offer or sell products and services under the System to retail customers for their use and not for resale.

1.6 Supplementing the System. You acknowledge that we may, in our sole discretion, supplement, improve, change, and otherwise modify the System from time to time, including, but not limited to, the addition of insect, pest and/or termite treatment, control, and extermination services. You agree to comply with all of our requirements in that regard, including, without limitation, offering and selling new or different products or services as specified by us. You acknowledge that we may, in our sole discretion, add or modify complementary service and product lines that serve a similar customer base. Your right to offer complementary service and products lines is subject to our approval, which may be conditioned on: your compliance with this Agreement, payment of an additional fee and execution of an any ancillary document we may require.

2. TERM AND RENEWAL

2.1 Term. This Agreement shall be in effect upon our acceptance and execution and, except as otherwise provided herein, the term of this Agreement shall be ten (10) years from the date first above written, unless this Agreement is sooner terminated pursuant to its terms.

2.2 Renewal. Upon the expiration of the term of this Agreement, you may, subject to the following conditions, renew this Agreement for the length our then-current initial term,

provided that the renewal term shall be no less than five (5) years. We may require, in our sole discretion, that any or all of the following conditions be met prior to such renewal:

2.2.1 You shall give us written notice of your election to renew no fewer than eight (8) months nor more than twelve (12) months prior to the end of the then-current term;

2.2.2 You shall make or provide for, in a manner satisfactory to us, such renovation and modernization of the premises of the MOSQUITO SHIELD Business, which shall include any storage facilities used to store products in connection with the Franchised Business ("Premises") as we may reasonably require, including, without limitation, purchase of additional or replacement vehicles, equipment and renovation or modification of vehicles and signs to reflect the then-current standards and image of the System;

2.2.3 You shall not be in default of any provision of this Agreement, any amendment hereof or successor hereto, or any other agreement between you or any of your affiliates and us or our subsidiaries or affiliates; and, in our reasonable judgment, you shall have substantially complied with all the terms and conditions of such agreements during the terms thereof;

2.2.4 You and your affiliates shall have satisfied all monetary obligations due and owed by you to us and our subsidiaries and affiliates, and to the MOSQUITO SHIELD Brand Fund (as defined in Section 3.10 below), and shall have timely met those obligations throughout the term of this Agreement;

2.2.5 You shall present evidence satisfactory to us that you have the right to remain in possession of the Premises for the duration of the renewal term or shall obtain our approval, which may be withheld in our sole discretion, of a new location for the MOSQUITO SHIELD Business for the duration of the renewal term;

2.2.6 You shall have met the Minimum Gross Revenue requirement for Year 5 described in Section 7.3 below.

2.2.7 You shall, at our option, execute our then-current form of franchise agreement (but only for such renewal terms as are provided by this Agreement) and other ancillary agreements (including, without limitation, any required personal guaranty by you or your spouse), which shall supersede this Agreement in all respects, and the terms of which may differ materially from the terms of this Agreement, including, without limitation, increasing your required royalty fees, advertising contributions, and other fees, as determined by us, except that you shall not be required to pay an initial franchise fee and your Area of Primary Responsibility shall remain the same;

2.2.8 You shall execute a general release, in a form prescribed by us, of any and all claims, known or unknown, that you might have against us or our subsidiaries or affiliates, and their respective officers, directors, agents, or employees;

2.2.9 You shall comply with our then-current qualification and training requirements;

2.2.10 You shall pay us a renewal fee ("Renewal Fee") in an amount equal to One Thousand Dollars ($1,000); and

2.2.11 You shall be current with respect to your obligations to any lessor, suppliers, and any others with whom you do business.

3. OUR DUTIES

3.1 Specifications. We shall furnish to you, at no charge to you, standards and specifications for the operation of a MOSQUITO SHIELD Business, including requirements for application equipment and other equipment, image, signs and procedures. You acknowledge that such specifications shall not contain the requirements of any federal, state or local law, code or regulation (including without limitation those concerning the Americans with Disabilities Act or similar rules governing public accommodations or commercial facilities for persons with disabilities).

3.2 Training. We shall provide the training as set forth in Section 6 hereof.

3.3 On-Site Assistance. Upon your request, or as we determine to be appropriate, and at our discretion, we may provide you with on-site training and assistance at your MOSQUITO SHIELD Business location.

3.4 Advertising and Promotional Materials. We shall make available to you advertising and promotional materials for your opening advertising, and other materials from time to time. You shall reproduce such materials at your expense as provided in Section 12 hereof.

3.5 Operations Manual. We shall either provide you, on loan, one copy of our confidential operations manuals (the "Operations Manual"), or provide you with electronic access to the Operations Manual, as more fully described in Section 9 hereof.

3.6 Products. We or one of our affiliates shall make available for sale to you the Mosquito and Tick Proprietary BlendMosquito and Tick Proprietary Blend, and such additional products we designate for use in the System from time to time at our then-current price(s) for such products as described in the Operations Manual or otherwise in writing from time to time.

3.7 Equipment. We will customize your Vehicle(s) and provide initial equipment for use with them (including our custom dual-tank rapid refill system, two (2) custom backpack blowers, shelving, storage, first-aid and spill kits and external graphics) for the fees described in Section 4.5 below. We shall provide to you a list of initial equipment and related products and accessories for the MOSQUITO SHIELD Business for purchase from our affiliate or a supplier we designate.

3.8 Ongoing Advice. During the term of this Agreement, we will furnish guidance to you from time to time, as we deem appropriate in our sole discretion, on the following matters concerning the System: standards, specifications and operating procedures and methods to be utilized; purchasing required and recommended goods, equipment, materials,

supplies and services; advertising and marketing programs; employee training; and administrative bookkeeping and accounting procedures. At your request, we will furnish additional guidance and assistance relating to the operation of the business and, in such a case, we may, in our discretion, charge the per diem fees and charges we establish from time to time in the Operations Manual or otherwise in writing.

3.9 Software. We will permit you to use the Required Software as described in Sections 4.4 and 8.4 hereof.

3.10 MOSQUITO SHIELD Brand Fund. We shall establish and administer a brand promotion fund ("Brand Fund") for advertising, marketing and public relations programs and materials as we deem necessary and appropriate in our sole discretion in the manner set forth in Section 12 hereof.

3.11 Sales Center. We will arrange for you to use a national Sales Center to handle in-bound sales calls ("Sales Center"). If we require it, you must use the Sales Center for all calls. You shall pay Sales Center fees at the then-current rates, which we reserve the right to increase at any time.

3.12 Inspections. We shall conduct, as we deem advisable in our sole discretion, inspections of the Premises and your operation of the MOSQUITO SHIELD Business at any time during your regular business hours and with or without notice to you.

3.13 Performance by Designee. You acknowledge and agree that any duty or obligation imposed on us by this Agreement may be performed by any designee, employee, or agent of us, as we may direct.

4. FEES

4.1 Initial Franchise Fee. You shall pay to us, on execution of this Agreement, a non-refundable initial franchise fee in the amount set forth on the Data Sheet (the "Initial Franchise Fee"). The entire Initial Franchise Fee is fully earned and non-refundable in consideration of administrative and other expenses incurred by us in granting this franchise and for our lost or deferred opportunity to enter into this Agreement with others.

4.2 Franchise Starter Package. You will acquire a Franchise Starter Package from us that includes a laptop computer prepared for opening, platform set up, three month supply of pest control products, business email, three months of ProNexis Sale Center services (including its set up fee), three months of Pocomos OS services, a starter set of marketing materials for grass root efforts (signs, brochures, etc.), three months of SEO services and review cultivation, and hotel expenses associated with training. The fee for the Franchise Starter Package is $23,600, in addition to your Initial Franchise Fee. The Franchise Starter Package is deemed fully earned by us once paid and is non-refundable.

4.3 Royalty Fee. You shall pay to us each week a continuing royalty fee equal to 7% of your weekly Gross Sales, subject to the annual Minimum Royalty set forth on

Attachment 3. "Gross Sales" means all revenues you derive from operating your MOSQUITO SHIELD Business conducted upon, from or with respect to the MOSQUITO SHIELD Business, whether such sales are evidenced by cash, check, credit, charge, account, barter or exchange. Gross Sales shall include, without limitation, monies or credit received from the sale of products, from tangible property of every kind and nature, promotional or otherwise. Gross Sales does not include good faith refunds, adjustments, discounts, credits and allowances actually made by your MOSQUITO SHIELD Business. Discounts, however, shall not exceed 25% of your standard retail prices, and any sale that has been discounted in excess of 25% of your standard retail price shall be included in Gross Sales at an amount no less than 75% of your standard retail price. Gross Sales shall also exclude any sales taxes or other taxes collected from customers by you and paid directly to the appropriate taxing authority.

4.4 Brand Promotion Expenditures and Contributions. You shall make monthly expenditures and contributions for advertising and brand promotion as specified in Section 12 hereof.

4.5 Reserved.

4.6 Vehicle Customization. If required, you shall pay us the then-current fee for customization of each Vehicle, half of which shall be payable within thirty (30) days of execution of this Agreement and the balance on our delivery of the customized Vehicle to you. You may not customize your Vehicle yourself, and you are not allowed to modify or add to your Vehicle in any capacity, including but not limited, to interior components and external graphics, without our prior approval, which may be withheld in our sole discretion. If we do approve a customization request, you are required to carry a minimum insurance policy of $3,000,000, and shall provide evidence thereof prior to use of the Vehicle in your MOSQUITO SHIELD Business. It is a material default of this Agreement to customize your Vehicle in violation of our requirements. Any non-conforming Vehicle shall be immediately removed from service upon our notice to you.

4.7 Sales Center Fees. You shall pay to us or a third party Sales Center, as we direct, fees for all calls handled by the Sales Center, according to the Sales Center's then-current fee schedule. Sales Center fees are subject to change without notice.

4.8 Payments. All payments to us required by Sections 4.3 and 4.4 hereof shall be paid to us, based on the Gross Sales, on a weekly basis by Wednesday of each week, from the preceding week (Monday through Sunday). All weekly payments to us required by Section 4.5 hereof shall be paid to us by Wednesday of each week. All such payments shall be made by electronic fund transfer or direct deposit. We reserve the right to change the frequency and/or due date of any payments at any time in our discretion. Any payment or electronic payment not actually received by us as described in this Section 4.8 above shall be deemed overdue. If any payment is overdue by thirty (30) days or more, you shall pay us immediately upon demand, in addition to the overdue amount, interest on such amount from the date it was due until received by us, at the rate of eighteen percent (18%) per annum, or the maximum rate permitted by applicable law, whichever is less. In addition, if any weekly report required by Section 11 below is not received when due for any reason, all payments owed by you for such week shall be deemed overdue until such reports are received by us, regardless of whether payment was actually made, and you shall be responsible for

applicable interest as described in this Section 4.8. Entitlement to such interest shall be in addition to any other remedies we may have. You shall not be entitled to set off any payments required to be made under this Section 4 against any monetary claim you may have against us. However, you acknowledge and agree that we have the right to set off any amounts that we may be required to pay to you under this Franchise Agreement against amounts that you or your owners owe to us.

4.9 Bank Account. You shall deposit all revenues from operation of the MOSQUITO SHIELD Business into one bank account within two (2) days of receipt, including without limitation cash, checks, credit card receipts or the value of other forms of payment. We have the right to require, in the Operations Manual or otherwise in writing, that you make Royalty payments and other payments required under Section 4.7(b) (and Section 4.7(a) if not paid as described therein) and all other payments required under this Agreement directly to a bank or such other financial institution account specified by us, at the times and with the frequency designated by us, by electronic funds transfer, direct deposit, or such other means as we may specify from time to time, notwithstanding any other provisions of this Agreement, and you agree to comply with such requirement. To facilitate this method of payment, you shall furnish us, our bank, or other financial institution, and any other recipient of payment, with such information and authorizations as may be necessary to permit such payment in such manner. You shall bear all expenses, if any, associated with such authorizations and payments. You agree to execute any and all documents as may be necessary to effectuate and maintain the electronic funds transfer, as we require. In the event you change banks or accounts for the bank account required by this Section 4.9, you shall, prior to such change, provide such information and documentation as required in this Section 4.9. Your failure to provide such information concerning the bank account required by this Section 4.9 or any new account, or your withdrawal of authorization as required hereunder for whatever reason shall be a breach of this Agreement. We shall have the right to charge you an insufficient funds fee of One Hundred Dollars ($100) per occurrence for any required payment by you hereunder that is not paid due to insufficient funds in your bank account.

5. OPENING OF FRANCHISED BUSINESS

5.1 Business Development. You shall develop, maintain, renovate or construct, and equip, the MOSQUITO SHIELD Business at your own expense. You shall comply with any and all specifications that we provide for the Premises and for a MOSQUITO SHIELD Business, including requirements for image, vehicles, equipment, signs and other procedures.

5.2 Licensing. You shall be responsible, at your own expense, for obtaining and complying with all zoning classifications, permits, certifications, and clearances required for the lawful construction and operation of the MOSQUITO SHIELD Business, including, but not limited to, control materials application and storage licenses, permits, certifications, certificates of occupancy, local noise abatement regulations and ordinances, and other business licenses that may be required by federal, state or local laws, ordinances, or regulations, or that may be necessary or advisable owing to any restrictive covenants relating to the Premises or required by the lessor.

5.3 Commencement Criteria. You agree not to commence operation of the MOSQUITO SHIELD Business until:

5.3.1 You and your employees have completed the Initial Training Program to our satisfaction;

5.3.2 You have acquired Vehicle(s) that we have customized for operating the Franchised Business and occupied the Premises approved by us;

5.3.3 All amounts then due to us or our affiliates have been paid;

5.3.4 We have been furnished with copies of all insurance policies required by this Agreement, or such other evidence of insurance coverage and payment of premiums as we request; and

5.3.5 We have been furnished with such evidence as we reasonably request that you possess such necessary control materials, application equipment and other equipment and initial inventory as we require for you to operate the MOSQUITO SHIELD Business pursuant to our Operations Manual.

5.4 Opening Deadline. You shall commence operation of the MOSQUITO SHIELD Business not later than one hundred eighty (180) days after the date of execution of this Agreement. The parties agree that time is of the essence in the opening of the MOSQUITO SHIELD Business and that your failure to open the MOSQUITO SHIELD Business within the time period described in this Section 5.4 shall be considered a material breach and default under this Agreement and will entitle us to terminate this Agreement pursuant to Section 15 hereof.

6. TRAINING

6.1 Initial Training Program. Before the MOSQUITO SHIELD Business commences operations, the following individuals shall attend and successfully complete to our satisfaction the initial training program ("Initial Training Program"): (a) you (or, if you are a corporation, partnership or limited liability company, your managing shareholder, partner or member); (b) your operations manager who will be primarily responsible for the management of the Franchised Business ("Operations Manager") (if different than the individual described in (a) above); and (c) a technician who is licensed to apply control materials in the APR (if different than the individual(s) described in (a) or (b) above). We shall have the right to approve those persons who attend the Initial Training Program and to require fewer or additional persons to attend the Initial Training Program as we determine in our discretion. In the event you (or, if you are a corporation, partnership or limited liability company, your managing shareholder, partner or member) fail, in our judgment, to successfully complete the Initial Training Program, to our satisfaction, we have the right to terminate this Agreement pursuant to Section 15 hereof. The Initial Training Program will take place at our headquarters or such other location(s) that we designate, including through the Internet.

6.2 Subsequent Employees. Any person subsequently employed by you in the position of Operations Manager or technician shall also attend and complete the Initial Training Program, to our satisfaction, within thirty (30) days of his or her hire, and you shall pay us the then-current training fee designated in the Operations Manual or otherwise in writing from time to time by us. We reserve the right also to require you to pay us fees for training your new employees hired after your MOSQUITO SHIELD Business commences operations. If your Operations Manager ceases employment at the Franchised Business for any reason, you shall hire a replacement within thirty (30) days or such other time period as we specify in the Operations Manual or otherwise in writing.

6.3 Additional Programs. You (or your managing shareholder, partner or member) and your employees who attend the Initial Training Program or who are designated from time to time shall attend such additional huddles, meetings, conferences, courses, seminars and other training programs as we may reasonably require from time to time. We reserve the right to require you (or your managing shareholder, partner or member) and your employees to attend an annual national or regional meeting, seminar or convention for MOSQUITO SHIELD franchisees for training or business purposes. We reserve the right to charge an attendance fee for such annual meeting, seminar or convention. You shall be responsible for any such fee and for any and all expenses incurred by you or your employees in connection with attending such annual meeting, seminar or convention, including, without limitation, the costs of transportation, lodging, meals, and wages. Notwithstanding your failure to attend any such annual meeting, seminar or convention, you are required to pay the attendance fee, including but not limited to, your share of expenses to conduct the meeting. You will pay us a $1,000 Annual Conference Registration Deposit, due within seven (7) days of executing this Agreement, which will be applied to the actual attendance fee for your first attendance at the first annual conference available to you after you have completed your training. If any portion of this deposit is not required as part of that annual conference attendance or registration fee, it will be credited to you on your invoice following the annual conference.

6.4 Training Fee and Expenses. All training programs required by this Agreement shall be at such times and places as may be designated by us. We shall furnish the Initial Training Program to three (3) people at no additional fee or other charge. If you request additional training, or we require you to receive additional training based on the performance of you and/or the Franchised Business, you shall pay us our then-current training fee, plus our out-of-pocket expenses if travel to the Franchised Business is deemed necessary by us. You shall be responsible for any and all expenses incurred by you or your employees in connection with attending the Initial Training Program and all other such programs, including, without limitation, the costs of transportation, lodging, meals, and wages.

7. YOUR DUTIES

7.1 Operating Standards. You understand and acknowledge that every detail of the System and the Franchised Business is important to you, us, and other MOSQUITO SHIELD businesses in order to develop and maintain high operating standards, to increase the demand for the products sold by all franchised businesses operating under the System, to protect and enhance our reputation and goodwill, to promote and protect the value of the Proprietary Marks, and other reasons.

7.2 Adherence to Standards and Specifications. To ensure that the highest degree of quality and service is maintained, you shall operate the MOSQUITO SHIELD Business in strict conformity with such methods, standards, and specifications as we may from time to time prescribe in the Operations Manual or otherwise in writing. You agree:

7.2.1 To maintain in sufficient supply, as we may prescribe in the Operations Manual or otherwise in writing, and to use at all times, only such types of control materials and brands and/or models of other products, equipment (including, but not limited to, control materials application equipment and one or more Vehicle(s) for use in the Franchised Business, bearing the signage we require, the tools, and the computer hardware and software, inclusive of all associated Sales Center, telephone, and call tracking services), materials and supplies from a supplier or suppliers designated or approved by us that conform to our written standards and specifications, and to refrain from deviating therefrom by the use of nonconforming items, without our prior written consent; we have the right to designate ourselves or an affiliate to be an approved supplier, or the only approved supplier, of any products, equipment, and other supplies. We reserve the right to charge you for the amount of Mosquito Shield and Tick Shield Protection Blends that should be used annually based on our required rates for the total number of customers you serve;

7.2.2 To sell or offer for sale only the mosquito, tick, and flea services and products as have been expressly approved for sale in writing by us; to refrain from any deviation from our standards and specifications without our prior written consent; and to discontinue selling and offering for sale any services, products, merchandise, and equipment which we may, in our discretion, disapprove in writing at any time;

7.2.3 To purchase all equipment, materials, products, supplies and services (including software) from suppliers as we approve and designate in the Operations Manual or otherwise in writing from time to time;

7.2.4 To refrain from selling or providing any services or products at any type of location prohibited by us in the Operations Manuals or otherwise in writing from time to time;

7.2.5 To refrain from offering or selling general landscaping or lawn care services, except to the extent your Existing Business offers such services, as approved by us;

7.2.6 To refrain from selling or advertising any services or products hereunder on the Internet without our prior, written approval;

7.2.7 To follow our standards, specifications, and procedures for providing customers periodic management and other pest control services under our form of MOSQUITO SHIELD customer contract for one-time application of such services; to require such customers to pay by credit card; and for providing commercial customers services as described in the Operations Manual or otherwise in writing from time to time;

7.2.8 To use, in the operation of the Franchised Business, such standards, specifications, and procedures as prescribed by us, which may relate to any one or more of the following with respect to the MOSQUITO SHIELD Business:

7.2.8.1 To use our standard Terms of Service Agreement;

7.2.8.2 Replacement of obsolete or worn out equipment;

7.2.8.3 Terms and conditions of the sale and delivery of, and terms and methods of payment for goods, services, including direct labor, materials and supplies that you obtain from us, our affiliates or others;

7.2.8.4 Sales, marketing, advertising and promotional programs and materials and media used in such programs;

7.2.8.5 Staffing levels for the MOSQUITO SHIELD Business; communication to us of the identities of the MOSQUITO SHIELD Business' technicians and other personnel; qualifications, training, dress and appearance of employees; and other matters relating to managing the MOSQUITO SHIELD Business;

7.2.8.6 Days and hours of operation of the MOSQUITO SHIELD Business;

7.2.8.7 Participation in market research and testing of goods and services;

7.2.8.8 Acceptance of credit cards, other payment systems and check verification services;

7.2.8.9 Adhering to good business practices and observing high standards of honesty, integrity, fair dealing and ethical business conduct in all dealings with customers, suppliers and us; and

7.2.8.10 Regulation of such other aspects of the operation and maintenance of the MOSQUITO SHIELD Business that we determine from time to time to be useful to preserve or enhance the efficient operation, image or goodwill of the Marks and MOSQUITO SHIELD businesses.

7.3 Minimum Gross Sales and Royalty. You shall attain or exceed the Minimum Gross Sales and pay the Minimum Royalty set forth on Attachment 3 each twelve (12) month period during the term of this Agreement (starting on the date your Franchised Business opens and ending on each anniversary date thereof) If you fail to meet any of the Minimum Gross Sales requirements and pay the Minimum Royalty, we may collect the difference between the actual royalty paid and the required amount. In addition, we have the right: (a) to reduce the size of your APR; (b) to eliminate your APR as a protected area as described in Section 1.3 above; or (c) to terminate this Agreement pursuant to Section 15 hereof. If we reduce or eliminate your APR, we shall have the right to operate and/or license others to operate in that area which is no longer part of your APR. You acknowledge that the Minimum Royalty requirements are not a representation, estimation, or projection of your Gross Sales, earning potential, profits, or expenses you may incur in connection with the Franchised Business.

7.4 Providing Services Outside Your APR. You shall not provide services to, solicit, or actively market to customers in the area of primary responsibility of any other MOSQUITO SHIELD business, whether owned and operated by us or another franchisee, except with our prior written consent. You must follow the procedures specified in the Operations Manual (and/or coordinate with us) for referring sales or customers located within the area of primary responsibility of other MOSQUITO SHIELD businesses.

7.5 Vehicle(s). You shall purchase at least one (1) Vehicle for operation of the Franchised Business, which shall contain such racking systems, tank system, shelving, and external graphics as we require in the Operations Manual or in writing from time to time. Franchisee shall only utilize Vehicle(s) customized by Franchisor. Franchisee shall have one (1) technician operating in each Vehicle at all times. You agree to operate the minimum number of Vehicles necessary to achieve the Minimum Gross Sales required in Section 7.3. Franchisee shall not use any personal vehicles (other than Vehicles) in operating the Franchised Business.

7.6 Fixtures, Furnishings, and Office Equipment. You shall purchase and install, at your expense, all fixtures, furnishings, office equipment (including, without limitation, a facsimile machine, telephone(s), computer, printer, and cash register or point-of-sale recording system), décor, and signs as we may reasonably direct from time to time. If you operate your business from any location other than your personal residence, you shall refrain from installing or permitting to be installed on or about the Premises, without our prior written consent, any fixtures, furnishings, equipment, décor, signs or other items not previously approved by us.

7.7 Sources of Products. You must purchase, lease, and use all equipment and software that we approve and require for the Franchised Business, including, but not limited to, the computer hardware and software, tools, and the MOSQUITO SHIELD Vehicle (in the model and bearing the signage we require), all as described in the Operations Manual.

7.7.1 You acknowledge and agree that the Mosquito and Tick Proprietary Blend and control products for mosquitos, fleas and ticks are our proprietary products and are essential to the Franchised Business. You must purchase the Mosquito and Tick Proprietary Blend and other Mosquito Shield products only from us, our affiliate or other designated supplier(s) we specify.

7.7.2 All equipment and products sold or offered for sale at the MOSQUITO SHIELD Business shall meet our then-current standards and specifications, as established in the Operations Manual or otherwise in writing. Except as otherwise provided in Section 7.7.1, you shall purchase all equipment and products used or offered for sale at the MOSQUITO SHIELD Business for which we have established standards or specifications solely from approved suppliers (including distributors and other sources) which demonstrate, to our continuing reasonable satisfaction, the ability to meet our standards and specifications, and who have been approved by us in the Operations Manual or otherwise in writing. If you desire to purchase products from a party other than an approved supplier, you shall submit to us a written request to approve the proposed supplier, together with such evidence of conformity with our specifications as we may reasonably require. We shall have the right to require that our representatives be permitted to inspect the supplier's facilities, and that samples from the supplier be delivered for evaluation and testing either to us or to an independent testing

facility that we designate. You shall pay a charge not to exceed the reasonable cost of the evaluation and testing. We shall use our best efforts, within ninety (90) days after our receipt of such completed request and completion of such evaluation and testing (if required by us), to notify you in writing of our approval or disapproval of the proposed supplier. You shall not sell or offer for sale any products of the proposed supplier until you receive our written approval of the proposed supplier. We may from time to time revoke our approval of particular products or suppliers when we determine, in our sole discretion, that such products or suppliers no longer meet our standards. Upon receipt of written notice of such revocation, you shall cease to sell any disapproved products and cease to purchase from any disapproved supplier. You agree that you shall use products purchased from approved suppliers solely for the purpose of operating the MOSQUITO SHIELD Business and not for any other purpose, including, without limitation, resale. Nothing in the foregoing shall be construed to require us to make available to prospective suppliers standards and specifications that we, in our sole discretion, deem confidential. Notwithstanding the above, we reserve the right, in our business judgment, to require you to purchase any or all approved products, equipment, merchandise, or services used in the MOSQUITO SHIELD Business solely from us or our affiliate. We also reserve the right to receive a rebate or other benefit from approved suppliers based on purchases by you.

7.8 Direct Supervision. During operating hours, the MOSQUITO SHIELD Business shall be under the direct supervision of one of your principals, or another individual who has satisfactorily completed the Initial Training Program, which we reserve the right to approve in our sole discretion. At least one (1) individual who has completed our Initial Training Program shall be operating the MOSQUITO SHIELD Business during all hours of operation specified by us in writing in the Operations Manual or otherwise in writing from time to time. All technicians who apply control material products shall be duly licensed to do so and shall have completed our Initial Training Program. You shall take such steps as are necessary to ensure that your employees preserve good customer relations; render competent, prompt, courteous and knowledgeable service; and meet such minimum standards, including, without limitation, such attire as we may reasonably require, as we may establish from time to time in the Operations Manual. You and your employees shall handle all customer complaints, refunds, returns and other adjustments in a manner that will not detract from our name and goodwill. You shall be solely responsible for all employment decisions and functions of the MOSQUITO SHIELD Business, including, without limitation, those related to hiring, firing, training, wage and hour requirements, record-keeping, supervision, and discipline of employees.

7.9 Storage Space. You shall maintain sufficient storage space to store your purchased products during the term of this Agreement.

7.10 Financing. You agree, at your own expense, to secure all financing required to develop and operate the MOSQUITO SHIELD Business.

7.11 Licensing and Permits. You agree, at your own expense, to research the requirements for and obtain all permits and licenses required to operate the MOSQUITO SHIELD Business.

7.12 Inventory. At the time the MOSQUITO SHIELD Business opens, you shall stock the initial inventory of Mosquito and Tick Proprietary Blend and other control materials,

application equipment, or other equipment, materials, products, and supplies as prescribed by us in the Operations Manual or otherwise in writing. Thereafter, you shall stock and maintain all types of control materials, equipment and approved products in quantities sufficient to meet reasonably anticipated customer demand. You agree to immediately notify us if an approved supplier substitutes an unapproved product in place of an approved product. We are not liable to you for any loss or damage, or deemed to be in breach of this Agreement, if we cannot deliver, or cause to be delivered, or if our affiliates or designated sources or approved suppliers cannot deliver, all of your orders for goods, merchandise, equipment, supplies, etc. where such things are out-of-stock or discontinued.

7.13 Inspections. You shall permit us and our agents to enter upon the Premises and customers' homes and premises at any time during regular business hours, with or without notice, for the purpose of conducting inspections. In connection with such inspections, we shall have the right to speak with you, any of your employees or customers; take audio or video recordings and photographs; remove samples of any goods, materials or supplies for testing and analysis; and conduct such other activities as we deem appropriate in our sole discretion. You shall cooperate with our representatives in such inspections by rendering such assistance as they may reasonably request, including presenting customers with such evaluation forms as we may periodically prescribe, and, upon notice from us or our agents, and without limiting our other rights under this Agreement, shall take such steps as may be necessary to correct immediately any deficiencies detected during any such inspection. If deficiencies are detected during any inspection, and we subsequently conduct a re-inspection in our sole discretion, you shall be responsible for our costs and expenses of such re-inspection. Should you, for any reason, fail to correct any deficiencies within a reasonable time as determined by us, we shall have the right, but not the obligation, to correct any deficiencies which may be susceptible to correction by us and to charge you a reasonable fee for our expenses in so acting, payable to us upon demand. The foregoing shall be in addition to such other remedies we may have.

7.14 Advertising and Promotional Materials. You shall ensure that all graphics, signs, advertising and promotional materials, decorations and other items specified by us bear the Proprietary Marks in the form, color, location, and manner prescribed by us. We reserve the right to require all advertising and promotional materials to be ordered directly through us, an affiliate or approved supplier.

7.15 Maintenance of Premises and Vehicle. You shall maintain the Premises (including any adjacent public areas and storage facility) and Vehicle(s) in a clean, orderly condition and in excellent repair; and, in connection therewith, you shall, at your own expense, make such additions, alterations, repairs and replacements thereto (but no others without our prior written consent) as may be required for that purpose, including, without limitation, such periodic repainting or replacement of obsolete signs, furnishings, equipment and graphics as we may reasonably direct.

7.16 Refurbishment. We reserve the right to require you to refurbish, once every five (5) years, the Vehicles and other equipment, at your expense, to conform to the building design, trade dress, color schemes and presentation of the Proprietary Marks in a manner consistent with the then-current image for new MOSQUITO SHIELD businesses. Such

refurbishment may include, without limitation, installation of new equipment, vehicles, new graphics, remodeling, redecoration and modifications to existing improvements.

7.17 Changes to the System. You shall not implement any change, amendment or improvement to the System without our express prior written consent. You shall notify us in writing of any change, amendment or improvement in the System which you propose to make, and shall provide to us such information as we request regarding the proposed change, amendment or improvement. You acknowledge and agree that we shall have the right to incorporate the proposed change, amendment or improvement into the System and shall thereupon obtain all right, title and interest therein without compensation to you.

7.18 Compliance with Lease. You shall comply with all the terms of your lease or sublease(s), if any exists, for the Premises and all other agreements affecting the operation of the MOSQUITO SHIELD Business; shall promptly furnish us a copy of your lease, upon request; shall undertake best efforts to maintain a good and positive working relationship with your landlord and/or lessor; and shall refrain from any activity which may jeopardize your right to remain in possession of, or to renew the lease or sublease for, the Premises.

7.19 Safety and Health Standards. You shall meet and maintain the highest safety and health standards and ratings applicable to the operation of the MOSQUITO SHIELD Business. You shall furnish to us immediately upon the receipt thereof, a copy of all safety and health inspection reports and any violation or citation which indicates your failure to maintain federal, state, or local safety or health standards in the operation of the MOSQUITO SHIELD Business. Your failure to cure such violations within twenty-four (24) hours shall constitute grounds for immediate termination pursuant to Section 15.3.5 herein. We shall also have the right, but not the obligation, to enter the Premises, without notice, at any time during regular business hours to cure any safety or health violation at the MOSQUITO SHIELD Business and require you to reimburse us for all out-of-pocket costs and expenses incurred by us to affect such cure.

7.20 Franchise Advisory Council. We reserve the right, in our sole discretion, to require you to become a member of and participate actively in a franchise advisory council ("Franchise Advisory Council") in your area. You shall participate actively in the Franchise Advisory Council as we designate and participate in all Franchise Advisory Council meetings approved by us. We reserve the right to amend the governing documents for the Franchise Advisory Council from time to time, in our sole discretion, at any time. We, in our sole discretion, will determine the topic areas to be considered by the Franchise Advisory Council. The purposes of the Franchise Advisory Council shall include, but are not limited to, exchanging ideas and problem-solving methods, advising us on expenditures for system-wide advertising, and coordinating franchisee efforts. Amounts and expenditures may vary from time to time due to variations in Franchise Advisory Council participation and costs, as determined by the Franchise Advisory Council, and as approved by us. We shall have the right to change, or dissolve the Franchise Advisory Council at any time in our sole discretion.

7.21 Restrictions on Prices. To enhance the competitive position and consumer acceptance for Mosquito Shield products and services for the benefit of the System overall, we may exercise rights with respect to the pricing of products and services to the

fullest extent permitted by then-applicable law. We shall have the right to specify the prices of the services offered, sold, and advertised by you, unless it is per se unlawful to do so. We also shall have the right to establish minimum prices and/or maximum prices of the services offered, sold, and advertised by you, unless it is per se unlawful to do so. You shall strictly adhere to the lawful prices established by us. We retain the right to modify the prices from time to time in our reasonable discretion. You acknowledge and agree that any maximum, minimum or other prices we prescribe or suggest may or may not optimize the revenues or profitability of your Mosquito Shield Business.

8. PROPRIETARY MARKS AND TECHNOLOGY

8.1 Our Representations. We represent with respect to the Proprietary Marks:

8.1.1 Our affiliate, Mosquito Shield, LLC, is the owner of all right, title, and interest in and to the Proprietary Marks;

8.1.2 We have the right to use, and to license others to use, the Proprietary Marks; and

8.1.3 We have taken and will take all steps reasonably necessary to preserve and protect the ownership and validity of the Proprietary Marks.

8.2 Your Use of the Marks. With respect to your use of the Proprietary Marks, you agree that:

8.2.1 You shall use only the Proprietary Marks designated by us, and shall use them only in the manner that we authorize and permit;

8.2.2 You shall use the Proprietary Marks only for the operation of the MOSQUITO SHIELD Business and only at the Approved Location and on the Vehicle, or in advertising or promotional materials for the MOSQUITO SHIELD Business used at or conducted from the Approved Location;

8.2.3 Unless otherwise authorized or required by us, you shall operate and advertise the MOSQUITO SHIELD Business only under the name "MOSQUITO SHIELD" and shall use all Proprietary Marks without prefix or suffix; you shall not use the Proprietary Marks as part of your corporate or other legal name;

8.2.4 During the term of this Agreement, and any renewal or extension hereof, you shall identify yourself as the owner of the MOSQUITO SHIELD Business (in the manner required by us) in conjunction with any use of the Proprietary Marks, including, but not limited to, on invoices, order forms, receipts, business stationery, and contracts with all third parties or entities, as well as the display of such notices in such content and form and at such conspicuous locations as we may designate in writing;

8.2.5 Your right to use the Proprietary Marks is limited to such uses as are authorized under this Agreement, and any unauthorized use thereof shall constitute an infringement of our rights and will entitle us to exercise all of our rights under this Agreement in addition to all rights available at law or in equity;

8.2.6 You shall not use the Proprietary Marks to incur any obligation or indebtedness on behalf of us;

8.2.7 You shall execute any documents deemed necessary by us to obtain protection for the Proprietary Marks or to maintain their continued validity and enforceability;

8.2.8 You shall promptly notify us of any suspected unauthorized use of the Proprietary Marks, any challenge to the validity of the Proprietary Marks, or any challenge to our ownership of, our right to use and to license others to use, or your right to use, the Proprietary Marks. You acknowledge that we have the sole right to direct and control any administrative proceeding or litigation involving the Proprietary Marks, including any settlement thereof. We have the right, but not the obligation, to take action against uses by others that may constitute infringement of the Proprietary Marks. We or our affiliate shall defend you against any third party claim, suit, or demand arising out of your use of the Proprietary Marks. If we, in our sole discretion, determine that you have used the Proprietary Marks in accordance with this Agreement, the cost of such defense, including the cost of any judgment or settlement, shall be borne by us. If we, in our sole discretion, determine that you have not used the Proprietary Marks in accordance with this Agreement, the cost of such defense, including the cost of any judgment or settlement, shall be borne by you. In the event of any litigation relating to your use of the Proprietary Marks, you shall execute any and all documents and do such acts as may, in our opinion, be necessary to carry out such defense or prosecution, including, but not limited to, becoming a nominal party to any legal action. Except to the extent that such litigation is the result of your use of the Proprietary Marks in a manner inconsistent with the terms of this Agreement, we agree to reimburse you for your out-of-pocket costs in doing such acts; and

8.2.9 You shall not attempt to register or otherwise obtain any interest in any Internet domain name or URL containing any of the Proprietary Marks, or any portion thereof, or any other word, name, symbol or device which is likely to cause confusion with any of the Proprietary Marks.

8.3 Acknowledgments. You expressly understand and acknowledge that:

8.3.1 Mosquito Shield, LLC, is the owner of all right, title, and interest in and to the Proprietary Marks and the goodwill associated with and symbolized by them, and we have the right to use, and license others to use, the Proprietary Marks;

8.3.2 The Proprietary Marks are valid and serve to identify the System and those who are authorized to operate under the System;

8.3.3 During the term of this Agreement and after its expiration or termination, you shall not directly or indirectly contest the validity of the ownership of, or our right to use and to license others to use, the Proprietary Marks;

8.3.4 Your use of the Proprietary Marks does not give you any ownership interest or other interest in or to the Proprietary Marks;

8.3.5 Any and all goodwill arising from your use of the Proprietary Marks shall inure solely and exclusively to our benefit, and upon expiration or termination of this Agreement and the license granted herein, no monetary amount shall be assigned to you or any of your principals, affiliates, subsidiaries, successors, licensees or assigns as attributable to any goodwill associated with your use of the System or the Proprietary Marks;

8.3.6 Except as specified in Section 1.3 hereof, the license of the Proprietary Marks granted hereunder to you is nonexclusive, and we have and retain the rights, among others: (a) to use the Proprietary Marks ourselves in connection with selling services, products, and merchandise; (b) to grant other licenses for the Proprietary Marks; (c) to develop and establish other systems using the Proprietary Marks, similar proprietary marks, or any other proprietary marks; and (d) to grant licenses thereto without providing any rights therein to you.

8.3.7 We reserve the right, in our sole discretion, to modify, add to, or discontinue use of the Proprietary Marks, or to substitute different proprietary marks, for use in identifying the System and the Businesses operating thereunder. You agree promptly to comply with such changes, revisions and/or substitutions, and to bear all the costs of modifying your signs, advertising materials, graphics and any other items which bear the Proprietary Marks to conform therewith. Your use of any such modified or substituted proprietary marks shall be governed by the terms of this Agreement to the same extent as the Proprietary Marks.

8.4 Computer System and Required Software.

8.4.1 We shall have the right to specify or require that you use certain brands, types, makes, and/or models of communications, computer systems, computer software and hardware, including without limitation: (a) back office, mobile devices, point of sale systems, data, audio, and video, systems for use at the Franchised Business; (b) printers and other peripheral hardware or devices; (c) archival back-up systems; (d) Internet access mode and speed; and © physical, electronic, and other security systems (collectively, the "Computer System").

8.4.2 You shall use and access such computer software programs that we designate from time to time in writing or in the Manuals in connection with the Computer System (the "Required Software"), which you shall install and/or access at your expense, and which may be obtained from us or from approved or designated third party suppliers/vendors at rates established by such third party suppliers/vendors, which may be changed on the terms agreed upon with them, and with notice of such changes as may be communicated directly to you or be communicated to us with our notice to you delivered within a reasonable time thereafter. We shall have the right, but not the obligation, to develop or have developed for us, or to designate: (a) updates, supplements, modifications, or enhancements to the Required Software, which you shall install at your expense; and (b) the tangible media upon which you shall record data; and (c) the database file structure of the Computer System. You shall pay all fees and expenses for continuing access to Required Software, which may include update or supplement installation costs and regularly recurring access fees. We may, as outlined in the Operations Manual, require you to use certain designated software for accounting or bookkeeping purposes. Your use of such software is a condition to your franchise, and in connection with such use, you must furnish to us no less than Viewing access to such software, together with all required reports as set forth herein. If we designate required accounting

software, you must use such software from any designated vendor(s) as set forth in the Operations Manual. Such software use may include fees paid directly to such vendor(s), on such terms that they set.

8.4.3 At our request, you shall purchase or lease, and thereafter maintain, the Computer System and, if applicable, the Required Software. We shall have the right at any time to remotely retrieve and use such data and information from your Computer System or Required Software that we deem necessary or desirable. You expressly agree to strictly comply with our standards and specifications for all items associated with your Computer System (including without limitation from your mobile devices used in the Vehicle) and any Required Software in accordance with our standards and specifications. You agree, at your own expense, to keep the Computer System in good maintenance and repair and install such additions, changes, modifications, substitutions, and/or replacements to the Computer System or Required Software as we direct from time to time in writing. You agree that your compliance with this Section 8.4 shall be at your sole cost and expense.

8.5 Data. All data you provide to us, that is uploaded to our system from your system, and/or that is downloaded from your system to our system, is and will be owned exclusively by us, and we will have the right to use such data in any manner that we deem appropriate without compensation to you. In addition, all other data created or collected by you in connection with the System, or in connection with your operation of the Franchised Business (including but not limited to consumer and transaction data), is and will be owned exclusively by us during the term of, and following termination or expiration of, this Agreement. Copies and/or originals of such data must be provided to us upon our request. We hereby license use of such data back to you, at no additional cost, solely for the term of this Agreement and solely for your use in connection with the establishment and operation of the Franchised Business pursuant to this Agreement.

8.6 Privacy. Subject to commercial standards of reasonableness based upon local business practices, we may, from time-to-time, specify in the Operations Manual (or otherwise in writing) the information that you shall collect and maintain on the Computer System installed at the Franchised Business, and you shall provide to us such reports as we may reasonably request from the data so collected and maintained. All data pertaining to or derived from the Franchised Business (including, without limitation, data pertaining to or otherwise about customers) is and shall be our exclusive property. You acknowledge and agree that your use of this data is limited to your operation of the MOSQUITO SHIELD Business only and for no other purpose. You shall use this data in strict accordance with this Agreement and our requirements. You shall abide by all applicable laws pertaining to the privacy of consumer, employee, and transactional information. You shall not publish, disseminate, implement, revise, or rescind a data privacy policy without our prior written consent as to said policy.

8.7 Extranet. We may, but are not obligated to, establish an Extranet. The term "Extranet" means a private network based upon Internet protocols that will allow users inside and outside of our headquarters to access certain parts of our computer network via the Internet. If we do establish an Extranet, then you shall comply with our requirements (as set forth in the Operations Manual or otherwise in writing) with respect to connecting to the Extranet and utilizing the Extranet in connection with the operation of the Franchised Business. The Extranet may include, without limitation, the Operations

Manual, training and other assistance materials, and management reporting solutions (both upstream and downstream, as we may direct). You shall purchase and maintain such computer software and hardware (including, but not limited to, telecommunications capacity) as may be required to connect to and utilize the Extranet. We shall have the right to require you to install a video, voice and data system that is accessible by both we and you on a secure Internet website, in real-time, all in accordance with our then-current written standards as set forth in the Operations Manual or otherwise in writing. You shall comply with our requirements (as set forth in the Operations Manual or otherwise in writing) with respect to establishing and maintaining telecommunications connections between your Computer System and our Extranet and/or such other computer systems as we may reasonably require.

8.8 Websites and Online Presence. Unless otherwise approved in writing by us or set forth in the Operations Manual, you shall not establish a separate Website in connection with the Franchised Business. However, we shall have the right to establish one or more webpages within our Website, which is currently www.moshield.com but may be changed by us in our sole discretion. You shall update and add content to such webpage(s) from time to time as we direct. We shall have the right to restrict your ability to edit its webpage(s) in our sole discretion. The term "Website" means an interactive electronic document contained in a network of computers linked by communications software, commonly referred to as the Internet or World Wide Web, including, but not limited to, any account, page, or other presence on a social or business networking media site, such as Facebook, Twitter, Linked In, other social media profiles, websites, domains, listings, or other presences, including on-line blogs and forums ("Networking Media Sites"). You may not establish accounts or "pages," or maintain an active presence, on any Networking Media Sites without our prior written approval. If granted approval, you must include us as an administrator and grant us full access to your Networking Media Sites and accounts. You shall not make any posting or other contribution to a Networking Media Site relating to us, the System, the Proprietary Marks, or the Franchised Business that (a) is derogatory, disparaging, or critical of us, (b) is offensive, inflammatory, or indecent, (c) harms the goodwill and public image of the System and/or the Proprietary Marks, or (d) violates our policies relating to the use of Networking Media Sites. We shall have the right to require that you not have any Website other than the webpage(s), if any, made available on our Website. However, if we approve a separate Website for you (which we are not obligated to approve; and, which approval, if granted, may later be revoked by us), then each of the following provisions shall apply:

8.8.1 You specifically acknowledge and agree that any Website owned, established, or maintained by or for your benefit shall be deemed "advertising" under this Agreement and will be subject to, among other things, our prior review and approval. Notwithstanding, the costs to establish and maintain this Website shall not apply toward your required minimum advertising expenditure requirements set forth in Section 12.1 or Section 12.2 hereof;

8.8.2 Before establishing any Website, you shall submit to us, for our prior written approval, a sample of the proposed Website domain name, format, visible content (including, without limitation, proposed screen shots), and non-visible content (including, without limitation, meta tags) in the form and manner we may reasonably require;

8.8.3 If approved, you shall not materially modify such Website without our prior written approval as to such proposed modification;

8.8.4 You shall comply with the standards and specifications for Websites that we may periodically prescribe in the Operations Manual or otherwise in writing;

8.8.5 If required by us, you shall establish such hyperlinks to our Website and other Websites as we may request in writing; and

8.8.6 You must include us as an administrator and grant us full access to your Website.

8.8.7 In consideration of the granting of a franchise to you and other valuable consideration given by us, you assign to us all telephone numbers, websites, domains, social media profiles, Google My Business directory listings, and any other collateral, profiles, online presences, or other listings you use in the operation of the franchise., together with administrator or comparable privileges for all web page(s), online marketing accounts, social media accounts, directories, accounts through which customers have a point of contact with you, accounts with marketing affiliates, or related items. Upon our exercise of this assignment for any event of termination, we assume the performance of all of the terms, covenants and conditions of your agreement with the provider(s) concerning the web presence or listings with the full force and effect as if we had been originally issued the accounts, listings, or points of contact. We will hold this assignment, and will deliver it to the providers or other interested third parties only upon termination of the Franchise Agreement between us and you dated _____.

8.9 Domain Names. You acknowledge and agree that if we grant our approval for your use of a generic, national, and/or regionalized domain name, we shall have the right to own and control said domain name at all times and may license it to you for the term of this Agreement on such terms and conditions as we may reasonably require (including, but not limited to, the requirement that you reimburse us our costs for doing so). If you already own any domain names, or hereafter register any domain names, then you agree that you shall notify us in writing and assign said domain names to us and/or a designee that we specify in writing.

8.10 Online Use of Proprietary Marks and E-mail Solicitations. You shall not use the Proprietary Marks or any abbreviation or other name associated with us and/or the System as part of any e-mail address, domain name, and/or other identification of you in any electronic medium, except as set forth in the Operations Manual. You agree not to transmit or cause any other party to transmit advertisements or solicitations by e-mail or other electronic media without first obtaining our written consent as to: (a) the content of such email advertisements or solicitations; and (b) your plan for transmitting such advertisements. In addition to any other provision of this Agreement, you shall be solely responsible for compliance with all laws pertaining to e-mails, including, but not limited to, the U.S. Controlling the Assault of Non-Solicited Pornography and Marketing Act of 2003 (known as the "CAN-SPAM Act of 2003").

8.11 No Outsourcing without Prior Written Approval. You shall not hire third party or outside vendors to perform any services or obligations in connection with the Computer System, Required Software, or any other of Franchisee's obligations without our prior written approval. Our consideration of any proposed outsourcing vendor(s) may be conditioned upon, among other things, such third party or outside vendor's entry into a confidentiality agreement with us and you in a form that is provided by us. The provisions of this Section 8.11 are in addition to and not instead of any other provision of this Agreement.

8.12 Changes to Technology. You and we acknowledge and agree that changes to technology are dynamic and not predictable within the term of this Agreement. In order to provide for inevitable but unpredictable changes to technological needs and opportunities, you agree that we shall have the right to establish, in writing, reasonable new standards for the implementation of technology in the System; and you agree that you shall abide by those reasonable new standards established by us as if this Agreement were periodically revised by us for that purpose.

9. CONFIDENTIAL OPERATIONS MANUAL

9.1 Standards of Operation. In order to protect our reputation and goodwill and to maintain high standards of operation under the System, you shall operate the MOSQUITO SHIELD Business in accordance with the standards, methods, policies, and procedures specified in the Operations Manual. Upon your completion of the Initial Training Program to our satisfaction, we will either lend you one (1) paper copy of our Operations Manual or provide you with electronic access to the Operations Manual (via Internet, extranet, or other electronic means) for your use during the term of this Agreement only. The Operations Manual may consist of multiple volumes of printed text, computer disks, or other electronically stored data.

9.2 Confidentiality. You shall treat the Operations Manual, any other manuals created for or approved for use in the operation of the MOSQUITO SHIELD Business, and the information contained therein, as confidential, and shall use all reasonable efforts to maintain such information as secret and confidential pursuant to Section 10 below. You shall not copy, duplicate, record or otherwise reproduce the foregoing materials, in whole or in part, or otherwise make the same available to any unauthorized person.

9.3 Exclusive Property. The Operations Manual shall remain the sole property of us and shall be kept in a secure place on the Premises. If any paper copy of the Operations Manual provided by us is lost, destroyed or significantly damaged, you agree to obtain a replacement copy at our then-applicable charge.

9.4 Revisions to Operations Manual. We may from time to time revise the contents of the Operations Manual, and you expressly agree to comply with each new or changed standard. You shall ensure that the Operations Manual is kept current at all times. We have the right to maintain all or any portions of the Operations Manual in written or electronic form, including, without limitation, on one or more Website. If we maintain the Operations Manual in electronic form or on one or more Website, you agree (a) to install, maintain, and upgrade continually throughout the term of this Agreement and as required by us in the

Operations Manual and in writing from time to time, at your sole expense, the highest-speed Internet connection available to provide access to such portions of the Operations Manual; (b) to make one copy of such portion of the Operations Manual and to maintain such copies and their contents as secret and confidential; and (c) you and none of your principals or employees shall make any electronic copy of any portion of the Operations Manual. In the event of any dispute as to the contents of the Operations Manual, the terms of the master electronic copy (or, if unavailable, the paper copy) maintained by us at our home office shall be controlling.

10. CONFIDENTIAL INFORMATION

10.1 Confidential Information. You shall not, during the term of this Agreement or thereafter, communicate, divulge or use for the benefit of any other person, partnership, association, limited liability company or corporation any confidential information, knowledge or know-how concerning the methods of operation of the business franchised hereunder, including, without limitation, the Operations Manual, the Mosquito and Tick Proprietary Blend, control products or their ingredients, knowledge of specifications for and suppliers of certain goods, services, equipment, materials and supplies, product costs, accounting methods, including both paper and electronic spreadsheets, knowledge of the operating results and financial performance of other MOSQUITO SHIELD businesses, your customer lists, customer accounts, and customer information, whether developed by us, you independently, or with our assistance, management tools, or advertising which may be communicated to you or of which you may be apprised by virtue of your operation under the terms of this Agreement ("Confidential Information"). You shall divulge such Confidential Information only to such of your employees as must have access to it in order to operate the Franchised Business. Any and all information, knowledge, know-how, techniques and other data which we designate as confidential shall be deemed confidential for purposes of this Agreement.

10.2 Confidentiality Agreements. You shall require your Operations Manager, technicians, and other personnel having access to any of our Confidential Information to execute non-competition covenants and covenants that they will maintain the confidentiality of information they receive in connection with their employment by, affiliation or independent contractor relationship with you at the MOSQUITO SHIELD Business. Such covenants shall be in the form attached hereto as Attachment 4.

10.3 Irreparable Injury. You acknowledge that any failure to comply with the requirements of this Section 10 will cause us irreparable injury, and you agree to pay all court costs and reasonable attorneys' fees incurred by us in obtaining specific performance of, or an injunction against violation of, the requirements of this Section 10, or such other relief sought by us.

11. ACCOUNTING AND RECORDS

11.1 Weekly Gross Sales. You shall record all sales on a point-of-sale recordkeeping and control system designated by us, or on any other equipment specified

by us in the Operations Manual or otherwise in writing. We shall have the right to access any business information or data collected and generated on your point-of-sale system and we may require you to use an accountant approved by us in advance. If we request in writing, you shall maintain a weekly record of all Gross Sales on a spreadsheet provided by us, or by such other means designated by us at our sole discretion and shall provide us with such weekly record no later than the fifth (5^{th}) day of each calendar month, or as frequently as requested, in the form we prescribe, via facsimile or electronically.

11.2 Other Reports. If we request in writing, you shall, at your expense, submit to us in the form we prescribe, the following reports, financial statements, and other data:

11.2.1 Within five (5) days after their filing, copies of all signed sales tax returns for the MOSQUITO SHIELD Business and, upon request from us, copies of the canceled checks for the required sales taxes;

11.2.2 Within thirty (30) days after the end of each fiscal quarter, an unaudited profit and loss statement for the MOSQUITO SHIELD Business for the immediately preceding fiscal quarter and a year-to-date balance sheet and profit and loss statement as of the end of such fiscal quarter;

11.2.3 Within ninety (90) days after the end of the MOSQUITO SHIELD Business' fiscal year, reviewed annual profit and loss and source and use of funds statements and a reviewed balance sheet for the MOSQUITO SHIELD Business as of the end of such fiscal year signed by you or your principal operating officer or operating partner;

11.2.4 Within ten (10) days after our request, exact, signed original copies of federal and state income tax returns of the MOSQUITO SHIELD Business and other tax returns, and such other forms, records, books and other information that we may periodically require;

11.2.5 Within thirty (30) days after the end of each calendar month, a copy of the MOSQUITO SHIELD Business' monthly operating account bank statement;

11.2.6 Within five (5) days of your receipt, you must provide us a copy of any legal notices, legal claims, legal demands, legal proceedings, legal actions, or other litigation, regulatory or administrative proceedings, or similar matters involving you or potentially relating to or relevant to us; and

11.2.7 Such other forms, reports, records, information, and data as we may reasonably designate from time to time or as may be described in the Operations Manual.

11.3 Recordkeeping. You shall prepare, and shall preserve for at least three (3) years from the dates of their preparation complete and accurate books, records and accounts in accordance with generally accepted accounting principles and in the form and manner prescribed by us in the Operations Manual or otherwise from time to time in writing, including but not limited to: (a) receipts journals; (b) disbursements and weekly payroll journals and schedules; (c) general ledgers; (d) monthly bank statements, daily deposit slips, and cancelled check©(e) all tax returns; (f) suppliers' invoices (paid and unpaid); (g) monthly fiscal period balance sheets and fiscal period profit and loss statements; and (h)

such other records as we may from time to time require in the Operations Manual or otherwise in writing.

11.4 Inspection and Audit. We, along with our designated agents, shall have the right at any time during regular business hours to examine, copy, and/or personally review at our expense, your books, records, accounts, and tax returns. We shall have the right at all reasonable times to remove such books, records, accounts and tax returns for copying. We shall also have the right, at any time, to have an independent audit made of your books and records. If an inspection or audit should reveal that any income or sales have not been reported or have been understated by two percent (2%) or more in any report to us, then you shall immediately pay to us the amount underpaid upon demand, in addition to interest from the date such amount was due until paid, at the rate of eighteen percent (18%) per annum, or the maximum rate permitted by law, whichever is less, plus all of our costs and expenses in connection with the inspection or audit, including, without limitation, travel costs, lodging and wage expenses, and reasonable accounting and legal fees and costs. The foregoing remedies shall be in addition to any other remedies we may have under this Agreement or otherwise at law or in equity.

Failure to deliver any of the required or requested records including books, tax returns, banking or other financial institution statements, records of other businesses owned, records of revenue or business done, invoices, receipts, or other reports will result in you incurring a per-day fee for non-reporting in the amount of $25.00 per report or record, per day. When you have made delivery of the requested records or reports, such fee shall cease to be incurred.

12. ADVERTISING AND PROMOTION

Recognizing the value of advertising, marketing, and promotion, and the importance of the standardization of advertising, marketing, and promotion programs to the furtherance of the goodwill and public image of the System, the parties agree as follows:

12.1 Opening and Initial Advertising and Promotion. You shall conduct local marketing and promotion for the opening of the MOSQUITO SHIELD Business within the first sixty (60) days that the MOSQUITO SHIELD Business is in operation (or at such other time as we require in writing), and shall expend, for such purpose, a minimum of Thirty-Five Thousand Dollars ($35,000) or more, in our discretion, if your MOSQUITO SHIELD Business includes multiple territories or has an extended season. You are also required to purchase a trade show display and promotional materials within ninety (90) days of signing this Agreement. Such initial local marketing and promotion will utilize the marketing and public relations programs and media and advertising materials we have furnished to you or approved. We have the right, in our sole discretion, to specify the form, manner, and timing of such advertising and promotion. The initial local marketing expenditures are in addition to the expenditures required by Sections 12.2 and 12.3.

12.2 Local Marketing, Advertising, and Promotion. In addition to the advertising required under Sections 12.1 and 12.3 hereof, in each calendar year after the first calendar year that your MOSQUITO SHIELD Business is open for business, you must spend a minimum of the greater of (a) Fifty Thousand Dollars ($50,000) or (b) ten percent (10%) of Gross Sales, on local marketing, advertising, and promotion in such manner as we may, in our sole discretion, direct in the Operations Manual or otherwise in writing from time to time. Upon our request, you shall provide satisfactory evidence of all local advertising and promotion expenditures in such manner as we shall direct in the Operations Manual or otherwise in writing from time to time. If we determine that you have not spent the requisite amounts, we may require you to pay such unexpended amounts into the Brand Fund.

12.3 MOSQUITO SHIELD Brand Fund. During the term of this Agreement, you shall contribute monthly 2% of Gross Sales for the preceding month to the Brand Fund. Amounts due under this Section 12.3 shall be payable in the same manner as the Royalty fee described in Section 4.5. All contributions to the Brand Fund shall be in addition to the expenditures required by Sections 12.1 and 12.2 hereof. The Brand Fund shall be maintained and administered by us as follows:

12.3.1 We shall direct all advertising, marketing, and promotional programs, and have sole discretion over all aspects of such programs, including but not limited to concepts, materials, and media used in such programs, and the placement and allocation thereof. You agree and acknowledge that the Brand Fund is intended to maximize general public recognition, acceptance, and use of the System; and that we are not obligated, in administering the Brand Fund, to make expenditures for you which are equivalent or proportionate to your contribution, to make expenditures in your geographical area, or to ensure that you benefit directly or on a pro rata basis from expenditures or activities of the Brand Fund;

12.3.2 The Brand Fund, all contributions thereto, and any earnings thereon, shall be used exclusively to meet any and all costs of maintaining, administering, directing, conducting and preparing advertising, marketing, public relations, and/or promotional programs and materials, and any other activities which we believe will enhance the image of the System, including, but not limited to, the costs of preparing and conducting radio, television, print, and Internet-based advertising campaigns; developing, maintaining, and updating a World Wide Web site for the MOSQUITO SHIELD brand and System on the Internet; direct mail advertising; marketing surveys; employing advertising and/or public relations agencies to assist therein; purchasing promotional items; purchasing point-of-purchase materials; and providing promotional and other marketing materials and services to the businesses operating under the System. The Brand Fund may also be used to provide rebates or reimbursements to franchisees for local expenditures on products, services, or improvements, approved by us in advance, which products, services, or improvements we shall have the right to determine will promote general public awareness of and favorable support for the System. The Brand Fund may furnish you with samples of advertising, marketing, and promotional materials and formats and other materials at no additional cost to you when we, in our sole discretion, deem appropriate;

12.3.3 You shall contribute to the Brand Fund, in accordance with this Section 12.3. The Brand Fund will not be used to defray any of our general operating

expenses, except we retain the right to obtain reimbursement from the Brand Fund for our out-of-pocket costs and expenses incurred in administering the Brand Fund, for monies contributed to the Brand Fund to reimburse us for administrative costs and overhead incurred by us in any activities related to the administration of the Brand Fund and its programs, and a pro rata portion of the salaries of personnel who spend time on Brand Fund-related matters. The Brand Fund and any earnings thereon shall not otherwise inure to our benefit. We may spend, on behalf of the Brand Fund, in any fiscal year, an amount that is greater or less than the aggregate contribution of all MOSQUITO SHIELD businesses to the Brand Fund in that year and the Brand Fund may borrow from us or others to cover deficits or invest any surplus for future use. All interest earned on monies contributed to the Brand Fund will be used to pay advertising costs before other assets of the Brand Fund are expended. We will prepare an annual statement of monies collected and costs incurred by the Brand Fund and furnish the statement to you upon written request. We have the right to cause the Brand Fund to be incorporated or operated through a separate entity at such time as we deem appropriate and such successor entity will have all of the rights and duties specified herein. We shall maintain separate bookkeeping accounts for the Brand Fund.

12.3.4 You acknowledge that the Brand Fund is not a trust or one of our assets and that we are not a fiduciary to you with respect to, or a trustee of, the Brand Fund or the monies therein; and

12.3.5 The Brand Fund is intended to be of perpetual duration. However, we maintain the right to terminate, or suspend for a period of time at our discretion, the Brand Fund. The Brand Fund may not be terminated, however, until all monies in the Brand Fund have been expended for advertising and/or promotional purposes or returned to its contributors on the basis of their respective contributions.

12.4 Advertising Cooperative. We reserve the right, in our discretion, to designate any geographical area for purposes of establishing a regional advertising and promotional cooperative ("Cooperative"), and to determine whether a Cooperative is applicable to the MOSQUITO SHIELD businesses. If a Cooperative has been established in your area prior to opening the MOSQUITO SHIELD Business, you shall become a member of the Cooperative no later than thirty (30) days after opening the MOSQUITO SHIELD Business. If a Cooperative is established subsequent to your opening of the MOSQUITO SHIELD Business, you shall become a member of the Cooperative no later than thirty (30) days after the date on which the Cooperative commences operation. If your MOSQUITO SHIELD Business is within the area of primary responsibility of more than one Cooperative, you shall not be required to be a member of more than one Cooperative within that APR.

12.4.1 Each Cooperative shall be organized and governed in a form and manner, shall commence operation on a date, and shall operate pursuant to written governing documents, all of which must be approved in advance by us in writing;

12.4.2 Each Cooperative shall be organized for the exclusive purpose of administering regional advertising programs and developing, subject to our approval, standardized advertising materials for use by the members in local advertising;

12.4.3 No promotional or advertising plans or materials may be used by a Cooperative or furnished to its members without our prior approval. All such plans and materials shall be submitted to us in accordance with the procedures set forth in Section 12.9 hereof;

12.4.4 Each Cooperative shall have the right to require its members to make contributions to the Cooperative in such amounts as determined by the Cooperative; provided, however, that you shall not be required to contribute to any Cooperative in excess of Twenty-Five Thousand Dollars ($25,000) per calendar year, unless two-thirds of the members of the Cooperative vote in favor of a greater contribution. Your payments made under this Section 12.4.4 shall be credited towards the expenditures you are required to make under Section 12.2 hereof and shall be in addition to the requirements of Section 12.1 and 12.3 hereof;

12.4.5 Each member franchisee shall submit to the Cooperative, no later than the first Friday of each month, for the preceding fiscal month, its contribution as provided in Section 12.4.4 hereof, together with such other statements or reports as may be required by us or by the Cooperative with our prior approval. All contributions to the Cooperative shall be forwarded by the Cooperative to us, and we shall expend such monies as directed by the duly elected representative of the Cooperative;

12.4.6 We, in our sole discretion, may grant to any franchisee an exemption for any length of time from the requirement of membership in a Cooperative, upon written request of such franchisee stating the reasons supporting such exemption. Our decision concerning such request for exemption shall be final; and

12.4.7 We shall have the power to require the Cooperative to be formed, changed, dissolved, or merged.

12.5 Advertising Materials. All advertising and promotion by you shall be in such media and of such type and format as we may approve, shall be conducted in a dignified manner and shall conform to such standards and requirements as we may specify. You shall not use any advertising or promotional plans or materials unless and until you have received written approval from us as described in Section 12.6. We reserve the right to require that all advertising and promotions be ordered directly through us, an affiliate or approved supplier.

12.6 Approval of Advertising Materials. You shall submit to us samples of all advertising and promotional plans and materials for any print, broadcast, cable, electronic, computer or other media (including, without limitation, the Internet) that you desire to use and that have not been prepared or previously approved by us within the preceding six (6) months (as provided in Section 21 hereof), for our prior approval. You shall not use such plans or materials until they have been approved in writing by us. If written notice of disapproval is not received by you from us within fourteen (14) days of the date of receipt by us of such samples or materials, we shall be deemed to have approved them. If we require it, you must order all advertising and promotion through us, our affiliate or our designated supplier.

13. INSURANCE

13.1 Minimum Insurance Requirements. You shall procure, prior to the commencement of any activities or operations under this Agreement, and shall maintain in full force and effect at all times during the term of this Agreement (and for such period thereafter as is necessary to provide the coverages required hereunder for events having occurred during the term of this Agreement), at your expense, an insurance policy or policies protecting you, us, and the parties' respective officers, directors, partners, agents and employees against any demand or claim with respect to personal injury, death or property damage, business interruption, or any loss, liability or expense whatsoever arising or occurring upon or in connection with the MOSQUITO SHIELD Business, including, but not limited to, commercial general liability insurance (including products/completed operations), personal injury coverage, public liability insurance, property insurance (including, but not limited to, fire, vandalism, and malicious mischief insurance for the replacement value of the MOSQUITO SHIELD Business and its contents), specialty coverage to protect against injury or death from product application, casualty insurance, business interruption insurance, statutory workers' compensation and employer's liability insurance, and automobile insurance coverage for all Vehicle(s) and other vehicles used in connection with the operation of the MOSQUITO SHIELD Business. Such policy or policies shall be written by a responsible carrier or carriers acceptable to us with an AM Best rating of "A" or higher. The commercial general liability policy shall name us and our subsidiaries and affiliates as additional insureds, specifically including additional insured rights within the completed operations coverage grant and including coverage that indemnifies us and holds us harmless. All other policies shall provide us with thirty (30) days' notice of cancellation. All policies shall provide at least the types and minimum amounts of coverage specified in the Operations Manual. We shall have the right, from time to time, to make such changes in minimum policy limits and endorsements in the Operations Manual or otherwise in writing as it may determine in its reasonable discretion.

13.2 Non-waiver. Your obligation to obtain and maintain the policy or policies in the amounts specified in the Operations Manual shall not be limited in any way by reason of any insurance that may be maintained by us, nor shall your performance of that obligation relieve you of liability under the indemnity provisions set forth in Section 20.3 of this Agreement.

13.3 Franchisor Entitled to Recover. All public liability and property damage policies shall contain a provision that we, although named as an insured, shall nevertheless be entitled to recover under such policies on any loss occasioned to us or our servants, agents or employees by reason of the negligence of you or your servants, agents or employees.

13.4 Certificates of Insurance. Prior to the commencement of any operations under this Agreement, and thereafter at least thirty (30) days prior to the expiration of any policy, you shall deliver to us Certificates of Insurance evidencing the proper types and minimum amounts of coverage. All Certificates shall expressly provide that no less than thirty (30) days' prior written notice shall be given to us in the event of material alteration to or cancellation of the coverages evidenced by such Certificates.

13.5 Our Right to Procure Insurance. Should you, for any reason, fail to procure or maintain the insurance required by this Agreement, as such requirements may be revised from time to time by us in the Operations Manual or otherwise in writing, we shall have the right and authority (but not the obligation) to procure and maintain such insurance in your name and to charge the same to you, which charges, together with our reasonable expenses in so acting, shall be payable by you immediately upon notice. The foregoing remedies shall be in addition to any other remedies we may have under this Agreement or at law or in equity.

14. TRANSFER OF INTEREST

14.1 Our Right to Transfer. We shall have the right to transfer or assign this Agreement and all or any part of its rights or obligations herein to any person or legal entity, and any of our designated assignee(s) shall become solely responsible for all of our obligations under this Agreement from the date of assignment. You shall execute such documents of attornment or other documents as we may request.

14.2 Your Conditional Right to Transfer. You understand and acknowledge that the rights and duties set forth in this Agreement are personal to you, and that we have granted this franchise in reliance on your (or, if you are a corporation, partnership, or limited liability company, your principals') business skill, financial capacity and personal character. Accordingly, neither you nor any immediate or remote successor to any part of your interest in this Agreement, nor any individual, partnership, limited liability company, corporation or other legal entity which directly or indirectly owns any interest in you or in the Franchised Business shall sell, assign, transfer, convey, pledge, encumber, merge or give away (collectively, "transfer") this Agreement, any direct or indirect interest in you, or in all or substantially all of the assets of the Franchised Business without our prior written consent. Any purported assignment or transfer not having our written consent required by this Section 14.2 shall be null and void and shall constitute a material breach of this Agreement, for which we may immediately terminate without opportunity to cure pursuant to Section 15.2.7 of this Agreement. The foregoing remedies shall be in addition to any other remedies we may have under this Agreement or at law or in equity.

14.3 Conditions of Transfer. You shall notify us in writing of any proposed transfer of this Agreement, any direct or indirect interest in you, or in all or substantially all of the assets of the Franchised Business, at least forty-five (45) days before such transfer is proposed to take place. We shall not unreasonably withhold our consent to any transfer. We may, in our sole discretion, require any or all of the following as conditions of its approval:

14.3.1 That all of your accrued monetary obligations and all other outstanding obligations to us and our affiliates have been satisfied;

14.3.2 That you and your affiliates are not in default of any provision of this Agreement, any amendment hereof or successor hereto, or any other agreement between you or your affiliates and us or our affiliates;

14.3.3 That the consideration or payment terms offered by a proposed Transferee are not excessive or unreasonable, based on the Gross Sales or the gross sales of other MOSQUITO SHIELD businesses, in our reasonable business judgment;

14.3.4 That the transferor shall have executed a general release, in a form prescribed by us, of any and all claims against us and our affiliates, and their respective officers, directors, agents, shareholders, and employees;

14.3.5 That the transferor and transferee have executed a mutual general release, relieving all claims against each other, excluding only such claims relating to any provision or covenant of this Agreement which imposes obligations beyond the expiration of this Agreement;

14.3.6 That the transferee (and, if the transferee is other than an individual, such owners of a beneficial interest in the transferee as we may request) enter into a written assignment, in a form satisfactory to us, assuming and agreeing to discharge all of your obligations under this Agreement; and that the transferee guarantee the performance of all such obligations in writing in a form satisfactory to us;

14.3.7 That the transferee (and, if the transferee is other than an individual, such owners of a beneficial interest in the transferee as we may request) demonstrate to our satisfaction that it meets our educational, managerial and business standards; possesses a good moral character, business reputation and credit rating; has the aptitude and ability to operate the Franchised Business; has adequate financial resources and capital to operate the Franchised Business;

14.3.8 That the transferee execute, for a term ending on the expiration date of this Agreement and with such renewal term(s) as may be provided by this Agreement, our then-current form of franchise agreement and other ancillary agreements (including a personal guaranty to be executed by the transferee's principals and/or spouse) as we may require for the Franchised Business, which agreements shall supersede this Agreement in all respects, and the terms of which may differ from the terms of this Agreement including, without limitation, a higher royalty fee, brand fund contribution and other fees, as determined by us, except that the transferee shall not be required to pay any initial franchise fee and your Area of Primary Responsibility shall remain the same;

14.3.9 That you remain liable for all of the obligations to us in connection with the Franchised Business which arose prior to the effective date of the transfer and execute any and all instruments reasonably requested by us to evidence such liability;

14.3.10 That the transferee (or, if the transferee is a corporation, partnership or limited liability company, a principal of the transferee acceptable to us), at the transferee's expense, have successfully completed any training programs then in effect upon such terms and conditions as we may reasonably require and pay us the then-current training fee;

14.3.11 That we approve the terms and conditions of the transfer agreement between you and transferee;

14.3.12 That transferee does not finance more than eighty-five percent (85%) of the total purchase price, and that transferee expressly, in writing, subordinates all third-party interests (other than that of your primary lender) in the Franchised Business to our interests; and

14.3.13 That you pay to us a transfer fee equal to Fifteen Thousand Dollars ($15,000.00); however, in the case of a transfer to a corporation or limited liability company formed by you, and in which you own all of the shares or membership interest, for the convenience of ownership (as determined by us in our sole discretion), no such transfer fee shall be required. Note, any sales commission owed as a result of your transfer shall remain your obliga©ion, in addition to the Transfer Fee.

14.4 No Security Interest. You shall not grant a security interest in the MOSQUITO SHIELD Business or in any of the assets of the MOSQUITO SHIELD Business without our express written consent. If we consent to such security interest, such consent shall be conditioned on, among other things, the secured party's agreement that in the event of any default by you under any documents related to the security interest, we shall have the right and option (but not the obligation) to be substituted as obligor to the secured party and to cure any of default by you, and, in the event we exercise such option, any acceleration of indebtedness due to your default shall be void. In the event we cure any such default by you, you shall reimburse us all amounts paid by us to cure the default, plus all costs and expenses incurred by us to cure such default, and you shall be deemed in default of this Agreement.

14.5 Our Right of First Refusal. If any party holding any direct or indirect interest in this Agreement, in you, or in all or substantially all of the assets of the Franchised Business desires to accept any bona fide offer from a third party to purchase such interest, you shall notify us as provided in Section 14.3 hereof, and shall provide such information and documentation relating to the offer as we may require. We shall have the right and option, exercisable within thirty (30) days after receipt of such written notification, to send written notice to the seller that we intend to purchase the seller's interest on the same terms and conditions offered by the third party. If we elect to purchase the seller's interest, closing on such purchase shall occur within thirty (30) days from the date of notice to the seller of our election to purchase. If we elect not to purchase the seller's interest, any material change thereafter in the terms of the offer from a third party shall constitute a new offer subject to the same rights of first refusal by us as in the case of the third party's initial offer. Our failure to exercise the option afforded by this Section 14.5 shall not constitute a waiver of any other provision of this Agreement, including all of the requirements of this Section 14, with respect to a proposed transfer. In the event the consideration, terms and/or conditions offered by a third party are such that we may not reasonably be required to furnish the same consideration, terms and/or conditions, then we may purchase the interest proposed to be sold for the reasonable equivalent in cash. If the parties cannot agree within thirty (30) days on the reasonable equivalent in cash of the consideration, terms and/or conditions offered by the third party, an independent appraiser shall be designated by us at our expense, and the appraiser's determination shall be binding.

14.6 Death or Incapacity. Upon the death, physical or mental incapacity of any person with an interest in this Agreement, in you, or in all or substantially all of the assets of the Franchised Business, the executor, administrator, or personal representative of

such person shall transfer such interest to a third party approved by us within six (6) months after such death or incapacity. We shall have the right to determine, in our reasonable business judgment, the mental or physical incapacity of you or of any individual holding an interest in you. Such transfers, including, without limitation, transfers by devise or inheritance, shall be subject to the same conditions as any inter vivos transfer. In the case of transfer by devise or inheritance, if the heirs or beneficiaries of any such person are unable to meet the conditions in this Section 14, the executor, administrator, or personal representative of the decedent shall transfer the decedent's interest to another party approved by us within a reasonable time, which disposition shall be subject to all the terms and conditions for transfers contained in this Agreement. If the interest is not disposed of within a reasonable time, we may terminate this Agreement, pursuant to Section 15.2.7 hereof.

14.7 Non-waiver. Our consent to a transfer of any interest in this Agreement, in you, or in all or substantially all of the assets of the Franchised Business shall not constitute a waiver of any claims we may have against the transferring party, nor shall it be deemed a waiver of our right to demand exact compliance with any of the terms of this Agreement by the transferor or transferee.

15. DEFAULT AND TERMINATION

15.1 Automatic Termination. You shall be deemed to be in default under this Agreement, and all rights granted to you herein shall automatically terminate without notice to you or opportunity to cure, if: You become insolvent or make a general assignment for the benefit of creditors; a petition in bankruptcy is filed by you or such a petition is filed against and not opposed by you; you are adjudicated bankrupt or insolvent; a bill in equity or other proceeding for the appointment of a receiver of you or other custodian for your business or assets is filed and consented to by you; a receiver or other custodian (permanent or temporary) of your assets or property, or any part thereof, is appointed by any court of competent jurisdiction; proceedings for a composition with creditors under any state or federal law should be instituted by or against you; a final judgment remains unsatisfied or of record for thirty (30) days or longer (unless supersedeas bond is filed); you are dissolved; execution is levied against your business or property; suit to foreclose any lien or mortgage against the Premises or equipment is instituted against you and not dismissed within thirty (30) days; or the real or personal property of the Franchised Business shall be sold after levy thereupon by any sheriff, marshal, or constable.

15.2 Notice Without Opportunity to Cure. In addition to the foregoing, upon the occurrence of any of the following events of default, we may, at our option, terminate this Agreement and all rights granted hereunder, without affording you any opportunity to cure the default, effective immediately upon the provision of notice to you (in the manner provided under Section 23 hereof):

15.2.1 If you fail to open and operate the MOSQUITO SHIELD Business within the time limits provided in Section 5.4 hereof;

15.2.2 If you or the other individuals identified in Section 6.1 fail to complete the Initial Training Program to our satisfaction, or fail to attend additional training as described in Section 6.3 hereof;

15.2.3 If you customize or otherwise alter your Vehicle without our prior approval;

15.2.4 If you at any time cease to operate or otherwise abandon the Franchised Business for five (5) or more consecutive days, or lose the right to possession of the Premises, or otherwise forfeit the right to do or transact business in the jurisdiction where the Franchised Business is located; however, if, through no fault of your own, the Premises are damaged or destroyed by an event such that repairs or reconstruction cannot be completed within sixty (60) days thereafter, then you shall have thirty (30) days after such event in which to apply for our approval to relocate and/or reconstruct the Premises, which approval shall not be unreasonably withheld;

15.2.5 If you fail to attain or exceed the Minimum Gross Sales requirements set forth in Section 7.3 hereof;

15.2.6 If you, or any of your principals, officers, or directors, are convicted of a felony, a crime involving moral turpitude, or any other crime or offense that we believe is reasonably likely to have an adverse effect on the System, the Proprietary Marks, the goodwill associated therewith or our interest therein; or if you or any of your principals, officers, or directors, commit any acts or engage in any behavior that we believe is reasonably likely to have an adverse effect on the System, the Proprietary Marks, the goodwill associated therewith, or our interest therein, including but not limited to conduct that is fraudulent, unfair, unethical, or deceptive;

15.2.7 If a threat or danger to public health or safety results from the construction, maintenance, or operation of the Franchised Business;

15.2.8 If any purported assignment or transfer of any direct or indirect interest in this Agreement, in you, or in all or substantially all of the assets of the Franchised Business is made to any third party without our prior written consent, or otherwise contrary to the terms of Section 14 hereof;

15.2.9 If an approved transfer is not effected within the time provided following death or mental or physical incapacity, as required by Section 14.6 hereof;

15.2.10 If you fail to comply with the covenants in Section 17.2 hereof or fail to obtain execution of the covenants required under Section 10.2 hereof;

15.2.11 If, contrary to the terms of Sections 9 or 10 hereof, you disclose or divulge the contents of the Operations Manual or other confidential information provided to you by us;

15.2.12 If you intentionally under-report Gross Sales;

15.2.13 If you knowingly maintain false books or records or submit any false reports or other documentation (including your application for this franchise) to us;

15.2.14 If you misuse or make any unauthorized or improper use of the Proprietary Marks or any other identifying characteristics of the System, or otherwise materially impair the goodwill associated therewith or our rights therein; or if you fail to utilize the Proprietary Marks solely in the manner and for the purposes directed by us;

15.2.15 If you refuse to permit us to inspect the Premises, or the books, records or accounts of you upon demand as provided for herein;

15.2.16 If you, after curing any default pursuant to Section 15.3 hereof, commit the same default again, whether or not cured after notice;

15.2.17 If you sell our use products not previously approved by us, or purchase any product from a supplier not previously approved by us;

15.2.18 If you (or any of your owners) have made any material misrepresentation to us or any other party or omission in connection with your purchase of the Franchised Business;

15.2.19 If we cure any default by you pursuant to Section 14.4 hereof;

15.2.20 If you have insufficient funds in your bank account to pay any amount payable hereunder on three (3) or more occasions in any twelve (12) month period;

15.2.21 If you commit three (3) or more curable defaults in any twelve (12) month period, whether or not timely cured; or

15.2.22 If you commit two (2) or more of the same default in any twelve (12) month period, whether or not timely cured.

15.3 Notice with Opportunity to Cure. Except as otherwise provided in Sections 15.1 and 15.2 of this Agreement, upon any other default by you, we shall give you written notice of such default (in the manner set forth under Section 23 hereof) and an opportunity to cure such default within thirty (30) days (or such shorter period specified below) of your receipt of such notice. We shall have the right to terminate this Agreement immediately upon notice to you if you fail to cure any default to our satisfaction, and provide proof thereof, within the thirty (30) day period (or such shorter period specified below). If applicable law requires a longer cure period, such period shall apply to our notice. Defaults which are susceptible of cure hereunder include the following illustrative events:

15.3.1 If you fail to substantially comply with any of the requirements imposed by this Agreement, as it may from time to time reasonably be supplemented by the Operations Manual, or fail to carry out the terms of this Agreement in good faith;

15.3.2 If you fail, refuse or neglect promptly to pay any monies owing to us or our affiliates when due, or to submit the financial or other information required by us under this Agreement; cure for such default must be made within a ten-day (10-day) period;

15.3.3 If you fail to maintain or observe any of the standards or procedures prescribed by us in this Agreement, the Operations Manual, or otherwise in writing;

15.3.4 Except as provided in Section 15.2.7 hereof, if you fail, refuse or neglect to obtain our prior written approval or consent as required by this Agreement;

15.3.5 If, upon inspection by us or a government health inspector, your MOSQUITO SHIELD Business is in violation of the health, safety, or sanitation standards prescribed by us in this Agreement, the Operations Manual, or otherwise in writing, or is in violation of any health or safety law, codes, or regulation;

15.3.6 If you act, or fail to act, in any manner which is inconsistent with or contrary to your lease or sublease for the Premises, or in any way jeopardize your right to renewal of such lease or sublease;

15.3.7 If you engage in any business or market any service or product under a name or mark which, in our opinion, is confusingly similar to the Proprietary Marks (you shall have seven (7) days from your receipt of written notice to cure such default); or

15.3.8 If you fail to comply with all applicable laws, rules and regulations related to the operation of the MOSQUITO SHIELD Business (including, without limitation, the applicable provisions of the ADA regarding the construction, design and operation of the MOSQUITO SHIELD Business).

15.3.9 Where there is more than one agreement in existence between the parties (or their respective affiliates), you agree that we have the right to treat a material breach or default of any one agreement as a material breach or default of all or any of the other agreements and any such material breach or default of any one agreement shall be treated, in respect of any of the other agreements as a material breach or default of each such agreement

15.4 Limitation of Services or Benefits. If you receive a notice of default issued pursuant to either Section 15.2 or Section 15.3 and fail to cure such default within the time period permitted in such notice, we shall have the right, in our sole discretion, to temporarily or permanently limit, curtail, or remove certain services or benefits provided or required to be provided to you hereunder in lieu of exercising our right to terminate this Agreement pursuant to its terms, including, without limitation:

15.4.1 To modify or eliminate your Area of Primary Responsibility;

15.4.2 To restrict you or any of your staff attendance at any initial training, continuing training, meetings, workshops, or conventions;

15.4.3 To refuse or permit our affiliate to sell or furnish to you any supplies, products, or advertising and promotional materials used in the Franchised Business;

15.4.4 To refuse to provide you ongoing advice about the operation of the MOSQUITO SHIELD Business;

15.4.5 To refuse any request by you to approve a new supplier; and

15.4.6 To refuse any request by you to approve the use of any advertising or promotional materials.

You agree to hold us harmless with respect to any action taken by us pursuant to this Section 15.4; and you further agree that we shall not be liable for any loss, expense, or damage incurred by you or the MOSQUITO SHIELD Business because of any action we take pursuant to this Section 15.4. Nothing in this Section 15.4 constitutes a waiver of any of our rights or remedies under this Agreement or any other agreement between the parties; including, without limitation, the right to terminate this Agreement under Sections 15.1, 15.2, and 15.3 hereof. You acknowledge and agree that our exercise of our rights pursuant to this Section 15.4 shall not be deemed a constructive termination of this Agreement or of any other agreement between the parties, and shall not be deemed a breach of any provision of this Agreement by us. Any services or benefits removed, curtailed, or limited pursuant to this Section 15.4 may be reinstated at any time by us in our sole discretion and you hereby agree to accept immediately any such reinstatement of services or benefits so removed, curtailed, or limited. You acknowledge and agree that, if we limit any services or benefits under this Section 15.4, you shall continue to pay timely all fees and payments required under this Agreement and any other agreement between you and us, including, without limitation, any fees associated with services or benefits limited by us. You shall have no right to a refund of any fees paid in advance for such services or benefits.

15.5 In addition to our right to terminate this Agreement and our rights under Section 15.4 above, and not in lieu of such rights or any other rights we may have against you, upon a failure to cure any default within the applicable time period, we have the right, but not the obligation, to enter upon the Premises and exercise complete authority with respect to the operation of the Franchised Business, including the servicing of all existing customers of the Franchised Business, until such time as we determine, in our sole discretion, that the default has been cured, and you are otherwise in compliance with this Agreement. In the event we exercise the rights described in this Section 15.5, you must reimburse us for all reasonable costs and overhead, if any, incurred in connection with its operation of the Franchised Business, including, without limitation, costs of personnel for supervising and staffing the Franchised Business and their travel and lodging accommodations. If we undertake to operate the Franchised Business pursuant to this Section, you agree to indemnify and hold us (and our representative(s) and employees) harmless from and against any fines, claims, suits or proceedings which may arise out of our operation of the Franchised Business.

16. OBLIGATIONS UPON TERMINATION OR EXPIRATION

Upon termination or expiration of this Agreement for any reason, all rights granted hereunder to you shall forthwith terminate, and:

16.1 Cease Operations. You shall immediately cease to operate the Franchised Business, and shall not thereafter, directly or indirectly, represent to the public or hold yourself out as a present or former MOSQUITO SHIELD franchisee. Immediately upon the expiration or termination hereof, you shall dispose of, and not sell, any MOSQUITO SHIELD products, equipment or other items sold hereunder.

16.2 Cease Use of Confidential Information and Proprietary Marks. You shall immediately and permanently cease to use, in any manner whatsoever, any confidential methods, procedures and techniques associated with the System, and all Proprietary Marks and distinctive forms, slogans, signs, symbols, colors, and devices associated with the System. In particular, you shall cease to use, without limitation, all signs, advertising materials, displays, stationery, forms, products and any other articles that display the Proprietary Marks. You shall de-identify the Premises, the Vehicle(s), and any other vehicles so that there is no use or display of the Proprietary Marks after the effective date of termination or expiration.

16.3 Cancellation of Registrations. You shall take such action as may be necessary to cancel any assumed name registration or equivalent registration obtained by you which contains the mark "MOSQUITO SHIELD", or any other Proprietary Marks, and you shall furnish us with evidence satisfactory to us of compliance with this obligation within five (5) days after termination or expiration of this Agreement.

16.4 Assignment of Lease. You shall, at our option, assign to us any interest which you have in any lease or sublease for the Premises. In the event we do not elect to exercise our option to acquire the lease or sublease for the Premises, you shall make such modifications or alterations to the Premises (including, without limitation, the changing of, and the assigning to us of, the telephone number) immediately upon termination or expiration of this Agreement as may be necessary to distinguish the appearance of the Premises from that of the MOSQUITO SHIELD Business under the System, and shall make such specific additional changes thereto as we may reasonably request for that purpose. In the event you fail or refuse to comply with the requirements of this Section 16.4, we shall have the right to enter upon the Premises, without being guilty of trespass or any other tort, for the purpose of making or causing to be made such changes as may be required, at the expense of you, which expense you agree to pay upon demand.

16.5 Subsequent Use of Proprietary Marks Prohibited. You agree, in the event you continue to operate or subsequently begin to operate any other business, not to use any reproduction, counterfeit, copy or colorable imitation of the Proprietary Marks, either in connection with such other business or the promotion thereof, which, in our sole discretion, is likely to cause confusion, mistake or deception, or which, in our sole discretion, is likely to dilute our rights in and to the Proprietary Marks. You further agree not to utilize any designation of origin, description or representation (including but not limited to reference to MOSQUITO SHIELD, the System or the Proprietary Marks) which, in our sole discretion, suggests or represents a present or former association or connection with us, the System or the Proprietary Marks.

16.6 Payment. You shall promptly pay all sums owing to us and our affiliates. In the event of termination due to your default, such sums shall include all damages, costs, and expenses, including reasonable attorneys' fees, incurred by us as a result of the default, which obligation shall give rise to and remain, until paid in full, a lien in our favor against any and all of the personal property, furnishings, equipment, signs, fixtures, and inventory owned by you and on the Premises operated hereunder at the time of default.

16.7 Return Operations Manual and Confidential Information. You shall immediately deliver to us the Operations Manual, paper and electronic spreadsheets and checklists and all other records, correspondence and instructions containing confidential information relating to the operation of the MOSQUITO SHIELD Business, including, but not limited to, computer software, customer lists, and customer information, all of which are acknowledged to be our property, and shall retain no copy or record of any of the foregoing, with the exception of your copy of this Agreement, any correspondence between the parties and any other documents which you reasonably need for compliance with any provision of law.

16.8 Websites. You shall cease use of any MOSQUITO SHIELD business domain name, URL, or home page address, and shall not establish any Website using any similar or confusing domain name, URL, and/or home page address.

16.9 Our Option to Purchase Equipment. We shall have the option, to be exercised within thirty (30) days after termination, to purchase from you any or all of the equipment, signs, inventory, materials, supplies and fixtures related to the operation of the MOSQUITO SHIELD Business at fair market value or at sixty percent (60%) of your original investment, whichever is less; provided, however, that we shall purchase any unopened Mosquito and Tick Proprietary Blend at your purchase price and any opened Mosquito and Tick Proprietary Blend shall only be disposed of in an compliance with all applicable environmental laws and regulations. If the parties cannot agree within such time on the price of any such items, such price shall be determined by agreement of two (2) appraisers, with you and us each selecting one (1) appraiser. In the event the two (2) appraisers cannot agree, they shall choose a third appraiser, whose determination shall be binding. If we elect to exercise any option to purchase herein provided, it shall have the right to set off all amounts due from you, and the cost of the appraisal, if any, against any payment therefor.

16.10 Compliance with Covenants. You shall comply with the covenants contained in Sections 10.1 and 17.3 of this Agreement.

16.11 Assignment of Customer Contracts. You agree to assign all of your customer accounts and contracts to us or to our designee within fifteen (15) days after the effective date of termination or expiration of this Agreement. The assignment shall permit us to collect and retain customer payments past due, in addition to customer payments owed after the date of assignment.

17. COVENANTS

17.1 Best Efforts. You covenant that, during the term of this Agreement, except as otherwise approved in writing by us, you (or, if you are a corporation, partnership or limited liability company, one of your principals, general partners or members) shall devote full time, energy, and best efforts to the management and operation of the MOSQUITO SHIELD Business.

17.2 In-Term Covenants. You specifically acknowledge that, pursuant to this Agreement, you will receive valuable, specialized training and confidential

information, including, without limitation, information regarding the operational, sales, promotional, and marketing methods and techniques used by us and the System. You covenant that during the term of this Agreement, except as otherwise approved in writing by us, you shall not, either directly or indirectly, for yourself, or through, on behalf of, or in conjunction with any person or legal entity:

17.2.1 Divert or attempt to divert any present or prospective business or customer of any MOSQUITO SHIELD business to any competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Proprietary Marks and the System; or

17.2.2 Own, maintain, operate, engage in, act as a consultant for, perform services for, or have any interest in any pest control business, or complementary service/product line which: (a) is the same as, or substantially similar to, a MOSQUITO SHIELD business or any MOSQUITO SHIELD complementary service/product line that is or is under discussion to be offered at such time; or (b) offers to sell or sells mosquito, tick, flea, or other pest control services or complementary services/products, equipment, products or items which are the same as, or substantially similar to, any of the services, equipment, product or other items offered by a MOSQUITO SHIELD business or MOSQUITO SHIELD complementary service/product line. The prohibitions in this Section 17.2 shall not apply to interests in or activities performed in connection with any other MOSQUITO SHIELD franchise you own or an Existing Business approved by us.

17.3 Post-Term Covenants. You covenant that, except as otherwise approved in writing by us, you shall not, for a continuous, uninterrupted period of two (2) years commencing upon the date of (a) a transfer permitted under Section 14 of this Agreement, (b) expiration of this Agreement, (c) termination of this Agreement (regardless of the cause for termination), or (d) a final order of a court of competent jurisdiction (after all appeals have been taken) with respect to any of the foregoing or with respect to enforcement of this Section 17.3 (the "Restriction Period"), either directly or indirectly, for itself, or through, on behalf of, or in conjunction with any person or legal entity, own, maintain, operate, engage in, be employed by, provide assistance to, or have any interest in (as owner or otherwise) any pest control business or complementary business that: (a)(i) is the same as, or substantially similar to, a MOSQUITO SHIELD business or or MOSQUITO SHIELD complementary service/product line; or (ii) offers to sell or sells mosquito, tick, flea, or other pest control services or complementary services/products, equipment, products or items which are the same as, or substantially similar to, any of the services, equipment, product or other items offered by a MOSQUITO SHIELD business or MOSQUITO SHIELD complementary service/product line; and (b) is, or is intended to be, located at or within:

17.3.1 your Area of Primary Responsibility;

17.3.2 Twenty (20) miles of the Approved Location; or

17.3.3 Twenty (20) miles of any business operating under the System and the Proprietary Marks, or

You further covenant that, except as otherwise approved in writing by us, during the Restriction Period, you shall not divert or attempt to divert any past, present or prospective business or customer of any MOSQUITO SHIELD business (including yours) to any competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Proprietary Marks and the System.

The prohibitions of Sections 17.2.2 and 17.3 shall not apply to your interests in or operation of a MOSQUITO SHIELD Business under a written Franchise Agreement.

17.4 No Application to Equity Securities. Sections 17.22 and 17.3 shall not apply to ownership by you of a less than five percent (5%) beneficial interest in the outstanding equity securities of any corporation which has securities registered under the Securities Exchange Act of 1934.

17.5 Reduction of Scope of Covenants. You understand and acknowledge that we shall have the right, in our sole discretion, to reduce the scope of any covenant set forth in Sections 17.2 and 17.3, or any portion thereof, without your consent, effective immediately upon receipt by you of written notice thereof; and you agree that you shall comply forthwith with any covenant as so modified, which shall be fully enforceable.

17.6 Compliance with Anti-Terrorism Laws. You acknowledge that under applicable U.S. law, including, without limitation, Executive Order 13224, signed on September 23, 2001 (the "Executive Order"), we are prohibited from engaging in any transaction with any person engaged in, or with a person aiding any person engaged in, acts of terrorism, as defined in the Executive Order. Accordingly, you represent and warrant to us that as of the date of this Agreement, neither you nor any person holding any ownership interest in you, controlled by you, or under common control with you, are designated under the Executive Order as a person with whom business may not be transacted by us, and that you (a) do not, and hereafter shall not, engage in any terrorist activity; (b) are not affiliated with and does not support any individual or entity engaged in, contemplating, or supporting terrorist activity; and (c) are not acquiring the rights granted under this Agreement with the intent to generate funds to channel to any individual or entity engaged in, contemplating, or supporting terrorist activity, or to otherwise support or further any terrorist activity.

17.7 No Defense. You expressly agree that the existence of any claims you may have against us, whether or not arising from this Agreement, shall not constitute a defense to the enforcement by us of the covenants in this Section 17. You agree to pay all costs and expenses (including reasonable attorneys' fees) incurred by us in connection with the enforcement of this Section 17.

17.8 Independent Covenants. The parties agree that each of the foregoing covenants shall be construed as independent of any other covenant or provision of this Agreement. If all or any portion of a covenant in this Section 17 is held unreasonable or unenforceable by a court or agency having valid jurisdiction in an unappealed final decision to which we are a party, you expressly agree to be bound by any lesser covenant subsumed within the terms of

such covenant that imposes the maximum duty on you permitted by law, as if the resulting covenant were separately stated in and made a part of this Section 17.

17.9 Irreparable Injury. You acknowledge that your violation of any of the terms of this Section 17 would result in irreparable injury to us for which no adequate remedy at law may be available, and you accordingly consent to the issuance of an injunction prohibiting any conduct by you in violation of the terms of this Section 17.

17.10 Our Costs and Expenses. You shall pay us all damages, costs, and expenses, including reasonable attorneys' fees, incurred by us in obtaining injunctive or other relief for the enforcement of any provision of this Section 17.

18. CORPORATE, PARTNERSHIP OR LIMITED LIABILITY COMPANY FRANCHISEE

18.1 Franchisee Corporation. If you are a corporation, you shall comply with the following requirements:

18.1.1 You shall be newly organized and your charter shall at all times provide that its activities are confined exclusively to operating the Franchised Business;

18.1.2 Copies of your Articles of Incorporation, Bylaws and other governing documents, and any amendments thereto, including the resolution of the Board of Directors authorizing entry into this Agreement, shall be promptly furnished to us;

18.1.3 You shall maintain stop-transfer instructions against the transfer on your records of any equity securities; and shall issue no certificates for voting securities upon the face of which the following printed legend does not legibly and conspicuously appear:

> The transfer of this stock is subject to the terms and conditions of a Franchise Agreement with Mosquito Shield Franchise, LLC, dated . Reference is made to the provisions of the said Franchise Agreement and to the Articles and Bylaws of this Corporation.

Notwithstanding the above, the requirements of this Section 18.1.3 shall not apply to a "publicly-held corporation." A "publicly-held corporation" for purposes of this Agreement shall mean a corporation registered pursuant to the Securities and Exchange Act of 1934; and

18.1.4 You shall maintain a current list of all owners of record and all beneficial owners of any class of voting securities or securities convertible into voting securities of you and shall furnish the list to us upon request.

18.2 Franchisee Partnership. If you or any of your successors or assignees are a partnership, you shall comply with the following requirements:

18.2.1 You shall be newly organized and shall furnish us with a copy of your partnership agreement as well as such other documents as we may reasonably request, and any amendments thereto;

18.2.2 The partnership agreement shall at all times note conspicuously that partnership rights are held subject to, and that further assignment or transfer thereof are subject to, all restrictions imposed upon assignments by the Franchise Agreement; and

18.2.3 You shall prepare and furnish to us, upon request, a list of all your general and limited partners.

18.3 Franchisee Limited Liability Company. If you or any of your successors or assignees are a limited liability company, you shall comply with the following requirements:

18.3.1 You shall be newly organized and the articles of incorporation must at all times provide that your activities are confined exclusively to operating the Franchised Business;

18.3.2 You shall furnish us with a copy of the articles of organization and operating agreement as well as such other governing documents as we may reasonably request, and any amendments thereto;

18.3.3 The articles of organization or operating agreement shall at all times note conspicuously that membership rights are held subject to, and that further assignment or transfer thereof are subject to, all restrictions imposed upon assignments by the Franchise Agreement; and

18.3.4 You shall prepare and furnish to us, upon request, a list of your members or parties that hold any ownership interest in you.

18.4 Guaranty. If any Franchisee Principal is a married individual and the Principal's spouse has not executed this Agreement, such Principal shall cause his or her spouse to personally execute and bind himself or herself to the terms of a Guaranty, the form attached hereto as Attachment 5.

18.5 Disclosure. If you are a corporation, partnership or limited liability corporation, you must complete the Disclosure of Franchisee Owners attached to this Franchise Agreement as Attachment 6. You shall notify us of any changes to any of your shareholders, partners or members ("Franchisee Owners"). You acknowledge that a change in the identity or ownership percentage of any Franchisee Owner shall constitute a Transfer and is governed by Section 14 of this Agreement.

19. TAXES, PERMITS, AND INDEBTEDNESS

19.1 Payment of Taxes. You shall promptly pay when due all taxes levied or assessed, including, without limitation, employer's portion of employment-related taxes (FICA, Medicare and unemployment taxes) and sales taxes, and all accounts and other indebtedness of every kind incurred by you in the operation of the Franchised Business.

19.2 Contesting Taxes. In the event of any bona fide dispute as to your liability for taxes assessed or other indebtedness, you may contest the validity or the amount of the tax or indebtedness in accordance with procedures of the taxing authority or applicable law, but in no event shall you permit a tax sale or seizure by levy or execution or similar writ or warrant, or attachment by a creditor, to occur against the Premises or any Vehicle, or any improvements thereon.

19.3 Permits and Licenses. You shall comply with all federal, state, and local laws, rules, and regulations, including without limitation, the applicable provisions of the ADA regarding the design and operation of the Franchised Business and shall timely obtain any and all permits, certificates, or licenses necessary for the full and proper conduct of the Franchised Business, including, without limitation, licenses to do business, fictitious name registrations, occupancy licenses, sales tax permits, construction permits, health permits, building permits, handicap permits and fire clearances.

19.4 Notification of Adverse Action. You shall immediately notify us in writing of the commencement of any action, suit, or proceeding, and of the issuance of any order, writ, injunction, award, or decree of any court, agency, or other governmental instrumentality, which may adversely affect the operation or financial condition of the Franchised Business.

20. INDEPENDENT CONTRACTOR AND INDEMNIFICATION

20.1 Independent Contractor. The parties agree that this Agreement does not create a fiduciary relationship between them for any purpose, and acknowledge that you shall be an independent contractor, and that nothing in this Agreement is intended to constitute either party an agent, legal representative, subsidiary, joint venturer, partner, employee, or servant of the other for any purpose whatsoever. During the term of this Agreement, you shall hold yourself out to the public as an independent contractor operating the Franchised Business pursuant to a franchise agreement with us. You agree to take such action as may be necessary to do so, including, without limitation, exhibiting a notice of that fact in a conspicuous place at the Premises and in or on the Vehicle(s), the content of which we reserve the right to specify or approve. You acknowledge and agree that our usual business is the offering and selling rights to operate MOSQUITO SHIELD businesses using the Proprietary Marks and System, developing enhancements to the System, and providing assistance to MOSQUITO SHIELD franchisees, and, accordingly, our usual business is different from your usual business of operating a MOSQUITO SHIELD pest control business.

20.2 No Authority to Contract. Nothing in this Agreement authorizes you to make any contract, agreement, warranty or representation on our behalf, or to incur any debt or other obligation in our name; and we shall in no event assume liability for, or be deemed liable hereunder as a result of, any such action; nor shall we be liable by reason of any act or omission by you in your operation of the business franchised hereunder or for any claim or judgment arising therefrom against you or us.

20.3 Indemnification. You shall indemnify and hold us and our affiliates, and their respective officers, directors and employees harmless against any and all claims, losses, costs, expenses, liabilities and damages arising directly or indirectly from, as a result of, or in connection with your operation of the MOSQUITO SHIELD Business, the business conducted under this Agreement, the Vehicle(s), the Approved Location, or your breach of this Agreement, including, but not limited to, those alleged to be caused by our negligence, unless (and then only to the extent that) the claims, obligations, and damages are determined to be caused solely by our gross negligence or willful misconduct according to a final, unappealable ruling issued by a court with competent jurisdiction, as well as the costs, including reasonable attorneys' fees, of defending against them. In the event we incur any costs or expenses, including, without limitation, legal fees, travel expenses, and other charges, in connection with any proceeding involving you in which we are not a party, you shall reimburse us for all such costs and expenses promptly upon presentation of invoices. You acknowledge and agree that your indemnification and hold harmless obligations under this Section shall survive the termination or expiration of this Agreement. Nothing herein shall preclude us from choosing our own legal counsel to represent us in any lawsuit or other dispute resolution.

21. APPROVALS AND WAIVERS

21.1 Approval and Consent. Whenever this Agreement requires our prior approval or consent, you shall make a timely written request to us therefor, and such approval or consent must be obtained in writing.

21.2 No Warranties or Guarantees. We make no warranties or guarantees upon which you may rely, and assume no liability or obligation to you, by providing any waiver, approval, consent, or suggestion to you in connection with this Agreement, or by reason of any neglect, delay or denial of any request therefor.

21.3 No Waiver. No failure by us to exercise any power reserved to us by this Agreement, or to insist upon strict compliance by you with any obligation or condition hereunder, and no custom or practice of the parties at variance with the terms hereof, shall constitute a waiver of our right to demand exact compliance with any of the terms hereof. Our waiver of any particular default by you shall not affect or impair our rights with respect to any subsequent default of the same, similar, or different nature; nor shall any delay, force, or omission by us to exercise any power or right arising out of any breach of default by you of any of the terms, provisions, or covenants hereof, affect or impair our right to exercise the same, nor shall such constitute a waiver by us of any right hereunder, or the right to declare any subsequent breach or default and to terminate this Agreement prior to the expiration of its term. Our subsequent acceptance of any payments due to us hereunder shall not be deemed to be a waiver by us of any preceding breach by you of any terms, covenants, or conditions of this Agreement.

22. GRANT OF SECURITY INTEREST

As security for the payment of all amounts from time to time owing by you to us under this Agreement and all other agreements between the parties, and performance of all obligations

to be performed by you, you hereby grant to us a security interest in all of the assets of your MOSQUITO SHIELD Business, including, without limitation, all equipment, Vehicle(s), furniture, and fixtures, as well as all proceeds of the foregoing, customer contracts and accounts receivable (the "Collateral"). You warrant and represent that the security interest granted hereby is prior to all other security interests held by financial institutions, if any. You agree not to remove the Collateral, or any portion thereof, from the Premises without our prior written consent. Upon the occurrence of any event entitling us to terminate this Agreement or any other agreement between the parties, we shall have all the rights and remedies of a secured party under the Uniform Commercial Code of the state in which the Franchised Business is located, including, without limitation, the right to take possession of the Collateral. You agree to execute and deliver to us financing statements or such other documents as we reasonably deem necessary to perfect our interest in the Collateral within ten (10) days of receipt by you of such documents from us. Any notices delivered or mailed in accordance with Section 23 hereof at least fifteen (15) days prior to disposition of the Collateral, or any portion thereof, and, in reference to a private sale, need state only that you intend to negotiate such a sale.

23. NOTICES

Any and all notices required or permitted under this Agreement shall be in writing and shall be personally delivered, sent by registered mail, sent via email, or sent by other means which affords the sender evidence of delivery or rejected delivery (including, without limitation, private delivery or courier service), which shall not include electronic communication, such as email, to the respective parties at the following addresses, unless and until a different address has been designated by written notice to the other party:

Notices to Us:	Mosquito Shield Franchise, LLC 761 W. 1200 N., Ste 300 #24 North Attleboro, MA 02760 Attn: Michael Moorhouse, President
Notices to You:	at the address specified on the Data Sheet

Any notice by a means which affords the sender evidence of delivery or rejected delivery shall be deemed to have been given and received at the date and time of receipt or rejected delivery.

24. ENTIRE AGREEMENT

This Agreement, the attachments hereto, and the documents referred to herein constitute the entire Agreement between the parties concerning the subject matter hereof, and supersede any prior agreements, no other representations having induced you to execute this Agreement. Except for those permitted to be made unilaterally by us hereunder, no amendment, change, or variance from this Agreement shall be binding on either party unless mutually agreed to by the parties and executed by their authorized officers or agents in

writing. Nothing in this Agreement or in any related agreement between you and us is intended to disclaim the representations in our Franchise Disclosure Document or any exhibits or attachments thereto.

25. SEVERABILITY AND CONSTRUCTION

25.1 Severability. If, for any reason, any section, part, term, provision, and/or covenant herein is determined to be invalid and contrary to, or in conflict with, any existing or future law or regulation by a court or agency having valid jurisdiction, such shall not impair the operation of, or have any other effect upon, such other portions, sections, parts, terms, provisions, and/or covenants of this Agreement as may remain otherwise intelligible; and the latter shall continue to be given full force and effect and bind the parties hereto; and said invalid portions, sections, parts, terms, provisions, and/or covenants shall be deemed not to be a part of this Agreement.

25.2 Survival. Any provision or covenant in this Agreement which expressly or by its nature imposes obligations beyond the expiration, termination or assignment of this Agreement (regardless of cause for termination), shall survive such expiration, termination or assignment, including but not limited to Sections 10, 17, and 26.

25.3 No Rights or Remedies Conferred. Except as expressly provided to the contrary herein, nothing in this Agreement is intended, nor shall be deemed, to confer upon any person or legal entity other than you, us, our officers, directors, shareholders, agents, and employees, and such of our successors and assigns as may be contemplated by Section 14 hereof, any rights or remedies under or by reason of this Agreement.

25.4 Promises and Covenants. You expressly agree to be bound by any promise or covenant imposing the maximum duty permitted by law which is subsumed within the terms of any provision hereof, as though it were separately articulated in and made a part of this Agreement, that may result from striking from any of the provisions hereof any portion or portions which a court or agency having valid jurisdiction may hold to be unreasonable and unenforceable in an unappealed final decision to which we are a party, or from reducing the scope of any promise or covenant to the extent required to comply with such a court or agency order.

25.5 Captions and Headings. All captions in this Agreement are intended solely for the convenience of the parties, and none shall be deemed to affect the meaning or construction of any provision hereof.

26. APPLICABLE LAW AND DISPUTE RESOLUTION

26.1 Applicable Law. This Agreement shall be interpreted and construed exclusively under the laws of the State of Utah. In the event of any conflict of law, the laws of Utah shall prevail, without regard to the application of Utah conflict-of-law rules. If, however, any provision of this Agreement would not be enforceable under the laws of Utah and if you are located outside of Utah and such provision would be enforceable under the laws of the state

in which you are located, then such provision shall be interpreted and construed under the laws of that state.

26.2 Mediation. Except as otherwise provided herein, if a dispute arises out of or relates to this Agreement, the breach hereof, the rights and obligations of the parties hereto, or the making, interpretation, or performance of either party under this Agreement, the parties agree first to try in good faith to settle the dispute by mediation administered by the American Arbitration Association before resorting to litigation or some other dispute resolution procedure. Such mediation shall take place before a sole mediator at a location nearest to our principal business address or at such other location as determined by us in our sole discretion. The parties shall each bear all of their own costs of mediation; provided, however, the fees of the mediator shall be divided equally between the parties. The parties hereto agree that mediation shall not be required with respect to: (a) any claim or dispute involving any payment obligation of you that is more than forty five (45) days past due; (b) any claim or dispute involving actual or threatened disclosure or misuse of our confidential information; (c) any claim or dispute involving the ownership, validity, or use of the Proprietary Marks; (d) any claim or dispute involving the insurance or indemnification provisions of this Agreement or (e) any action by us to enforce the covenants set forth in Section 17 of this Agreement.

26.3 Jurisdiction and Venue. Any action that is not subject to, or cannot be resolved through, mediation under Section 26.2, whether or not arising out of, or relating to, this Agreement shall be brought exclusively in Utah County, Utah. You hereby irrevocably consent to the exclusive jurisdiction and venue therein and waive all objections to personal jurisdiction or venue for purposes of this Section 26.3 and agree that nothing in this Section 26.3 shall be deemed to prevent us from removing an action from state court to federal court.

26.4 No Exclusivity. No right or remedy conferred upon or reserved to us or you by this Agreement is intended to be, nor shall be deemed, exclusive of any other right or remedy herein or by law or equity provided or permitted, but each shall be cumulative of every other right or remedy.

26.5 Injunctive Relief. Nothing herein contained (including, without limitation, Sections 26.2 and 26.3 above) shall bar our right to obtain injunctive relief from any court of competent jurisdiction against threatened conduct that will cause us loss or damage, under the usual equity rules, including the applicable rules for obtaining specific performance, restraining orders, and preliminary injunctions.

26.6 Limitation of Claims. You agree that any and all claims by you against us arising out of, or relating to, this Agreement may not be commenced by you unless brought before the earlier of (a) the expiration of one (1) year after the act, transaction, or occurrence upon which such claim is based, or (b) one (1) year after this Agreement expires or is terminated for any reason. You agree that any claim or action not brought within the period required under this Section 26.6 shall forever be barred as a claim, counterclaim, defense, or set off.

26.7 Our Costs and Expenses. Except as expressly provided by Section 26.2 hereof, you shall pay all expenses, including attorneys' fees and costs, incurred by us, our affiliates, and our successors and assigns (a) to remedy any of your defaults of, or enforce any of our rights under, this Agreement; (b) to effect termination of this Agreement; and (c) to collect any amounts due under this Agreement.

26.8 WAIVER OF RIGHT TO A JURY AND PUNITIVE DAMAGES. THE PARTIES HEREBY KNOWINGLY, VOLUNTARILY, AND INTENTIONALLY AGREE AS FOLLOWS:

26.8.1 THE PARTIES BOTH EXPRESSLY WAIVE THE RIGHT EITHER MAY HAVE TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM BROUGHT BY OR AGAINST EITHER PARTY; AND

26.8.2 THE PARTIES BOTH EXPRESSLY WAIVE ANY CLAIM FOR PUNITIVE, MULTIPLE, AND/OR EXEMPLARY DAMAGES, EXCEPT THAT WE SHALL BE FREE AT ANY TIME HEREUNDER TO BRING AN ACTION FOR WILLFUL TRADEMARK INFRINGEMENT AND, IF SUCCESSFUL, TO RECEIVE AN AWARD OF MULTIPLE DAMAGES AS PROVIDED BY LAW.

26.9 NO CLASS ACTIONS. NEITHER WE NOR YOU SHALL SEEK TO LITIGATE OR OTHERWISE PROCEED AGAINST THE OTHER PARTY TO THIS AGREEMENT OR SUCH PARTY'S AFFILIATES, EITHER AS A REPRESENTATIVE OF, OR ON BEHALF OF, ANY OTHER PERSON, CLASS, OR ENTITY ANY DISPUTE, CONTROVERSY, OR CLAIM OF ANY KIND ARISING OUT OF, OR RELATING TO, THIS AGREEMENT, THE RIGHTS AND OBLIGATIONS OF THE PARTIES, THE SALE OF THE FRANCHISE, OR OTHER CLAIMS OR CAUSES OF ACTION RELATING TO THE PERFORMANCE OF EITHER PARTY TO THIS AGREEMENT. NO ACTION OR PROCEEDING UNDER THIS AGREEMENT SHALL ADD AS A PARTY, BY CONSOLIDATION, JOINDER, OR IN ANY OTHER MANNER, ANY PERSON OR PARTY OTHER THAN YOU AND US AND ANY PERSON IN PRIVITY WITH, OR CLAIMING THROUGH, IN THE RIGHT OF, OR ON BEHALF OF, YOU OR US, UNLESS BOTH YOU AND WE CONSENT IN WRITING. WE HAVE THE ABSOLUTE RIGHT TO REFUSE SUCH CONSENT. YOU AGREE AND ACKNOWLEDGE THAT ANY PROCEEDING DIRECTLY OR INDIRECTLY ARISING FROM OR RELATING TO THIS AGREEMENT, THE RELATIONSHIP BETWEEN THE PARTIES, OR ANY AGREEMENT OR RELATIONSHIP BETWEEN YOU AND US OR ANY AFFILIATE OF OURS WILL BE CONSIDERED UNIQUE ON ITS FACTS AND MAY NOT BE BROUGHT AS A CLASS OR GROUP ACTION.

27. FORCE MAJEURE

Neither party shall be responsible to the other for non-performance or delay in performance occasioned by causes beyond its control, including without limiting the generality of the foregoing: (a) acts of God; (b) acts of war, terrorism, or insurrection; (c) strikes, lockouts, labor actions, boycotts, floods, fires, hurricanes, tornadoes, and/or other

casualties; and/or (d) our inability and/or the inability of our affiliates or suppliers to manufacture, purchase, and/or cause delivery of the Mosquito and Tick Proprietary Blend or of any other products used in the operation of the MOSQUITO SHIELD Business; provided, however, that you shall remain obligated to promptly pay all fees due and owing to us hereunder, without any delay or extension.

28. ACKNOWLEDGMENTS

You shall acknowledge the truthfulness of the statements contained in Attachment 1 hereto. Your acknowledgements are an inducement for us to enter into this Agreement. You shall immediately notify us, prior to acknowledgment, if any statement in Attachment 1 is incomplete or incorrect.

Remainder of Page Intentionally Blank

The parties hereto have duly executed this Franchise Agreement on the date first above written.

FRANCHISOR:
MOSQUITO SHIELD FRANCHISE, LLC

By: _____

Name: _____

Title: _____

FRANCHISEE:

_____

By: _____

Name: _____

Title: _____

PRINCIPAL:

_____

Print Name: _____

PRINCIPAL:

_____

Print Name: _____

ATTACHMENT 1

FRANCHISE DATA SHEET

1. The Effective Date set forth in the introductory paragraph of the Franchise Agreement is:

2. The Franchise Owner(s) set forth in the introductory paragraph of the Franchise Agreement is: _____,

   a(n) individual(s)/business (circle one) with an address of:

   _____

3. Number of Territories:_____.

4. The Initial Franchise Fee, referenced in Section 4(a) of the Agreement shall be:

   ☐ (**check as applicable**) $_____

   ☐ (**check as applicable**) $_____, Franchisee qualifies for the VetFran program discount as an honorably discharged United States veteran or their spouse.

FRANCHISOR:	**FRANCHISEE:**
MOSQUITO SHIELD FRANCHISE, LLC	_____
By: _____	By: _____
Printed Name: _____	Printed Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

Attachment 2

APPROVED LOCATION & AREA OF PRIMARY RESPONSIBILITY

(a) Approved Location. You, as Franchisee, shall establish and operate your MOSQUITO SHIELD Business at the location set forth below:

(b) **Area of Primary Responsibility.** Your Area of Primary Responsibility is the area described below and you shall operate the MOSQUITO SHIELD Business only within the area set forth below, as described in this Agreement, and as described in the map attached hereto as Attachment 2-1:

(c) **Acknowledgement.** We have not made, and do not make, any representation or forecast about your Approved Location or Area of Primary Responsibility or the success or profitability of your MOSQUITO SHIELD Business.

The parties hereto have duly executed this Attachment on the date(s) set forth herein.

FRANCHISOR:
MOSQUITO SHIELD FRANCHISE, LLC

Date: _____ By: _____

Name: _____

Title: _____

FRANCHISEE:

_____

Date: _____ By: _____

Name: _____

Title: _____

PRINCIPAL:

_____

Print Name: _____

PRINCIPAL:

_____

Print Name: _____

Attachment 2-1

MAP OF AREA OF PRIMARY RESPONSIBILITY

Attachment 3

MINIMUM ROYALTIES AND GROSS SALES REQUIRMENTS

*For 6 or more territories, Minimum Royalty and Minimum Gross Sales requirements are:

Minimum Gross Sales

12 - Month Period	6+ Territories
1	$25,000 multiplied by the number of territories purchased
2	$50,000 multiplied by the number of territories purchased
3	$87,500 multiplied by the number of territories purchased
4	$131,250 multiplied by the number of territories purchased
5+	$170,625 multiplied by the number of territories purchased

Attachment 4

CONFIDENTIALITY AND NON-COMPETITION AGREEMENT

Directions. Each Franchisee employee with access to Franchisor's Confidential Information shall complete and sign one copy of this Confidentiality and Non-Competition Agreement and the Franchisee shall return it to the Franchisor. In consideration of your position or independent contractor relationship with the above Franchisee, you, the undersigned, hereby acknowledge and agree that:

1. **Confidentiality Agreement.** The Franchisee operates a franchised MOSQUITO SHIELD Business (the "Franchised Business") under a franchise agreement with Mosquito Shield Franchise, LLC (the "Franchisor"). During the term of your employment or independent contractor relationship with the Franchisee and for all time thereafter, you agree not to communicate, divulge, or use for the benefit of any person or entity (such as a partnership, association, limited liability company, corporation, or other entity) any confidential information, knowledge, or know-how concerning the training you receive and the methods of operation of the Franchised Business that may be communicated to you by virtue of your employment, affiliation, or independent contractor relationship with the Franchisee. Any and all information, knowledge, know-how, techniques, and other data that the Franchisor designates as confidential shall be deemed confidential for purposes of this Confidentiality and Non-competition Agreement (the "Agreement.")

o. **Non-Competition Agreement.** You agree you will receive certain valuable information about the Franchisor's system of operation (the "System"), and this information would not have been given to you, without your execution of this Agreement. You covenant that while you are employed by, or have an independent contractor relationship with, the Franchisee and for a continuous uninterrupted period of two (2) years beginning when your employment, affiliation or independent contractor relationship with the Franchisee ends, you shall not in any way (directly or indirectly, for yourself, or through, on behalf of, or in conjunction with any person or entity): (a) divert or attempt to divert any present or prospective business or customer of any MOSQUITO SHIELD business to any competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Franchisor's marks or its System; or (b) own, maintain, operate, engage in, act as a consultant for, perform services for, or have any interest in any business which: (i) is the same as, or substantially similar to, a MOSQUITO SHIELD business; or (ii) offers to sell or sells mosquito, tick, flea, or other pest control services, equipment, products or items which are the same as, or substantially similar to, any of the services, products or other items offered by a MOSQUITO SHIELD business.

p. **Exceptions to the restrictions in this Paragraph 2.** After your termination of employment, affiliation, or independent contractor relationship with the Franchisee, the restrictions in this Paragraph 2 apply only to such a business located within the Area of Primary Responsibility of the Franchisee's MOSQUITO SHIELD business (which you acknowledge has been explained to you), twenty (20) miles of the Franchisee's

MOSQUITO SHIELD business; or twenty (20) miles of any other MOSQUITO SHIELD business. The Franchisor has the right, but not the obligation, at any time, to reduce the scope of any covenant in this Paragraph 2 or any portion of any covenant in this Paragraph 2, without your consent, effective immediately upon receipt by you of written notice; and you shall comply immediately with any covenant as so modified, which shall be fully enforceable without regard to any other provision of this Agreement.

q. Third-party beneficiary. You acknowledge and agree that the Franchisor is a third-party beneficiary of this Agreement and may enforce it, solely or jointly with the Franchisee at the Franchisor's sole discretion. Any violation of this Agreement will cause the Franchisor and the Franchisee irreparable harm, and, therefore, the Franchisor or the Franchisee, or both, may apply for the issuance of an injunction preventing you from violating this Agreement in addition to any other remedies it or they may have hereunder, at law or in equity.

r. Governing law. This Agreement shall be construed under the laws of the Commonwealth of Utah. Except as provided in Paragraph 3 above, the only way this Agreement can be changed is in a writing signed by the Franchisor, the Franchisee and you.

I have read and understand this Confidentiality and Non-competition Agreement. I agree to be bound by this Confidentiality and Non-competition Agreement. I have a copy of this Confidentiality and Non-competition Agreement.

Witness: _____ _____

_____ Print Your Name: _____

Address: _____

Phone Number: _____

Name and Location of Franchisee of Whom You Are an Employee or Independent

Contractor:

_____

Position Held: _____

COLLATERAL ASSIGNMENT OF CONTACT AND ELECTRONIC INFORMATION

This Collateral Assignment of Contact and Electronic Information (Agreement) is made on the date that it is signed by all Parties (Effective Date) between Mosquito Shield Franchise, LLC (Franchisor) and _____ (Franchisee). Any capitalized term not defined here will have the meaning given it in the Franchise Agreement.

RECITALS

On _____, 20____, Franchisor and Franchisee executed a "**Franchise Agreement**" pursuant to the terms of which Franchisee obtained a franchise from Franchisor to operate a Business at the Franchised Location. As part of the Franchise Agreement, the Franchisee agreed that upon the Transfer, expiration, or termination of the Franchise Agreement, Franchisor would have the right, title, and interest in and to all contact and electronic information relating to the Franchisee's Business;

NOW THEREFORE, for and in consideration of the covenants found in the Franchise Agreement and for other good and valuable consideration the adequacy of which is admitted by all parties hereto, it is agreed as follows:

COVENANTS

1. Franchisee acknowledges that, as between Franchisor, the public, and any other Person, the Franchisor has the sole rights to and interest in all telephone, telecopy or facsimile machine numbers, directory listings, domains, URL's web page identifiers, blogs, vlogs, email addresses, social network addresses or profiles (including Twitter, Facebook, Google My Business, Instagram, etc.) and any other collateral, profiles, online presences, or other listings, that are associated with any Mark and Franchisee assigns to Franchisor all of Franchisee's right, title, and interest to the same.

2. Should Franchisee fail to assign voluntarily all right, title and interest to Franchisor, Franchisee authorizes Franchisor to, and hereby appoints Franchisor and any of its officers, as Franchisee's attorney-in-fact, coupled with an interest, to direct the telephone company, all telephone directory publishers, any electronic transfer agent, any URL or webpage host, and any other electronic business, company, transfer agent, host, webmaster, and the like to transfer to the Franchisor all telephone, facsimile machine numbers, and directory listings, and all electronic listings, web pages, social network pages or identities (including Twitter and Facebook), URL's, blogs, vlogs, email addresses and the like that relate to the Franchised Business, to assign the same to Franchisor. Any party identified above may accept this direction under this Agreement as conclusive of Franchisor's exclusive rights in and to such information, site, URL, electronic media, telephone numbers, directory listings, and the like and Franchisor's authority to direct their transfer. If your state requires you to sign a separate agreement or agree to specific language as part of a grant of a power of attorney, you will sign such agreement or agree to such specific language as though it was incorporated into this Agreement at the time of execution.

3. This Agreement is only effective at such time as the Franchise Agreement is terminated for any reason, and then only if the Franchisee fails or refuses to make the necessary assignments as contemplated by this Agreement.

4. The Recitals are incorporated into this Agreement by this reference.

FRANCHISOR	FRANCHISEE
Mosquito Shield Franchise, LLC	
By: _____	By: _____
President	Print Name: _____
date: _____	Date: _____

IF FRANCHISEE IS/ARE INDIVIDUALS

Signature _____	Signature: _____
Print Name: _____	Print Name: _____
Date: _____	Date: _____

Attachment 5

SPOUSE GUARANTY

This Guaranty and Covenant (this "Guaranty") is given by the undersigned ("Guarantor") on _____ (the "Effective Date") to Mosquito Shield Franchise, LLC, a Delaware limited liability company ("Franchisor"), in order to induce Franchisor to enter into that certain Franchise Agreement dated on or about the Effective Date hereof (the "Franchisee Agreement") with _____, a(n) _____ and _____ (collectively "Franchisee").

Guarantor acknowledges that Guarantor is the spouse of Franchisee's Principal, as that term is used in the Franchise Agreement.

Guarantor acknowledges that Guarantor has read the terms and conditions of the Franchise Agreement and acknowledges that the execution of this Guaranty are in partial consideration for, and a condition to the granting of, the rights granted in the Franchise Agreement to Franchisee, and that Franchisor would not have granted these rights without the execution of this Guaranty by Guarantor.

Guarantor hereby individually makes, agrees to be bound by, and agrees to perform, all of the monetary obligations and non-disclosure and non-competition covenants and agreements of the Franchisee as set forth in the Franchise Agreement, including but not limited to, the covenants set forth in Sections 10 and 17 of the Franchise Agreement ("Guaranteed Obligations"). Guarantor shall perform and/or make punctual payment to Franchisor of the Guaranteed Obligations in accordance with the terms of the Franchise Agreement or other applicable document forthwith upon demand by Franchisor.

This Guaranty is an absolute and unconditional continuing guaranty of payment and performance of the Guaranteed Obligations. This Guaranty shall not be discharged by renewal of any claims guaranteed by this instrument, change in ownership or control of the Franchisee entity, transfer of the Franchise Agreement, the suffering of any indulgence to any debtor, extension of time of payment thereof, nor the discharge of Franchisee by bankruptcy, operation of law or otherwise. Presentment, demand, protest, notice of protest and dishonor, notice of default or nonpayment and diligence in collecting any obligation under any agreement between Franchisee and Franchisor are each and all waived by Guarantor and/or acknowledged as inapplicable. Guarantor waives notice of amendment of any agreement between Franchisee and Franchisor and notice of demand for payment by Franchisee. Guarantor further agrees to be bound by any and all amendments and changes to any agreement between Franchisee and Franchisor.

Franchisor may pursue its rights against Guarantor without first exhausting its remedies against Franchisee and without joining any other guarantor hereto and no delay on the part of Franchisor in the exercise of any right or remedy shall operate as a waiver of such right or remedy, and no single or partial exercise by Franchisor of any right or remedy shall preclude the further exercise of such right or remedy.

If other guarantors have guaranteed any and or all of the Guaranteed Obligations, their liability shall be joint and several to that of Guarantor.

Until all of the Guaranteed Obligations have been paid in full and/or performed in full, Guarantor shall not have any right of subrogation, unless expressly given to Guarantor in writing by Franchisor.

All Franchisor's rights, powers and remedies hereunder and under any other agreement now or at any time hereafter in force between Franchisor and Guarantor shall be cumulative and not alternative and shall be in addition to all rights, powers and remedies given to Franchisor by law.

Should any one or more provisions of this Guaranty be determined to be illegal or unenforceable, all other provisions nevertheless shall remain effective.

This Guaranty shall extend to and inure to the benefit of Franchisor and its successors and assigns and shall be binding on Guarantor and its successors and assigns.

IN WITNESS WHEREOF, Guarantor has signed this Guaranty as of the date set forth above.

GUARANTOR - SPOUSE OF FRANCHISEE'S PRINCIPAL:

_____

Print Name: _____

Address: _____

_____

Attachment 6

DISCLOSURE OF FRANCHISEE OWNERS

(To be completed only if Franchisee is a Corporation, Partnership, or LLC)

Under Section 18.5 of the Franchise Agreement:

1. Franchisee Owners. You acknowledge and agree that the following is a complete list of all of the shareholders, partners, or members of Franchisee and the percentage interest of each individual as of the date of the Franchise Agreement:

Name	Position	Percent Interest
_____	_____	_____
_____	_____	_____
_____	_____	_____

2. **Changes in Franchisee Owners.** You agree to notify in writing the Franchisor of any changes to the Franchisee Owners.

Attachment 7 – General Release

WAIVER AND RELEASE OF CLAIMS

This Waiver and Release of Claims ("Release") is made as of the ____ day of _____, 2022 by Mosquito Shield Franchise, LLC, a Delaware limited liability company ("Franchisor" or "Releasee") and [Name], an individual (individually and collectively referred to herein as "Releasor" and together with Releasee, the "Parties").

WHEREAS, Franchisor and Releasor have entered into a Franchise Agreement ("Agreement") pursuant to which Releasor was granted the right to own and operate a Mosquito Shield business;

WHEREAS, Releasor has notified Franchisor of its desire to transfer the Agreement and all rights related thereto, to a transferee, and Franchisor has consented to such transfer. and

WHEREAS, as a condition to Franchisor's consent to the transfer, Releasor has agreed to execute this Release upon the terms and conditions stated below.

NOW, THEREFORE, in consideration of Franchisor's consent to the transfer, and for other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, and intending to be legally bound, Releasor hereby agrees as follows:

1. Representations and Warranties. Releasor represents and warrants that it is duly authorized to enter into this Release and to perform the terms and obligations herein contained, and has not assigned, transferred, or conveyed, either voluntarily or by operation of law, any of its rights or claims against Franchisor or any of the rights, claims, or obligations being terminated and released hereunder. The undersigned represents and warrants that he/she is duly authorized to enter into and execute this Release on behalf of Releasor. Releasor further represents and warrants that all individuals that currently hold a direct or indirect ownership interest in Releasor are signatories to this Release.

2. Release. Releasor and its subsidiaries, affiliates, parents, divisions, successors and assigns, and all persons or firms claiming by, through, under, or on behalf of any or all of them, hereby release, acquit, and forever discharge Franchisor, any and all of its affiliates, parents, subsidiaries, or related companies, divisions, and partnerships, and its and their past and present officers, directors, agents, partners, shareholders, employees, representatives, successors and assigns, and attorneys, and the spouses of such individuals (collectively, the "Released Parties"), from any and all claims, liabilities, damages, expenses, actions, or causes of action which Releasor may now have or has ever had, whether known or unknown, past or present, absolute or contingent, suspected or unsuspected, of any nature whatsoever, including without limiting the generality of the foregoing, all claims, liabilities, damages, expenses, actions, or causes of action directly or indirectly arising out of or relating to the execution and performance of the Agreement and the offer and sale of the franchise related thereto, except to the extent such liabilities are payable by the applicable indemnified party in connection with a third party claim.

Except as is set forth in this Agreement, or except as provided for under applicable state law, inclusive of the provisions of the Washington Franchise Investment Protection Act found at RCW 19.100, the parties intend that this Agreement shall be effective as a full and final accord and satisfaction and release as to the Released Parties, and shall extend to all matters, claims, demands, actions, or causes of action of any kind or nature whatsoever which the Releasor may have against

the Released Parties. In furtherance of this intention, the parties acknowledge that they have read and understand the significance and consequences of Section 1542 of the Civil Code of the State of California (and any similar statutes and principles of law in California and other jurisdictions) which provides as follows:

> "A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR."

Nevertheless, Releasor hereby waives and relinquishes every right or benefit which it has under Section 1542 of the Civil Code of the State of California (and any similar statute and principle of law), and under any similar law of any other applicable jurisdiction, and understands the consequences of such waiver and assumes full responsibility for any injuries, damages, and losses which it may incur in connection with this release. Releasor acknowledges that it may hereafter discover facts in addition to, or different from, those which they now know or believe to be true with respect to the subject matter of this Agreement but that, notwithstanding the foregoing, it is their intention hereby to fully, finally, completely, and forever settle and release the Released Parties and that the release given herein shall be and remain irrevocably in effect as a full and complete general release, notwithstanding the existence of any such additional or different facts.

3. Nondisparagement. Releasor expressly covenants and agrees not to make any false representation of facts, or to defame, disparage, discredit, or deprecate any of the Released Parties or otherwise communicate with any person or entity in a manner intending to damage any of the Released Parties, their business, or their reputation.

4. Confidentiality. Releasor agrees to hold in strictest confidence and not disclose, publish, or use the existence of, or any details relating to, this Agreement to any third party without Franchisor's express written consent, except as required by law.

5. Miscellaneous.

a. Releasor agrees that it has read and fully understands this Release and that the opportunity has been afforded to Releasor to discuss the terms and contents of said Release with legal counsel and/or that such a discussion with legal counsel has occurred.

b. This Release shall be construed and governed by the laws of the State of Utah.

c. Each individual and entity that comprises Releasor shall be jointly and severally liable for the obligations of Releasor.

d. In the event that it shall be necessary for any Party to institute legal action to enforce or for the breach of any of the terms and conditions or provisions of this Release, the prevailing Party in such action shall be entitled to recover all of its reasonable costs and attorneys' fees.

e. All of the provisions of this Release shall be binding upon and inure to the benefit of the Parties and their current and future respective directors, officers, partners, attorneys, agents, employees, shareholders, and the spouses of such individuals, successors, affiliates, and assigns. No other party shall be a third-party beneficiary to this Release.

f. This Release constitutes the entire agreement and, as such, supersedes all prior oral and written agreements or understandings between and among the Parties regarding the subject matter hereof. This Release may not be modified except in a writing signed by all of the Parties. This Release may be executed in multiple counterparts, each of which shall be deemed an original and all of which together shall constitute but one and the same document.

g. If one or more of the provisions of this Release shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect or impair any other provision of this Release, but this Release shall be construed as if such invalid, illegal, or unenforceable provision had not been contained herein.

h. Releasor agrees to do such further acts and things and to execute and deliver such additional agreements and instruments as any Released Party may reasonably require to consummate, evidence, or confirm the Release contained herein in the matter contemplated hereby.

IN WITNESS WHEREOF, RELEASORS have executed this General Release as of the date first above written.

RELEASORS:

_____
[Name]

_____
[Name]
By:

Exhibit D
Certificate of Conversion

Delaware

The First State

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THAT THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF CONVERSION OF A DELAWARE CORPORATION UNDER THE NAME OF "MOSQUITO SHIELD FRANCHISE CORPORATION" TO A DELAWARE LIMITED LIABILITY COMPANY, CHANGING ITS NAME FROM "MOSQUITO SHIELD FRANCHISE CORPORATION" TO "MOSQUITO SHIELD FRANCHISE, LLC", FILED IN THIS OFFICE ON THE TWENTY-FIFTH DAY OF FEBRUARY, A.D. 2022, AT 1:47 O`CLOCK P.M.

Jeffrey W. Bullock, Secretary of State

5240067 8100V
SR# 20220725587

Authentication: 202782109
Date: 02-28-22

You may verify this certificate online at corp.delaware.gov/authver.shtml

Bank Transfer Authorization Form

Please complete the following information to authorize payment of amounts owing for services rendered by payment with the bank account you put on file with us by submitting this form.

I authorize Five Star Franchising LLC or the Five Star Franchising brands* to electronically debit my bank account according to the terms of my agreement. I acknowledge that electronic debits against my account must comply with United States law.

Bank account information:

_____ _____

Bank routing number Account number

Account type: Business_____or Personal _____

Checking_____or Savings_____

Your signature allows Five Star Franchising LLC or the Five Star Franchising brands* to process payment for the contracted amount each month and/or week for online marketing, call center, royalties, or other contracted services beginning immediately.

Signature: _____Date: _____

Name: _____

Phone number:_____

*The Five Star Franchising brands comprise Five Star Franchising, L.L.C.; 1800Packouts Franchise, LLC; CMY FRANCHISING, LLC; Ringside Development Company d/b/a Bio-One, Inc.; Five Star Bath, L.L.C.; Gotcha Covered Franchising, LLC; and Mosquito Shield Franchising, LLC.

EXHIBIT F

DEPOSIT AGREEMENT

DEPOSIT AGREEMENT

THIS DEPOSIT AGREEMENT (this "Agreement") is made and entered into as of _____ (the "Effective Date") by and between Mosquito Shield Franchise, LLC, a Delaware limited liability company located at 761 W. 1200 N., Ste 300 #24, Springville, Utah, 02760 ("Franchisor"), and _____ ("Depositor"), an individual residing at _____. Franchisor and Depositor are sometimes referred to herein individually as a "Party" and together as the "Parties".

RECITALS

WHEREAS, Franchisor is in the business of developing and operating a franchise system of businesses that provide mosquito, tick, flea and other pest control services, under Franchisor's trademarks, service marks, and system (each a "Franchised Business");

WHEREAS, upon securing appropriate funding, Depositor wishes to become a franchisee under Franchisor's system pursuant to a franchise agreement, which, if entered into by Depositor and Franchisor, would confer upon Depositor the right and obligation to open a Franchised Business within an agreed-upon territory (the Territory");

WHEREAS, to reserve the Territory, Depositor is willing to place a deposit with Franchisor; and

WHEREAS, upon receipt of a deposit, Franchisor is willing to remove the Territory as an available area for franchise sales, in accordance with the terms and conditions of this Agreement.

NOW, THEREFORE, for good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, the parties agree as follows:

1. Deposit. Upon execution of this Agreement, Depositor shall pay Franchisor the sum of _____ Dollars ($_____) as a non-interest bearing deposit (the "Deposit"). The Deposit shall be refundable to Depositor only if Franchisor terminates this Agreement as provided for in Section 4(a) below; otherwise, the Deposit is non-refundable.

2. Territory Reservation. During the ____ (___) days immediately following the Effective Date (the "Funding Period"), Franchisor shall not offer or sell the Territory set forth on Attachment A hereto to anyone other than Depositor for the purpose of owning and/or operating a Mosquito Shield Franchised Business therein.

3. Application. Unless Franchisor terminates this Agreement as provided in Section 4(a), the full amount of the Deposit shall be applied by Franchisor toward payment of the initial franchise fee due under the franchise agreement entered into by the parties.

4. Termination.

   (a) Franchisor and Depositor shall each have the right to terminate this Agreement at any time, with or without cause, by providing

written notice to the other party. If Franchisor terminates this Agreement, Franchisor shall refund the Deposit as provided in Section 2 above.

(b) This Agreement shall terminate at the earlier of: (i) notice from one party to the other, pursuant to Section 4(a), exercising such party's right to terminate, (ii) the parties' execution of a franchise agreement for a Franchised Business, or (iii) the end of the Funding Period.

5. No Franchise Rights. Depositor acknowledges that this Agreement is not a franchise agreement. Depositor has no right to use the Mosquito Shield marks and/or system, and Franchisor has no obligation to provide any products or services to Depositor, by virtue of this Agreement.

6. Acknowledgment. Depositor acknowledges receipt of Franchisor's Franchise Disclosure Document at least fourteen (14) days prior to the Effective Date and payment of the Deposit.

7. Full Agreement. This Agreement incorporates the full and complete agreement between the parties concerning the subject of this Agreement, and supersedes any and all prior correspondence, conversations, representations, or statements of whatever nature concerning the subject of this Agreement. This Agreement shall be interpreted under the laws of the State of Utah without regard to its conflict of laws principles.

FRANCHISOR:	DEPOSITOR:
MOSQUITO SHIELD FRANCHISE, LLC	
By:_____	_____
Name: Michael Moorhouse	Print Name:_____
Title: President	

EXHIBIT G

STATE ADDENDA

ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT REQUIRED BY THE STATE OF CALIFORNIA

The Department of Financial Protection and Innovation for the State of California requires that certain provisions contained in franchise documents be amended to be consistent with California Franchise Investment Law, Cal. Corp. Code Section 31000 et seq., and of the Rules and Regulations promulgated thereunder. To the extent that this Disclosure Document contains provisions that are inconsistent with the following, such provisions are hereby amended.

1. 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.

2. OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION AT www.dfpi.ca.gov.

3. Item 3 is amended to add:

Neither Franchisor nor any person described in Item 2 of the 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. 8.78(a) et seq. suspending or expelling such persons from membership in such association or exchange.

4. Item 17 is amended to state:

(a) The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. § 101 et seq.).

(b) 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.

(c) The franchise agreement contains a liquidated damages clause. Under California Civil Code section 1671, certain liquidated damages clauses are unenforceable.

(d) The Franchise Agreement requires application of the laws of Utah. This provision may not be enforceable under California law.

ILLINOIS ADDENDUM TO THE MOSQUITO SHIELD FRANCHISE, LLC FRANCHISE DISCLOSURE DOCUMENT and FRANCHISE AGREEMENT

The Illinois Attorney General requires that certain provisions contained in franchise documents be amended to be consistent with Illinois law, including the Illinois Franchise Disclosure Act, 815 ILCS §§ 705/1 et seq. (1987) (the "Act"). To the extent that (i) the jurisdictional requirements of the Act are met and (ii) this Franchise Disclosure Document and Franchise Agreement contain provisions that are inconsistent with the following, such provisions are hereby amended:

(a) Payment of Initial Franchise Fees will be deferred until Franchisor has met its initial obligations to franchisee, and franchisee has commenced doing business. The Illinois Attorney General's Office imposed this deferral requirement due to Franchisor's financial condition.

(b) To the extent any provision regarding termination or renewal of the Franchise Agreement is inconsistent with the Illinois Franchise Disclosure Act §§ 815 ILCS §§ 705/19 and 705/20, the provisions of these sections of the Act will control.

(c) No franchisee shall be required to litigate any cause of action, with the exception of arbitration proceedings, arising under the Franchise Agreement or the Act outside of the State of Illinois, nor shall the Franchise Agreement provide for a choice of law provision for any state other than Illinois.

(d) Any condition, stipulation, or provision purporting to bind a franchisee to waive compliance with any provision of the Act, or any other Illinois law is void. The foregoing requirement, however, shall not prevent a 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 the Act, and shall not prevent the arbitration of any claim pursuant to the provisions of Title 9 of the United States Code.

(e) Illinois law governs the agreement(s) between the parties to this franchise.

(f) 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.

The parties hereto have duly executed this Illinois Amendment to the Franchise Agreement on the same date as that on which the Franchise Agreement was executed.

FRANCHISOR:

MOSQUITO SHIELD FRANCHISE, LLC

By: _____

Name: _____

Title: _____

FRANCHISEE:

_____

By: _____

Name: _____

Title: _____

PRINCIPAL:

_____

Print Name: _____

PRINCIPAL:

_____

Print Name: _____

ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT PURSUANT TO THE INDIANA FRANCHISE DISCLOSURE LAW AND THE INDIANA DECEPTIVE FRANCHISE PRACTICES ACT

The Indiana Securities Commissioner requires that certain provisions contained in franchise documents be amended to be consistent with Indiana law, including the Indiana Franchises Act, Ind. Code Ann. §§ 1 - 51 (1994) and the Indiana Deceptive Franchise Practices Act, Ind. Code Ann. § 23-2-2.7 (1985) (collectively referred to as the "Acts"). To the extent that (a) the jurisdictional requirements of the Acts are met and (b) this Franchise Disclosure Document and Franchise Agreement contain provisions that are inconsistent with the following, such provisions are hereby amended:

(d) To the extent the Franchise Agreement contains provisions allowing the establishment of franchisor-owned outlets that are inconsistent with the Indiana Deceptive Franchise Practices Act § 23-2-2.7(2), the requirements of this section of the Indiana Act will control.

(e) The franchisor may not make any substantial modification of the Franchise Agreement without the franchisee's written consent.

(f) To the extent any provision regarding renewal or termination of the Franchise Agreement is inconsistent with the Indiana Deceptive Franchise Practices Act §§ 23-2-2.7(7) and (8), the provisions of these sections of the Indiana Act will control.

(g) Any requirement in the Franchise Agreement that requires the franchisee to prospectively assent to a release, assignment, novation, wavier or estoppel shall not relieve any person from liability arising under the Acts.

(h) To the extent the covenants not to compete upon expiration or termination of the Franchise Agreement are inconsistent with the Indiana Deceptive Franchise Practices Act § 23-2-2.7(9), the provisions of this section of the Indiana Act will control.

(i) To the extent that any provision of the Franchise Agreement would be deemed unenforceable pursuant to the Indiana Deceptive Franchise Practices Act § 23-2-2.7(10), as this section of the Indiana Act is interpreted and applied, such provision of the Franchise Agreement shall be so deleted therefrom.

ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT REQUIRED BY THE STATE OF MARYLAND

The Office of Attorney General for the State of Maryland requires that certain provisions contained in franchise documents be amended to be consistent with Maryland Franchise Registration and Disclosure Law, Md. Code Ann., Bus. Reg. § 14-201 et seq., and of the Rules and Regulations promulgated under the Act (collectively the "Maryland Franchise Law"). To the extent that this Disclosure Document or Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

1. All representations requiring you 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 under the Maryland Franchise Registration and Disclosure Law.

2. Item 5 is amended to state:

Notwithstanding anything to the contrary contained in this Disclosure Document, we will defer collection of all initial fees due to us, including the Initial Franchise Fee, until we complete our pre-opening obligations as listed in Item 11.

3. Item 7 is amended to delete the last sentence of note 13.

4. Item 17 is amended to state:

(a) Any claims arising under the Maryland Franchise Law must be brought within three (3) years after the grant of the franchise.

(b) Any general release required by the terms and conditions of the Franchise Agreement as a condition of renewal, assignment or transfer shall not apply to any liability under the Maryland Franchise Law.

(c) Our right to terminate you upon your bankruptcy may not be enforceable under federal bankruptcy law (11 U.S.C. §101 *et. seq*.).

(d) Nothing herein shall waive your 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.

5. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (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.

THE REGISTRATION OF THIS FRANCHISE DISCLOSURE DOCUMENT WITH MARYLAND SECURITIES DIVISION OF THE OFFICE OF ATTORNEY

GENERAL DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION, OR ENDORSEMENT BY THE SECURITIES COMMISSIONER.

AMENDMENT TO THE MOSQUITO SHIELD FRANCHISE, LLC
FRANCHISE AGREEMENT REQUIRED BY THE STATE OF MARYLAND

In recognition of the requirements of the Maryland Franchise Registration and Disclosure Law, Md. Code Ann., Bus. Reg. § 14-201 et seq., and of the Rules and Regulations promulgated thereunder, the parties to the attached Mosquito Shield Franchise, LLC Franchise Agreement (the "Franchise Agreement") agree as follows:

1. The Maryland Franchise Registration and Disclosure Law prohibits a franchisor from requiring a franchisee's assent to a release of liability under that Law as a condition for the sale, renewal, assignment or transfer of the franchise. To the extent of any inconsistencies with the Maryland Franchise Registration and Disclosure Law contained in Sections 2.2 or 14.3 of the Franchise Agreement, such inconsistent provisions are hereby deleted.

2. To the extent of any inconsistencies, Sections 4.1, 4.4 and 4.5 of the Franchise Agreement are each hereby amended to further state:

> "We will defer collection of the initial fees due to us until we complete our pre-opening obligations to you."

3. To the extent of any inconsistencies, Section 15.1 of the Franchise Agreement is hereby amended to further state:

> "Our right to terminate you upon your bankruptcy, however, may not be enforceable under federal bankruptcy law (11 U.S.C. §101 *et. seq*.)."

4. To the extent of any inconsistencies, Section 26.3 of the Franchise Agreement is hereby amended to further state:

> "Nothing herein shall waive your 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."

5. To the extent of any inconsistencies, Section 26.6 of the Franchise Agreement is hereby amended to further state:

> "Any claims arising under the Maryland Franchise Law must be brought within three (3) years after the grant of the franchise."

6. To the extent of any inconsistencies, the Franchise Agreement and Attachment 1 Acknowledgement Statement are hereby amended to state that 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.

7. Each provision of this Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law, Md. Code Ann., Bus. Reg. § 14-201 et seq., are met independently without reference to this Amendment.

8. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (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.

IN WITNESS WHEREOF, the parties hereto have duly executed this Maryland Amendment to the Franchise Agreement on the same date as that on which the Franchise Agreement was executed.

FRANCHISOR:

MOSQUITO SHIELD FRANCHISE, LLC

By: _____

Name: _____

Title: _____

FRANCHISEE:

_____

By: _____

Name: _____

Title: _____

PRINCIPAL:

_____

Print Name: _____

PRINCIPAL:

_____

Print Name: _____

ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF MINNESOTA

The Commissioner of Commerce for the State of Minnesota requires that certain provisions contained in franchise documents be amended to be consistent with Minnesota Franchise Act, Minn. Stat. Section 80.01 et seq., and of the Rules and Regulations promulgated under the Act (collectively the "Franchise Act"). To the extent that the Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

1. Special Risks Page is amended to state:

   Unopened Franchises: the franchisor has signed a significant number of franchise agreements with franchisees who have not yet opened their outlets. If other franchisees are experiencing delays in opening their outlets, you also may experience delays in opening your own outlet.

2. Item 6, Insufficient Funds Fee, is amended to state:

   Pursuant to Minn. Stat. § 604.113, the Insufficient Funds Fee is $30.00 per occurrence.

3. Item 13 is amended to state:

Pursuant to Minn. Stat. § 80C.12 subd.1(G), we will protect your rights to use the trademarks, service marks, trade names, logotypes, or other commercial symbols or indemnify the franchisee from any loss, costs, or expenses arising out of any claim, suit, or demand regarding the use of the name.

4. Item 17 is amended to state:

(a) Minn. Stat. § 80C.21 and Minnesota Rules § 2860.4400(J) prohibit us from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring you to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in this Franchise Disclosure Document or agreement(s) shall abrogate or reduce (1) any of your rights as provided for in Minn. Stat. Chapter 80C or (2) your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

(b) In accordance with Minn. Stat. § 80C.14 subd. 3-5, except in certain specified cases, we will give you 90 days notice of termination (with 60 days to cure) and 180 days notice for non-renewal of the Franchise Agreement. Additionally, we will not unreasonably withhold our consent to a transfer of your MOSQUITO SHIELD Business.

(c) In accordance with Minnesota Rules 2860.4400(D), we cannot require you to assent to a general release.

(d) In accordance with Minnesota Rules 2860.4400(J), we cannot require you to consent to liquidated damages.

(e) Minn. Stat. § 80C.17 subd. 5 requires that an action be commenced pursuant to the Franchise Act within three (3) years after the cause of action accrues.

(f) You cannot consent to us obtaining injunctive relief. We may seek injunctive relief. See Minnesota Rules 2860.4400(J),

AMENDMENT TO THE MOSQUITO SHIELD FRANCHISE, LLC
FRANCHISE AGREEMENT REQUIRED BY THE STATE OF MINNESOTA

In recognition of the requirements of the Minnesota Statutes Chapter 80C, the parties to the attached Mosquito Shield Franchise, LLC, Franchise Agreement (the "Franchise Agreement") agree as follows:

1. Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee's assent to a release other than as part of a voluntary settlement of disputes. To the extent of any inconsistencies with the Minnesota Rules requirement contained in Sections 2.2 or 14.3 of the Franchise Agreement, such inconsistent provisions are hereby deleted.

2. To the extent of any inconsistencies, Section 2.2 of the Franchise Agreement is hereby amended to state:

> "Except in certain specified cases as set forth in Minn. Stat. § 80C.14 subd. 4, we will give you 180 days' notice for non-renewal of the Franchise Agreement."

3. To the extent of any inconsistencies, Section 4.8 of the Franchise Agreement is hereby amended to state:

> "We shall have the right to charge you an insufficient funds fee of Thirty Dollars ($30.00) per occurrence for any required payment by you hereunder that is not paid due to insufficient funds in your bank account."

4. To the extent of any inconsistencies, Sections 8.2.8 and 20.3 of the Franchise Agreement are hereby amended to state:

> "We will protect your rights to use the Proprietary Marks and indemnify you from any loss, costs, or expenses arising out of any claim, suit, or demand regarding the use of the name."

5. To the extent of any inconsistencies, Sections 15.1 through 15.3 of the Franchise Agreement are hereby amended to state:

> "Except in certain specified cases as set forth in Minn. Stat. § 80C.14 subd. 3, we will give you 90 days' notice of termination (with 60 days to cure)".

6. To the extent of any inconsistencies, Sections 26.1 through 26.8 of the Franchise Agreement are hereby amended to state:

> "We cannot require you to: (i) conduct litigation outside Minnesota, (ii) waive a jury trial, or (iii) consent to liquidated damages, termination penalties or judgment notes. Nothing in this Franchise Agreement shall abrogate or reduce (1) any of your rights as provided for in Minn. Stat. Chapter 80C or (2) your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction. You cannot consent to us obtaining injunctive relief. We may seek injunctive relief."

7. Each provision of this Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Minnesota Statutes Chapter 80C are met independently without reference to this Amendment.

8. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (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.

The parties hereto have duly executed this Minnesota Amendment to the Franchise Agreement on the same date as that on which the Franchise Agreement was executed.

FRANCHISOR:

MOSQUITO SHIELD FRANCHISE, LLC

By: _____

Name: _____

Title: _____

FRANCHISEE:

_____

By: _____

Name: _____

Title: _____

PRINCIPAL:

_____

Print Name: _____

PRINCIPAL:

_____

Print Name: _____

NEW YORK ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

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 RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THIS DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND THE NEW YORK STATE DEPARTMENT OF LAW, 120 BROADWAY, NEW YORK, NEW YORK 10271. THE FRANCHISOR MAY, IF IT CHOSES, 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:

> Except as provided above, 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.

AMENDMENT TO THE MOSQUITO SHIELD FRANCHISE, LLC
FRANCHISE AGREEMENT REQUIRED BY THE STATE OF NEW YORK

In recognition of the requirements of the New York General Business Law, Article 33, the parties to the attached Franchise Agreement agree as follows:

1. Section 2.2.8 of the Franchise Agreement, under the heading "Term and Renewal," shall be deleted in its entirety, and shall have no force or effect; and the following paragraph shall be substituted in lieu thereof:

> 2.2.8 You shall execute a general release, in a form prescribed by us, of any and all claims, known or unknown, that you might have against us or our affiliates, or our respective officers, directors, agents, and employees; provided, however, that all rights enjoyed by you and any causes of action arising in its favor from the provisions of New York General Business Law Sections 680-695 and the regulations issued thereunder, shall remain in force, it being the intent of this provision that the non-waiver provisions of N.Y. Gen. Bus. Law Sections 687.4 and 687.5 be satisfied;

2. Section 14.1 of the Franchise Agreement, under the heading "Our Right to Transfer" shall be supplemented by the following language, which shall be considered an integral part of the Agreement:

> However, no assignment shall be made except to an assignee who, in our good faith judgment, is willing and able to assume our obligations under this Agreement.

3. Section 14.3.4 of the Franchise Agreement, under the heading "Conditions of Transfer" shall be deleted in its entirety, and shall have no force or effect; and the following paragraph shall be substituted in lieu thereof:

> 14.3.4 That the transferor shall have executed a general release, in a form prescribed by us, of any and all claims against us and our affiliates, and our respective officers, directors, agents, shareholders, and employees; provided, however, that all rights enjoyed by the transferor and any causes of action arising in its favor from the provisions of New York General Business Law Sections 680-695 and the regulations issued thereunder, shall remain in force; it being the intent of this provision that the non-waiver provisions of N.Y. Gen. Bus. Law Sections 687.4 and 687.5 be satisfied;

4. Section 26.1 of the Franchise Agreement, under the heading "Applicable Law," shall be amended by adding the following section at the end of the Section:

> The foregoing choice of law should not be considered a waiver of any right conferred upon the Licensee by General Business Law of New York State, Sections 680-695.

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

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed, and delivered this New York Amendment to the Franchise Agreement on the same date as that on which the Franchise Agreement was executed.

FRANCHISOR:

MOSQUITO SHIELD FRANCHISE, LLC

By: _____

Name: _____

Title: _____

FRANCHISEE:

_____

By: _____

Name: _____

Title: _____

PRINCIPAL:

_____

Print Name: _____

PRINCIPAL:

_____

Print Name: _____

ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT AND FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF NORTH DAKOTA

The North Dakota Securities Commissioner requires that certain provisions contained in franchise documents be amended to be consistent with North Dakota law, including the North Dakota Franchise Investment Law, NDCC § 51-19 *et seq.* ("NDFIL"). To the extent that (a) the jurisdictional requirements of the NDFIL are met and (b) this Franchise Disclosure Document and Franchise Agreement contain provisions that are inconsistent with the following, such provisions are hereby amended:

1. Covenants not to compete upon termination or expiration of the franchise agreement are subject to NDCC § 9-08-06.

3. To the extent required by the NDFIL, arbitration proceedings shall take place at a location mutually agreed upon by you and us.

3. Any requirement that you consent to liquidated damages or termination penalties shall not apply to the extent prohibited by the NDFIL;

4. Any requirement that you consent to (i) the jurisdiction of courts outside of North Dakota, (ii) the application of laws of a state other than North Dakota, (iii) waiver of jury trial or (iv) waiver of exemplary and punitive damages shall not apply to the extent prohibited by the NDFIL;

5. Any release required as a condition to a renewal of the franchise agreement shall not apply to the extend prohibited by the NDFIL;

6. Any requirement that you consent to a limitation of claims shall not apply to the extent prohibited by the NDFIL. As applicable, the statute of limitations under North Dakota law shall control.

7. The prevailing party in any enforcement action is entitled to recover all costs and expenses, including attorney's fees.

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The parties hereto have duly executed this North Dakota Amendment to the Franchise Agreement on the same date as that on which the Franchise Agreement was executed.

FRANCHISOR:

MOSQUITO SHIELD FRANCHISE, LLC

By: _____

Name: _____

Title: _____

FRANCHISEE:

_____

By: _____

Name: _____

Title: _____

PRINCIPAL:

_____

Print Name: _____

PRINCIPAL:

_____

Print Name: _____

ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF RHODE ISLAND

In recognition of the requirements of the Rhode Island Franchise Investment Act, the Franchise Disclosure Document of Mosquito Shield Franchise, LLC ("we," "us," or "our") for use in the State of Rhode Island shall be amended to include the following:

1. Items 17v. and 17w., under the provisions entitled "Choice of law" and "Choice of forum," shall be supplemented with the following language:

> However, you may sue us in Rhode Island for claims arising under the Rhode Island Franchise Investment Act.

2. Item 17 shall be supplemented by the addition of the following language at the end of Item 17:

> Section 19-28.1-14 of the Rhode Island Franchise Investment Act provides that "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act."

3. Each provision of this Addendum to the Disclosure Document shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Rhode Island Franchise Investment Act are met independently without reference to this Addendum to the Disclosure Document.

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AMENDMENT TO THE
FRANCHISE AGREEMENT REQUIRED BY THE STATE OF RHODE ISLAND

In recognition of the requirements of the Rhode Island Franchise Investment Act, the parties to the attached Mosquito Shield Franchise, LLC, Franchise Agreement (the "Franchise Agreement") agree as follows:

1. The following language shall be added at the end of Section 21.6 of the Franchise Agreement:

> Notwithstanding the above, Rhode Island franchisees are permitted to bring a lawsuit in Rhode Island for claims arising under the Rhode Island Franchise Investment Act.

2. Each provision of this Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Rhode Island Franchise Investment Act are met independently without reference to this Amendment.

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The parties hereto have duly executed this Rhode Island Amendment to the Franchise Agreement on the same date as that on which the Franchise Agreement was executed.

FRANCHISOR:
MOSQUITO SHIELD FRANCHISE, LLC

By: _____

Name: _____

Title: _____

FRANCHISEE:

_____

By: _____

Name: _____

Title: _____

PRINCIPAL:

_____

Print Name: _____

PRINCIPAL:

_____

Print Name: _____

ADDENDUM TO THE MOSQUITO SHIELD FRANCHISE, LLC
FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE COMMONWEALTH OF VIRGINIA

Notwithstanding anything to the contrary set forth in the Franchise Disclosure Document, the following provisions will supersede and apply:

1. In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, Item 17.h. of the Franchise Disclosure Document shall be amended as follows:

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

2. Each provision of this Addendum shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Virginia Retail Franchising Act are met independently without reference to this Addendum.

* * *

ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT REQUIRED BY THE STATE OF WASHINGTON

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, or 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. The undersigned does hereby acknowledge receipt of this addendum.

The undersigned does hereby acknowledge receipt of this addendum.

Dated this _____ day of _____ 20____.

_____
Franchisor

_____
Franchisee

AMENDMENT TO THE FRANCHISE AGREEMENT REQUIRED BY THE STATE OF WASHINGTON

The state of Washington has a statute, RCW 19.100.180 which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

In any arbitration involving a franchise purchased in Washington, the arbitration site shall be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration, or as determined by the arbitrator.

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

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

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

The undersigned does hereby acknowledge receipt of this addendum.

Dated this day of _____.

FRANCHISOR:

MOSQUITO SHIELD FRANCHISE, LLC

By: _____

Name: _____

Title: _____

FRANCHISEE:

_____

By: _____

Name: _____

Title: _____

PRINCIPAL:

_____

Print Name: _____

PRINCIPAL:

_____

Print Name: _____

STATE EFFECTIVE DATES – 2025

The following states require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington and Wisconsin.

This Franchise Disclosure Document is registered, on file or exempt from registrations in the following states having franchise disclosure laws, with the following effective dates:

STATE	EFFECTIVE DATE
California	pending
Hawaii	pending
Illinois	pending
Indiana	pending
Maryland	pending
Minnesota	pending
New York	pending
North Dakota	pending
Rhode Island	pending
South Dakota	pending
Virginia	pending
Wisconsin	pending

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

EXHIBIT H
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 Mosquito Shield Franchise, 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.

Rhode Island and New York require that Mosquito Shield Franchise, LLC gives you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

If Mosquito Shield Franchise, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the relevant state agency listed on Exhibit A.

Mosquito Shield Franchise, LLC authorizes the agents listed in Exhibit B to receive service of process for it.

The name, principal business address and telephone number of the franchise seller(s) offering this franchise is/are identified with a check mark below:

Michael Moorhouse

The principal business address and telephone number for the individuals listed above is: 761 W. 1200 N., Ste 300, Springville, Utah 02760, (508) 316-3429.

Issuance Date: April 8, 2026

I received a disclosure document dated _____, that included the following Exhibits:

EXHIBIT A	List of State Agencies/Agents for Service of Process
EXHIBIT B	Operations Manual Table of Contents
EXHIBIT C	List of Current and Former MOSQUITO SHIELD Franchisees
EXHIBIT D	Financial Statements
EXHIBIT E	Franchise Agreement (with attachments)
EXHIBIT F	Deposit Agreement
EXHIBIT G	State Addenda
EXHIBIT H	Receipt (in duplicate)

Date: _____ Prospective Franchisee: _____

Print Name: _____

Print Address: _____

PLEASE RETAIN THIS COPY FOR YOUR RECORDS

EXHIBIT G

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 Mosquito Shield Franchise, 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.

Rhode Island and New York require that Mosquito Shield Franchise, LLC gives you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

If Mosquito Shield Franchise, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the relevant state agency listed on Exhibit A.

Mosquito Shield Franchise, LLC authorizes the agents listed in Exhibit B to receive service of process for it.

The name, principal business address and telephone number of the franchise seller(s) offering this franchise are:

Michael Moorhouse

The principal business address and telephone number for the individuals listed above is: 761 W. 1200 N., Ste 300, Springville, Utah 02760, (508) 316-3429.

Issuance Date: April 8, 2026

I received a disclosure document dated _____, that included the following Exhibits:

EXHIBIT A	List of State Agencies/Agents for Service of Process
EXHIBIT B	Operations Manual Table of Contents
EXHIBIT C	List of Current and Former MOSQUITO SHIELD Franchisees
EXHIBIT D	Financial Statements
EXHIBIT E	Franchise Agreement (with attachments)
EXHIBIT F	Deposit Agreement
EXHIBIT G	State Addenda
EXHIBIT H	Receipt (in duplicate)

Date: _____ Prospective Franchisee: _____

Print Name: _____

Print Address: _____

PLEASE RETURN THIS COPY TO MOSQUITO SHIELD FRANCHISE, LLC
761 W. 1200 N., Ste 300 , Springville UT 84663