FRANCHISE DISCLOSURE DOCUMENT

PODS ENTERPRISES, LLC
a Florida limited liability company
13535 Feather Sound Drive, 4th Floor
Clearwater, Florida 33762
Phone: (727) 538-6400
Email address: franchiseinquiries@pods.com
www.pods.com

The franchise is for the establishment and operation of a business specializing in the marketing and operation of a distinctive storage and moving business featuring the use of portable, modular storage units under the PODS® trademark and business system (a "**PODS® Business**" or "**Business**").

The total investment necessary to begin operation of a PODS® Business ranges from $1,954,000 to $3,165,000 for 1 Territory. This includes the initial franchise fee for 1 Territory (with a population of 400,000 people) of $100,000, and your required purchase of 36 Containers and 1 Lift from us, which range in cost from $230,000 to $250,000 in total. We may consider franchises for smaller territories on a case-by-case basis.

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 payments to, the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no governmental agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Jeff Concannon at 13535 Feather Sound Drive, 4th Floor, Clearwater, Florida 33762, (727) 538-6400.

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 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 ("**FTC**"). You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, DC 20580. You can also visit the FTC's home page at *www.ftc.gov* for additional information. Call your state agency or visit your public library for other sources of information on franchising.

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

Issuance Date: May 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 and 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 "E."
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 supplies you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 2, or Exhibit "C" 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 PODS® business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be a PODS® franchisee?	Item 20 or Exhibit "E" 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 registration requirements, or to contact your state, use the agency information in Exhibit "I."

Your state also may have laws and 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 the following risk(s) be highlighted:

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

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

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.

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

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

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

2. A provision that permits a franchisor to terminate a franchise before the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful 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.

3. 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.

4. 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.

5. 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.

6. 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:

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

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

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

(d) 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.

7. 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).

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

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

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

Any questions regarding this notice should be directed to:

State of Michigan
Department of Attorney General
CONSUMER PROTECTION DIVISION
Attention: Franchise
670 Law Building, 1st Floor
Lansing, Michigan 48913
Telephone Number: (517) 373-7117

PODS® FRANCHISE DISCLOSURE DOCUMENT

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APPLICABLE STATE LAW MAY REQUIRE ADDITIONAL DISCLOSURES RELATED TO THE INFORMATION CONTAINED IN THIS DISCLOSURE DOCUMENT. THESE ADDITIONAL DISCLOSURES, IF ANY, APPEAR AS AN ADDENDUM OR RIDER IN EXHIBIT "D."

ITEM 1
THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS AND AFFILIATES

The Franchisor is PODS ENTERPRISES, LLC referred to as "**we**," "**our**" or "**us**." "**You**" means a person who buys the right to operate a PODS® Business from us. If you are a corporation, partnership or other entity, certain provisions of our Franchise Agreement also will apply to your owners. This disclosure document will indicate when your owners also are covered by a particular provision.

We are a Florida limited liability company formed as a Florida corporation on April 26, 2005 and converted into a limited liability company on January 28, 2015. Our principal business address is 13535 Feather Sound Drive, 4th Floor, Clearwater, Florida 33762. Our registered agent for service of process in Florida is Corporation Service Company, 1201 Hays Street, Tallahassee, Florida 32301. If we have a separate registered agent for a particular state, it is disclosed in Exhibit "I." We conduct business under our corporate name and under the trade and service marks "PODS®," "Portables on Demand Storage®" and associated logos, designs, symbols and trade dress. See Item 13.

Our Parents, Predecessors and Affiliates.

One of our predecessors is our immediate parent company, PODS, LLC ("**PODS**"). PODS is a Florida limited liability company formed on July 28, 1999 as a Florida corporation that was converted to a Florida limited liability company on January 28, 2015. It shares our principal business address (13535 Feather Sound Drive, 4th Floor, Clearwater, Florida 33762)**.** PODS began operating a PODS® Business in July 1999 and offered franchises for PODS® Facilities from September 1999 until December 31, 2005. In January 2006, PODS completed a corporate reorganization at its lender's request in order to facilitate two financing facilities. PODS created us as a wholly-owned subsidiary and transferred substantially all of its assets to us, including its existing Franchise Agreements and the "PODS®" marks, in exchange for the issuance of all of our stock. We became the franchisor and PODS became, essentially, a holding company. PODS does not operate any other type of business (franchise or otherwise).

On February 2, 2015, all of the ownership interests of PODS was acquired by APLPD Holdco III, LLC ("**APLPD Holdco**"), a Delaware limited liability company, through multiple contemporaneous mergers of PODS Holding, Inc. and other affiliated entities. Its address is the same as ours. APLPD Holdco is indirectly owned by the Ontario Teachers' Pension Plan, whose address is 5650 Yonge Street, Toronto, Ontario M2M 4H5, Canada.

We have no affiliates that offer franchises in any line of business.

PODS® System.

In October of 1996, our founders made a decision to enter the mini-storage business. They formed a partnership and began building a mini-storage warehouse. The high cost of suitable real estate and limited location sites available for future facilities, coupled with the red tape encountered while trying to gain the numerous required city, county and state approvals for their business, soon frustrated them. These frustrations led them to search for a better way to provide storage facilities within the marketplace. Faced with the challenge of trying to offer a more convenient service to the customer as well as one that used less expensive warehouse space, they developed the PODS® concept.

PODS® is an acronym for "Portable On Demand Storage," a storage concept which literally brings the storage Business to the consumer. The business was created from a simple concept of delivering the most popular size mini-storage unit by truck to the customer's location, lowering the unit hydraulically onto the customer's driveway and leaving it there to be packed by the customer. Once packed, the customer can either leave it at their site for storage or simply ask that it be picked up and taken to the centrally located warehouse for storage until needed. These Containers can also be moved to any location where we or our franchisees have operations.

During the fall of 1997, our founders designed, built and tested prototype Containers and Lifts that are utilized to move the Containers onto and off of the trucks. By the end of that year, they were convinced that the PODS® Business was a viable alternative to the conventional mini-storage method. In January 1998, through a predecessor, they began full-scale operations serving northern Pinellas County, Florida. These operations included television advertising and a move to the first warehouse with 10,000 square feet of space.

Since January 1, 2006, we have offered franchises for the operation of a distinctive storage and moving business featuring the use of portable, self-contained storage units (the "**Containers**") and specialized equipment specifically designed for lifting and transporting the Containers (the "**Lifts**") (a "**PODS® Business**"). We require PODS® franchisees to purchase Containers and Lifts from us.

We and our affiliates currently operate approximately 230 warehouses located across various parts of the United States. As of December 31, 2025 there are over 255,000 Containers in service throughout the entire enterprise**.**

PODS® Facilities provide solutions for both individual consumers and businesses in need of storage facilities. They offer 3 different types of storage options: warehouse storage; on-site storage; and point-to-point moves. Consumers have a choice of storing a rented Container at their own location instead of at the central warehouse. Customers utilize monthly on-site storage rental for a variety of reasons and for storage of special-event materials and contractor material storage at construction sites. In some cases, PODS® Facilities offer customers the ability to contract for point-to-point moving services, both within a metropolitan area and between metropolitan areas. We have developed a cross-country moving program for this purpose (the "**Interfranchise Program**"). An Interfranchise Program transaction involves portable storage services that require services to be performed outside of your Territory and involves the services of us and/or another franchisee (an "**Interfranchise Transaction**"). Net operating profits will be shared among you, us, and other franchisees (See Item 12). If portable storage services are provided to a customer located in your Territory and the Container is delivered by you to a location outside your Protected Area within a limited service area, this is known as an exempt Interfranchise Transaction and does not require you to share operating profits.

Unlike traditional self-storage businesses, PODS® Facilities deliver large storage container units directly to the customer's door. Containers are built from a special laminate material which makes them weather-resistant. Customers are able to keep the Containers at their home or office as long as necessary (subject to any local regulations), allowing them to pack the Containers at their leisure. If storage is desired, PODS® Facilities will pick up the Container and deliver it to a central warehouse for storage until directed by the customer to re-deliver it to the same or a new location. The specially designed Lift enables the Container to be placed on a truck while keeping the contents level. We sell the Containers and the Lifts to our franchisees.

The Franchise Offered

We operate and franchise storage and moving businesses featuring the use of portable, modular storage units (the "**Containers**") and specialized equipment specifically designed for lifting and transporting the Containers (the "**Lifts**"). We own or have the rights to license certain trade names, trademarks, service marks, logos, designs, symbols and trade dress, including the marks "PODS®" "PORTABLE ON DEMAND STORAGE®" and a distinctive color scheme, and may adopt, use and license additional or substitute trade names, trademarks, service marks, logos, designs, symbols and trade dress in connection with the operation of the business (collectively, the "**Marks**"). We have developed and own a comprehensive system relating to the franchising of a storage and moving business, including accounting methods, custom computer software, advertising, sales and promotional techniques, personnel training, the Marks, equipment and specifications for authorized equipment, methods of inventory and operations control and certain business practices and policies, all of which we may improve, further develop or otherwise modify from time to time (the "**System**").

You must sign a franchise agreement (the "**Franchise Agreement**"), our current form of which is attached to this disclosure document as Exhibit "B."

The Market and Competition

The self-storage industry is a very fragmented market characterized by numerous small operators primarily targeting residential customers. Based on the 2024 Self-Storage Almanac published by Minico, Inc., there are more than 52,000 self-storage facilities in the United States containing more than 2.1 billion square feet of rentable space. The top 5 firms within this industry hold 37% market share measured in square footage, and the top 100 companies hold less than 50%.

PODS® Facilities compete with other self-storage facilities on the basis of the unique service, price and brand recognition. There are also several companies offering similar portable storage facilities to the consumer. PODS® Facilities differ from them largely through the size of the Containers and their design. It is possible that some of the large self-storage facilities will also enter the portable storage business. Other than the capital requirements, there are relatively low entry barriers to the storage industry. Competitors to PODS® Business will include transportation companies, moving and trucking companies, fixed-based self-storage facilities and other portable storage facilities, all of which include independent operators and large chains. Accordingly, the market for the storage and moving business is highly developed and competitive.

The Interfranchise Transactions tend to be seasonal in nature while the storage business is generally less seasonal. PODS® Facilities may also compete with moving companies on a local basis and on a national basis as it relates to Interfranchise Transactions. The moving companies consist of independent companies and regional and national chains.

Regulation

PODS® Facilities may be subject to state laws that regulate "public movers," "movers" or storage units industries even though we do not purport to be within these industries. For example, New Jersey regulates "movers" or "public movers" and storage services providers under the New Jersey Public Movers and Warehousemen Licensing Act, N.J. Stat. §45:D-1, *et seq*. (2000). These laws typically regulate the rights and business activities of PODS® Facilities and their customers in instances by requiring licensure of "public movers" and "storage" businesses, mandating that certain types and amounts of insurance be carried by PODS® Facilities, granting rights and remedies to customers of PODS® Facilities and sometimes requiring that the PODS® Facilities be bonded.

PODS® Facilities may also be subject to state laws that regulate the self-storage and self-contained storage units industries. For example, Florida regulates this industry through the Florida Self-Storage Business Act (Fla. Stat. §83.803, *et. seq.*). These laws typically: (a) govern the relative rights between a PODS® Business and its customers when the customer has not timely paid rent; (b) essentially enable the placement of liens and detail the procedures to provide notice to customers that the property within the storage unit may be sold in order to collect the unpaid storage fees; and (c) specify notice procedures, timing requirements and specify the means by which goods in a storage unit may be sold to satisfy obligations for unpaid storage fees.

You should consider that certain aspects of a PODS® Business are also regulated by federal, state and local laws, rules, environmental laws, building codes, land use and zoning ordinances in addition to the laws and regulations applicable to businesses generally, such as the Americans With Disabilities Act, Federal Wage and Hour Laws, the Occupational, Health and Safety Act, and various laws, rules and regulations regulating intrastate and interstate transportation. For example, local municipality ordinances and community deed restrictions may prohibit or restrict the use of the Containers and where they may be placed at customer sites, possibly impacting your operations in those areas.

It will be your responsibility to investigate any applicable laws as they relate to operating a PODS® Business. It will also be your responsibility to investigate the requirements of any transportation

authority as they relate to both interstate and intrastate transportation. For example, certain states are deregulated; however other states require an application be processed with the proper state authorities in order to move household goods within that particular state. The applications process varies from state to state.

Additionally, the federal government requires that an application be processed if you intend to move household goods from one state to another. These laws typically regulate movement of these types of goods and certain PODS® Facilities must seek the appropriate approval in order to operate. If you operate in an area that serves a multi-state market and will send delivery trucks across state borders, you will be required to register each of those trucks with the U.S. Department of Transportation and you must follow its safety rules and regulations. You are also required to be in compliance with all requisite levels of these requirements, pay the applicable fees and acquire the appropriate insurances. We may review your records to ensure that you are in complete compliance with any transportation authority or other regulatory requirements.

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ITEM 2
BUSINESS EXPERIENCE

Unless otherwise noted, all individuals are located in Clearwater, FL.

President and CEO: Jim Gimeson

Mr. Gimeson has been our President and Chief Executive Officer and a director since January 2026. Mr. Gimeson was previously the Chief Executive Officer at WASH Multifamily Laundry Systems from 2019 to 2025 in St. Torrance, CA. Prior to WASH, Mr. Gimeson served as Chief Operating Officer of Sears Home Services and as the Chief Operation Officer of the TruGreen organization.

Senior Vice President, Chief Financial Officer: Jordon Jones

Mr. Jones is presently serving as Senior Vice President, Chief Financial Officer for us, PODS, and APLPD, a position he has held since 2024. He joined PODS as Vice President of Financial Planning & Analysis. Prior to joining PODS in 2022, Mr. Jones served as Chief Financial Officer of YouFit Gyms, directing financial operations for the 80-location fitness chain. Prior to that, Mr. Jones spent nearly a decade at Hertz, holding leadership and strategic positions in finance and sales.

Senior Vice President, Enterprise Operations: Jeffrey Concannon

Mr. Concannon joined us in 2006 as our Controller until February 2016, when became Senior Vice President, Enterprise Operations.

Senior Vice President Human Resources: Laureen Druker

Ms. Druker has been Chief Human Resources Officer for PODS since January, 2026. Prior to this, Ms. Druker was formerly the Vice President – Human Resources Operations for us and has held various leadership roles at PODS since joining the company in 2014.

Chief Information Officer: Robert Fowler

Mr. Fowler became our Chief Information Officer December 2019. From April 2011 to November 2019, Mr. Fowler was employed by Estes Express Lines located in Richmond, Virginia, serving most recently as a Vice President and Chief Information Officer.

Senior Vice President, Chief Marketing Officer: Susan Jacobs

Ms. Jacobs joined us in July 2021 as Senior Vice President, Chief Marketing Officer. From September 2020 to June 2021, Ms. Jacobs held the position of Senior Vice President of Marketing for Beam Technologies in Ft Myers, Florida. From January 2017 to August 2020, she held a similar role with The Hertz Corporation in Estero, Florida where she was the global brand leader for both the US and UK. From June 2015 to January 2017, Ms. Jacobs was a consultant with McKinsey & Company in Pittsburg, Pennsylvania.

Senior Vice President, General Counsel and Secretary: Lori Baggett

Ms. Baggett started with us and PODS in May 2021 as VP, Associate General Counsel.

ITEM 3
LITIGATION

No litigation is required to be disclosed in this Item.

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ITEM 4
BANKRUPTCY

No bankruptcy is required to be disclosed in this Item.

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ITEM 5
INITIAL FEES

Application and Deposit

We may require prospective franchisees to pay us a deposit (the "**Deposit**") of 10% of the Initial Franchise Fee. The Deposit will vary depending on the number and size of Territories a prospective franchisee is interested in. We hold and apply the Deposit in accordance with our Application and Deposit Agreement (the "**Deposit Agreement**"). A copy of the Deposit Agreement is attached as Exhibit "A." You must pay the Deposit when you sign the Deposit Agreement. We carefully evaluate all prospective franchise owners and the markets in which they want to operate. It is not refundable, but we apply it in full towards the initial franchise fee.

Initial Franchise Fee

You must pay us an initial franchise fee (the "**Initial Franchise Fee**") in the amount of $100,000 for each area of approximately 400,000 people (a "**Territory**") that comprises the Protected Area. For example, if you purchase a Protected Area comprised of 2 Territories, you must pay us an Initial Franchise Fee equal to $200,000. On a case-by-case basis, we may consider granting franchises for areas smaller than the usual Territory size. If we do so, we may reduce the Initial Franchise Fee proportional to the reduced population. For example, the Initial Franchise Fee would be reduced to $75,000 for a Territory with a population of only 300,000. If we add partial territories (less than a population of 400,000 to a Territory, an additional amount will be charged relative to the increase in population. For example, a Territory with a population of 600,000 would require an Initial Franchise Fee in the amount of $150,000.

The Initial Franchise Fee is due on signing the Franchise Agreement and is not refundable, in whole or in part, after the Franchise Agreement has been signed.

Equipment

You will be required to purchase Containers and Lifts prior to opening a PODS® Business to the public. We, or our affiliates, are the sole supplier of Containers. We, our affiliates, or an approved vendor, are the sole supplier of Lifts. Concurrent with signing the Franchise Agreement, you must place an order for 36 Containers and 1 Lift for each Territory within your Protected Area. The approximate total cost for 36 Containers and 1 Lift ranges from $230,000 to $250,000 (which is calculated based on the pricing in the table below, assuming a mix of 24 16' containers and 12 8' containers, plus estimated shipping and handling). The cost of the Containers and Lift is non-refundable. Both our current pricing and our pricing for our last fiscal year for these items are shown below:

PRODUCT	2026 PRICING PER UNIT [(1)]	2025 PRICING PER UNIT[(1)]
Containers - 8 Foot	$2,900	$2,900
Containers - 16 Foot	$3,650	$3,650
Lifts (manual)	N/A	N/A
Podzilla Lifts (remote)	$90,000	$90,000

(1) Prices do not include shipping and handling, which may add up to 20% to the cost of the unit. These amounts are paid to us to cover the cost of shipping and handling. Prices also do not include the impact of tariffs on imported materials.

We may change the prices of Containers and Lifts from time to time as our cost to purchase the equipment changes and in accordance with the Index. See Item 6, Note 2. In some cases, you may buy refurbished or used Containers from us at a lower price. See Item 10.

ITEM 6
OTHER FEES

TYPE OF FEE[1][2]	AMOUNT	DUE DATE	REMARKS
Royalty	The greater of 8% of "Net Sales"[3] subject to a minimum monthly royalty (the "**Minimum Royalty Fee**") of $0 per month (through month 3); $800 per month (month 4 – 12); $2,000 per month (month 13 – 24); $3,000 (month 25 and thereafter).[3]	Due upon receipt of invoice	
Supplemental Royalty	2% of Net Sales	Due upon receipt of invoice	Payable in addition to the Royalty fee if, after the 3rd anniversary date of your Franchise Agreement, you receive a noncompliance certificate in any performance audit until any performance audit in which you are compliant. We are not obligated to evaluate your performance more frequently than every 6 months.
Billing Service Fee[4]	Manual Bill Collection - $5.25 Credit Card Auto Pay (no invoice to customer) - $1.25 Credit Card Auto Pay (courtesy invoice mailed) - $2.25 Direct bill Invoice - $6.25 Certified Letters - $7.00 Auction Admin Fee - $75.00		The Billing Services Fee is payable on customer billing events during the immediately preceding month. All out-of-pocket expenses including credit card processing fees, newspaper ads, certified letters, etc. will be charged to you. We may change any portions of the Billing Services Fee from time to time, including the method and basis.

TYPE OF FEE[(1)(2)]	AMOUNT	DUE DATE	REMARKS
Credit Card Processing Services Fees[(4)]	Currently $0.35 per customer transaction	Due upon receipt of invoice.	Transactions fees from the credit card company will be directly billed to you by such credit card company. If we are billed any additional fees by a third part, such expenses will be billed to you on a pro rata basis among all franchised Facilities.
Equipment (Lifts and Containers)	Will vary under circumstances, plus cost of shipping and handling	Currently, 5% due on placing order and balance upon shipment	Purchase terms may vary on 30 days' notice except for Franchise margin subject to the Index. See Items 7 and 8 for more information about the equipment.
Periodic Training or Assistance; Special Assistance	No current fee as periodic training is not currently offered	Due upon receipt of invoice	You must pay any fees we may establish from time to time for period training or assistance, including special assistance.
Indemnification	Will vary under circumstances	Due upon receipt of invoice	You will indemnify us against any costs arising out of your use of the System.
Interest	The lesser of 1.5% per month or the highest legal rate	Due upon receipt of invoice	We will not impose interest on late payments unless you have been delinquent (a) by more than 30 days, or (b) 2 or more occasions within the immediately preceding 12 calendar months.
Audit	Cost of audit plus interest on underpayment	Due upon receipt of invoice	Payable only if you fail to furnish reports and records timely or an audit shows an understatement of more than 3% of Net Sales.
Sales and Marketing Program ("**SMP**") Contributions	You will be required to pay us the amounts we assess for your market (currently 2.0% of Net Sales)	Due upon receipt of invoice	SMP is the cooperative media buying and advertising program we have established.

TYPE OF FEE[(1)(2)]	AMOUNT	DUE DATE	REMARKS
Marketing and Advertising Fund Contributions	2% of Net Sales	Due upon receipt of invoice	Net Sales only includes the services and products customarily sold by franchisees to traditional customers. We determine from time to time whether a particular sale of products or services is to be included in Net Sales.
Cooperative Advertising	Determined by your local or regional cooperative	Due upon receipt of invoice	Payments made to any local or regional advertising cooperative are credited against your minimum advertising expenditure requirement.
Market Research	Will vary under circumstances, not to exceed our cost plus 30%	Due upon receipt of invoice	You must purchase and make an effort to sell a reasonable quantity of any new products or services we are testing.
Insurance	Will vary under circumstances	Due upon receipt of invoice	Payable only if you fail to obtain the required insurance coverage, we may obtain such coverage at your expense.
Content Protection Program	As we determine from time to time, not to exceed our cost plus 40%	Due upon receipt of invoice	You must participate in the PODS® Protection Program. We may be the sole provider and supplier of it, including offering or selling insurance to do so.
Fees to Evaluate and Approve Suppliers	Will vary under circumstances, not to exceed our cost plus 30%	Due upon receipt of invoice	We may impose reasonable inspections and supervision fees to cover our costs in evaluating alternative approved brands or suppliers you suggest.
Transfer Fee	The greater of $50,000 per Territory or 50% of our then-current standard Initial Franchise Fee.	Upon transferring the franchise	Payable when you transfer or sell your Business.

TYPE OF FEE[(1)(2)]	AMOUNT	DUE DATE	REMARKS
Renewal Fee	The greater of $50,000 per Territory or 50% of our then-current standard Initial Franchise Fee.	Upon signing the new Franchise Agreement	There are other conditions for the grant of the successor franchise.
Costs of Enforcement of Franchise Agreement	Our Actual Costs of Enforcement	As incurred.	Payable if you fail to comply with the Franchise Agreement.
Late Payment Charge	5% of overdue amount	Immediately	Payable on any money you owe to us in the event the amount remains unpaid for more than 30 days.

1. All fees and expenses described in this Item 6 are uniformly imposed and non-refundable. Except as otherwise indicated in the chart above, we impose all of the fees and expenses listed above, and they are payable to us. We may, at our option, require you to pay all or any periodic or recurring fees to us by electronic funds transfer.

2. All fixed dollar amounts will be adjusted on January 1st of each year in proportion to changes in the Consumer Price Index (U.S. average, all items) maintained by the U.S. Department of Labor Statistics (or its equivalent) (the "**Index**").

3. Net Sales means the aggregate amount of sales, rents, revenues, fees, charges and other consideration actually received for services and products sold or leased in connection with operations conducted by the Franchised Business including those from a transaction under the Interfranchise Program and revenue derived from sales at or away from the Franchised Business, whether for cash or credit, but excluding: (a) the amount of all federal, state or municipal sales or service taxes collected from customers and paid to the appropriate authority; (b) the amount of all insurance billed to and collected from customers and paid to the appropriate insurance company; (c) the amount of all customer refunds and adjustments, and pre-approved, in writing, promotional discounts; (d) any amounts written off as bad debt expense and not subsequently collected; (e) revenue from the isolated sale of Containers to us or another franchisee as a part of an Interfranchise Transaction we organized and managed, and that resulted from a customer's decision to convert from local storage of contents to a moving of contents to another market outside of your Protected Area pursuant to an Interfranchise Transaction; (f) any other isolated sale of Containers, Lifts or other assets that we have approved in advance between you and other Franchisees or us; and (g) revenue from any other transaction that we determine to exclude from Net Sales from time to time, if any.

4. We may change the amounts, method of payment and due dates at any time upon 30 days' prior written notice to you. The new fee and/or reimbursement schedule will become effective as of the end of such 30-day period or such later date as we may determine from time to time.

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ITEM 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

TYPE OF EXPENDITURE	AMOUNT		METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS MADE
	MINIMUM	MAXIMUM			
90-Day Pre-Opening Period[1]					
Initial Franchise Fee[2]	$100,000	$100,000	Lump Sum	Upon signing FA	Us
Real Estate Lease Payments[3]	$25,000	$35,000	As arranged	As specified in Lease	Landlord
Leasehold Improvements[4]	$15,000	$20,000	As arranged	As arranged	Contractor or Landlord
Containers[5]	$140,000	$160,000	As specified in Franchise Agreement	Purchases from us require payments as follows: net 30 or as arranged	Us
Podzilla Lifts[5]	$90,000	$90,000	As specified in Franchise Agreement	Monthly	Us
Trucks[5]	$12,000	$15,000	As Specified in Lease	Monthly	Third Parties
Forklift[6]	$7,000	$9,000	As Specified in Lease	Monthly	Third Parties
Signage[7]	$2,500	$10,000	As arranged	As arranged	To approved suppliers (including us) and lessors
Initial Inventories and Supplies	$2,500	$5,000	As arranged	As arranged	Suppliers
Grand Opening Advertising	$3,000	$12,000	As incurred	As incurred	Suppliers/Vendors
Personnel – Pre-Opening Salaries	$10,000	$15,000	As incurred	As incurred	Employees
Utilities, Licenses and other Pre-Paid Expenses[8]	$5,000	$50,000	As arranged	As arranged	Utility Companies and Suppliers
Additional Funds during 90 day pre-opening period[9,12]	$50,000	$75,000	As incurred	As incurred	Suppliers

TYPE OF EXPENDITURE	AMOUNT		METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS MADE
	MINIMUM	MAXIMUM			
Insurance Cost[10]	$10,000	$50,000	As arranged	As arranged	Suppliers
Communications, ELD Office Equipment	$3000	$5,000	As incurred	As incurred	Local Suppliers
Uniforms	$1,000	$2,000	As incurred	As incurred	Approved Supplier
Travel and Initial Training[11]	$3,000	$5,000	As arranged	As arranged	Employees and Suppliers
25-Month Start Period					
Real Estate Lease Payments[14]	$200,000	$300,000	As arranged	As specified in Lease	Landlord
Containers[5]	$500,000	$600,000	As specified in Franchise Agreement	Purchases from us require payment as follows: net 30 or as arranged	Us
Podzilla Lifts[5]	$90,000	$90,000	As Specified in Franchise Agreement	Monthly	Us
Trucks	$100,000	$120,000	As Specified in Lease	Monthly	Third Parties
Forklift	$60,000	$75,000	As Specified in Lease	Monthly	Third Parties
Inventories and Supplies	$10,000	$12,000	As arranged	As arranged	Suppliers
Monthly Advertising[16]	$50,000	$300,000	As incurred	As incurred	Suppliers/Vendors
Fuel[17]	$30,000	$50,000	As incurred	As incurred	Local Suppliers
Personnel and Travel Expenses	$200,000	$300,000	As incurred	As incurred	Employees
Utilities, Licenses	$50,000	$75,000	As arranged	As arranged	Utility Companies and Suppliers
Additional Funds during the initial 25-month start-up period[12,18]	$100,000	$150,000	As incurred	As incurred	Suppliers
Insurance Cost[19]	$75,000	$400,000	As arranged	As arranged	Suppliers
Communications, ELD, Office Equipment	$5,000	$25,000	As incurred	As incurred	Local Suppliers

TYPE OF EXPENDITURE	AMOUNT		METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS MADE
	MINIMUM	MAXIMUM			
Uniforms	$5,000	$10,000	As incurred	As incurred	Approved Supplier
TOTAL[12,13,20,22]	**$1,954,000**	**$3,165,000**			

1. We estimate that the start-up period will include a 90-day pre-opening period. We do not offer direct or indirect financing to franchisees for any items; however we have worked with several vendors, some of whom are authorized to provide leases or other financing for Containers, trucks and Lifts. Franchisees cannot purchase this equipment from us with credit cards unless they add in the then-current percentage fee that the credit card processing company charges.

2. You must pay us an Initial Franchise Fee in the amount of $100,000 for each Territory that comprises the Protected Area. A Territory is an area with a population of approximately 400,000 people. For example, if you purchase 2 Territories, you must pay us an Initial Franchise Fee equal to $200,000. On a case-by-case basis, we may consider granting franchises for areas smaller than the usual Territory size. If we do so, we may reduce the Initial Franchise Fee proportional to the reduced population. Likewise, if we add partial territories (less than a population of 400,000) to a Territory, an additional amount will be charged relative to the increase in population. The Initial Franchise Fee is due on signing the Franchise Agreement and is not refundable, in whole or in part, after the Franchise Agreement has been signed.

3. Warehouses will have adequate customer and employee parking plus parking for delivery trucks and available Containers. The cost per year for leasing commercial/industrial space varies considerably depending upon the location and market conditions affecting commercial/industrial property. Traditionally, a real estate lease requires two months of advanced payments. Some franchisees may prefer to own the property upon which a PODS® Business is located. The cost of land and the leasing of your Business will vary considerably depending upon location and market conditions and numerous other factors. We estimate the size of the building to range from approximately 15,000 to 30,000 square feet. Such ownership may increase the initial cash investment.

4. Warehouse improvements could be required when leasing a new Business. You may need to arrange for the construction of certain improvements within the leased property in order to operate a PODS® Business. The total amount of expenditures required will depend upon the condition and suitability of the leased property for the operation of a PODS® Business at the time you enter into the lease. Leasehold improvements are generally completed by your landlord or an independent contractor. If completed by your landlord, the costs may be repaid in the form of a lump sum or as additional rental under the lease.

5. You will be required to initially purchase not less than 36 Containers and at least 1 Lift from us or our affiliates, or they may be leased from an approved Lift/Truck Lessor. Prices shown are for leasing the trucks, Lifts and forklift and, except for Containers, are exclusive of shipping and handling. The amount for Containers includes an estimated transportation cost which will vary based upon the geographic proximity of the destination from our distribution centers or third-party manufacturing facilities. Generally, shipping and handling may add up to 20% to the cost of the equipment and is payable directly to us or an affiliate to cover the cost of shipping and handling that we arrange with a third party. The cost range assumes an allocation of 16’ and 8’ (24 16’ and 12 8’). The estimated amount does not include cost of tariffs for imported product. The difference between the minimum and maximum estimate is due to differences in shipping and handling costs. Lease payments for trucks shown assume a 5-year amortization of the full price for the equipment ranging from $52,000 to $57,000, as shown in Item 5. Interest rates will vary with market conditions, your financial condition and your ability to offer

personal guarantees. You must place an initial order of 36 Containers. Subsequent orders must be for a minimum of 3 containers. This will vary from time to time depending on full truckload shipping quantities. Traditional leasing requires 2 months of advanced payments. These costs will vary significantly, depending upon your creditworthiness, the lender/lessor selected, interest rates, closing costs and other factors. The expenditure for Container purchases is dependent upon the success of the franchise.

6. A forklift is required for all franchise operations. Traditional lease arrangements require 2 months of advanced payments.

7. You may need to install indoor and outdoor signage and provide signage on any vehicles used in connection with the operation of a PODS® Business. The cost of signage on trucks and Containers is included in the cost.

8. This item estimates your miscellaneous opening costs and expenses such as installation of telephone, deposits for gas, electricity and other services, business licenses, vehicular registrations, legal and accounting expenses for your startup period.

9. Your additional costs and expenditures will depend on factors such as your management skill, experience and business acumen, economic conditions, the local market for your business, competition and the performance of a PODS® Business. Further, this item estimates your additional expenses before operations begin which are in addition to the other expenditures listed. The estimated amounts assume that none of your expenses are offset by any sales generated during this period.

10. This item estimates your insurance costs for the pre-opening period. Generally, you should be able to arrange for the payment of monthly or quarterly installments of the total premium instead of prepaying the entire lump sum. Certain states may have laws or regulations that could effectively require that you procure additional types of insurance. From time to time, we review insurance coverages and we reserve the right to require new coverages and terms.

11. You will incur salary, travel and lodging expenses for your employees to attend training. The costs will depend on the distance you must travel and the type of accommodations you choose. The amounts on the chart cover the 3-month period preceding the opening of a PODS® Business.

12. We relied upon the actual performance and experience of our franchisees and predecessor to compile these estimates. You should review these figures carefully with a business advisor before making any decision to purchase the franchise.

13. We estimate that a year and a half or two years will be required for your startup period. During this period you will be generating revenue to at least partially offset the costs shown in the "Total," and such offsetting revenues are not shown in this disclosure document. If your franchise grows faster or slower, then your cost will be higher or lower, respectively.

14. During the first year, you will find a location for your first permanent warehouse capable of stacking Containers 2 or 3 high, and either lease a pre-existing building or arrange to have the warehouse built for you by an organization on a build to suit/lease back arrangement. A typical franchisee will lease a 20,000 to 30,000-square foot building and the cost of such is dependent upon the marketplace. Real estate costs vary substantially from market to market.

15. You will need to purchase or lease at least 1 forklift. Lease payments shown assume a 5-year amortization. Interest rates will vary with market conditions, your financial condition and your ability to offer personal guarantees.

16. You are responsible for all advertising and promotional activities pertaining to your Business, except the Marketing and Advertising Fund, SMP and cooperative advertising activities. We will establise from time to time minimum amounts of monthly expenditures and/or advertising levels for

advertising and promotional activities ("**Monthly Minimum Advertising**"). The current Monthly Minimum Advertising is $0 for franchisees that are participating in the Sales and Marketing Program.

17. Fuel costs may vary depending on the size of your Protected Area and your geographic location.

18. Your additional costs and expenditures will depend on factors such as your management skill, experience and business acumen, economic conditions, the local market for your business, competition and the performance of a PODS® Business. Further, this item estimates your ordinary recurring business expenses for a 25-month period which are in addition to the other expenditures listed. The estimated amounts assume that none of your expenses are offset by any sales generated during the initial months of operations. See Note 13. We also include 24 months of the Minimum Royalty. See Item 6.

19. Generally, you should be able to arrange for the payment of monthly or quarterly installments of the total premium instead of prepaying the entire lump sum. Certain states may have laws or regulations that could effectively require that you procure additional types of insurance. From time to time, we review insurance coverages and we reserve the right to require new coverages and terms.

20. By renting the Containers at a faster rate, your expenses for Containers, warehouses, personnel, etc. may be higher than shown. On the other hand, slower growth may result in a lower expense level.

21. We do not refund any fees or other amounts payable to us. Except as arranged by you, amounts paid to third parties are generally non-refundable.

22. These figures are estimates, and we cannot guarantee that you will not have additional expenses starting the business. The costs of real estate and personnel vary substantially from market to market. Your costs will depend on many factors including: how much you follow our plans; your management skill and business acumen; the local market for your products and services as well as the prevailing market rate for wages, management salaries, real estate and financing.

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ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Purchases from Us

Currently, we or our affiliates are the only approved supplier of the following items:

(a) ***Containers and Lifts***. We are currently the only approved suppliers of Containers and Lifts and certain replacement parts for the Containers and Lifts.

(b) ***Billing and Collection; Call Center Services***. We have implemented a call center that you must utilize in the operation of your PODS® Business. We are currently the only approved supplier of call center services and the billing and collection services that we provide to you under the terms of the Franchise Agreement.

(c) ***Computer System***. We are currently the only approved supplier of the Computer System, which includes a custom desk top computer and our proprietary software, which is designed for scheduling, routing, customer maintenance, invoicing, accounts receivable (the "**Software**") and other related matters. You will acquire the Computer System from us when you sign the Franchise Agreement and pay us the initial franchise fee; there is no separate charge for it. You must license and obtain maintenance for the Software from us.

(d) ***Content Protection Plan***. We also are currently the only approved supplier for the PODS® Content Protection Plan, which is described in greater detail below.

(e) ***E-Commerce Products and Services***. We may require you to purchase e-commerce related products and services, including, internet or intranet hosting, development, maintenance, marketing, design or content products and services from us or from suppliers we approve. Customers may lease PODS® brand containers through our website which is located at www.pods.com.

We estimate that required purchases from us or our affiliates represents 40% to 60% of your total purchases in establishing your PODS® Business and 35% to 55% of your overall purchases in operating the Business. During the fiscal year ended December 31, 2025, we had revenues from sales of products and services to PODS® franchisees of $5.5 million out of total revenues of $1,062 million or 0.5% of our total revenues. We obtained these figures from our audited financial statements.

Approved Suppliers

We will provide you with an approved supplier list covering a great many of the products and services used in the operation of a PODS® Business. The approved supplier list may be published in our Manual, other manuals or our policy statements, or may be provided to you by other written communication. We may change the list at any time. Other than products which must be purchased from us or our affiliates, you must purchase other products from suppliers who continuously demonstrate to our reasonable satisfaction the ability to meet our standards and specifications, who possess adequate quality controls and can supply your needs promptly and reliably, and who have been approved by us in the Manual or otherwise in writing. Required purchases from approved suppliers, which may include us and our affiliates, represents about 40% of your total estimated initial investment to establish your PODS® Business and approximately 35% to operate your PODS® Business.

There are no suppliers in which any of our officers own an interest.

Rebates

We do not currently, and have not previously, earned rebates on account of franchisee purchases from approved suppliers. But we may do so in the future to compensate us for the services we perform.

Changes to Suppliers

If you want to buy products from other than approved suppliers, you must submit to us a written request to approve a proposed supplier, together with evidence that they meet our specifications. If we decide to evaluate a proposed supplier, we have the right to require that our representatives be permitted to inspect the suppliers' facilities and that, upon undergoing an evaluation of a supplier, samples be delivered to us for evaluation. You must pay the cost of providing the samples to us, and our reasonable cost of evaluating the samples. Our criteria for supplier approval are contained in the Manual. We will, within 30 days after our receipt of the request that we evaluate and test certain products, notify you in writing of our approval or disapproval of the proposed supplier or product. If we do not respond to a request contemplated by this subsection, the request will be deemed denied.

Specifications and Standards

You must adhere to the standards and specifications we establish which may include minimum requirements for delivery, performance, quality and cost. Our standards and specifications are for e-commerce, equipment, supplies, marketing materials, packaging, signs, vehicles, products, services, and other items used in the operation of a PODS® Business. Typically, we formulate specifications for equipment, products and services with the assistance of suppliers. After a draft specification is developed, the specification is finalized once historical data confirms the product's attributes. Our specifications may be modified from time to time. These modifications may be based, for example, on changes in customer preferences, and the availability and/or cost of materials. We will provide you with standards and specifications in our manuals.

In order to maintain the quality of the goods and services provided by PODS® Facilities and the reputation of the PODS® franchise network, all products and services sold or offered for sale must meet our then-current standards and specifications, as established in our confidential operating manual (the "**Manual**") or otherwise in writing.

Purchases in accordance with our specifications represent about 40% of your investment to establish your business and about 35% of your total purchases in operating your PODS® Business.

Site

You must select a site for a PODS® Business which conforms to our standard site selection criteria which we modify from time to time. You must lease, sublease or purchase 1 or more warehouses situated in your Protected Area (a "**Permanent Premises**"). If Permanent Premises are not immediately available, you must acquire a temporary warehouse located in your Protected Area that is suitable for storing Containers when equipped with forklifts (a "**Temporary Premises**") (collectively, the Permanent Premises and Temporary Premises are referred to as the "**Premises**"). We must approve the terms of any lease, sublease or purchase contract for the Premises and you must provide us with a copy prior to signing it. We require that these documents contain certain provisions that are designed to protect our rights. If you or one of your affiliates own the Premises, we may require that you or such affiliate enter into a lease with us for the term of your Franchise Agreement under which we will sublease the Premises back to you on the same terms and conditions. You may from time to time have in your possession Containers owned by us, but supplied to you for your use. We have granted a security interest to our lender for all of the Containers that we own. Your landlord will be required to sign an acknowledgment of such security interest. See Exhibit C to the Franchise Agreement.

Insurance

You must obtain and maintain, at your own expense, the insurance coverage that we require from carriers we have approved. You must enlist the services of a professional insurance agent or broker to obtain the types and amounts of insurance coverages we specify. You may not self-insure any required coverages without our prior written approval. All insurance policies must name us and our affiliates as an additional insured party. Prior to opening and on an annual basis at least 10 days prior to the expiration of any insurance policy, you must furnish us with evidence of insurance coverage and payment of the premium. We have established current coverages, minimum amounts, and maximum deductibles; however, these coverages and amounts are subject to change at our discretion. They are as follows:

Type of Coverage	Amount	Maximum Deductible
General Liability Each Occurrence	$1,000,000	$50,000
General Liability General Aggregate	$3,000,000	0
Products and Completed Operations Aggregate	$3,000,000	0
Personal and Advertising Injury	$1,000,000	0
Fire Damage Legal Liability	$75,000	0
Medical Expense	$5,000	0
Employment Practices Liability	$1,000,000	$100,000
Workers Compensation	Statutory Amounts	
Umbrella Liability Per Occurrence Aggregate	 $1,000,000 $1,000,000	 $10,000 SIR* $10,000 SIR*
Interruption of Business	$250,000	0
Container Coverage (Per Container)**	$3,700(or full replacement)	$100
Warehouse Legal Liability (Minimum)	$1,000,000	$50,000
Auto Liability, Each Accident Per Occurrence	 $1,000,000	 $50,000
Motor Cargo (Per Occurrence)	$25,000	$10,000
Property Insurance	Replacement cost (minimum $250,000)	$10,000
Network Security and Privacy Liability	$1,000,00	$10,000

* SIR is Self-Insured Retention
** PODS® brand container coverage is an average per empty container and varies with container size.

We may specify the insurers, vendors and coverage or require that you obtain it from us, or that you participate in insurance programs we sponsor. If we do so, we may earn compensation, although we do not currently do so.

Other insurance coverages are recommended, but not mandated, and include the following: (a) crime-employee dishonesty, money & securities and depositors forgery; (b) surety bonds; (c) license and permit bonds; (d) sign coverage; (e) pollution liability; and (f) contingent business income.

Content Protection

You must also participate in the PODS® Content Protection Plan (the "**PODS® CPP**"). Under the PODS® CPP, customers may elect to pay an increased monthly fee in exchange for your contractual assumption of liability for damage caused to their belongings while in your care, custody and control and

obligation to purchase insurance to protect against damage arising from specified events. We have obtained a Commercial Inland Marine – Transit, Cargo, Warehouse and Personal Property Floater Insurance Policy (the "**Policy**") to satisfy the insurance requirement and all franchisees are named as additional insureds. The increased monthly fee paid by the customers is remitted to the insurance carrier to pay premiums under the Policy, less an administrative fee for us. Depending on customer claims for damages during a given year, excess monies may be distributed back to us from the insurance provider which we, in turn, may reallocate among the franchisees as we deem appropriate. This program is subject to change, or may be canceled by us, at any time. We retain the exclusive right to control all aspects of the PODS® CPP, including obtaining the required underlying insurance and the allocation of expenses and revenues received in the PODS® CPP between the franchisees or other operators of PODS® facilities and us, as we deem appropriate. The division of revenues or allocation of charges may change periodically and may vary depending on the circumstances.

Miscellaneous

We reserve the right to control every aspect of your use, direct or indirect, of e-commerce and internet advertising, sales, distribution, purchasing, networking, links, hosting or maintenance products and services. We reserve the right to negotiate purchase agreements with various suppliers. If any such purchase agreements are, in fact, negotiated we and/or you may be able to purchase some products at reduced rates, or we and/or you may receive rebates when you purchase products from some of these suppliers. There is currently no franchisee purchasing distribution cooperatives.

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ITEM 9
FRANCHISEE'S OBLIGATIONS

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

OBLIGATION	SECTION IN AGREEMENT	DISCLOSURE DOCUMENT ITEM
a. Site Selection and Acquisition/Lease	3	Item 7, 11 & 12
b. Pre-Opening Purchases/Leases	3, 6, 8, 10.4, 10.8, 10.10, & 10.11	Items 5, 6, 7, 8, 11 & 16
c. Site Development and Other Pre-Opening Requirements	3, 4.1, 6, 8, & 10.8	Items 6, 7 & 11
d. Initial and Ongoing Training	4, 9.3, 10.7, 15.2, & 17.3	Items 6 & 11
e. Opening	3	Item 11
f. Fees	1.4, 3.2, 6, 15.2, 16.3, 17.3 & Exhibit D to Franchise Agreement	Items 5, 6 & 7
g. Compliance with Standards and Policies/Operating Manual	1, 3, 4, 6.3, 7, 8.13, 9, 10, 14, 16.2 & 17	Item 11
h. Trademarks and Proprietary Information	4.3, 5, 7, 12.5, 18.2 & 18.3	Items 13 & 14
i. Restrictions on Products/Services Offered	2, 3, 4, 5, & 10	Item 11 & 16
j. Warranty and Customer Service Requirements	1 & 2	Item 11
k. Territorial Development and Sales Quotas	1, 2, 3 & 6.3	Item 12
l. On Going Product/Service Purchases	3, 4, 5, 6, 8, 10, & 12	Item 8
m. Maintenance, Appearance and Remodeling Requirements	3, 10.1, 10.3, 10.11 & 17.1	Item 11 & 17
n. Insurance	10.8 &10.10	Items 7 & 8
o. Advertising	3.2, 3.3, 10.4, & 12	Items 6, 7 & 11
p. Indemnification	11.9 & 19.2	Item 6
q. Owner's Participation / Management / Staffing	3.2, 4, 9, 10.7 & 15	Items 11 & 15
r. Records and Reports	13	Item 6
s. Inspections and Audits	14	Items 6 & 11
t. Transfer	15	Item 17
u. Renewal	17	Item 17
v. Post-Termination Obligations	18	Item 17
w. Non-Competition Covenants	1.3, 7, 15.2, & 18.3	Item 17
x. Dispute Resolution	20 & 21	Item 17

ITEM 10
FINANCING

Neither we, nor our affiliates, offer direct or indirect financing to you. We do not guaranty any note, lease or other obligation of yours.

Under the Franchise Agreement, you grant us a first priority security interest in the Lifts and Containers. See Section 10.2 of the Franchise Agreement and Item 17. To enable us to perfect our security interest, you must authorize us to prepare and file within the appropriate jurisdiction, without your signature, our standard form of UCC-1 Financing Statement, a copy of the form of which is attached as Exhibit "G" or a substantially similar form.

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

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

Pre-Opening Obligations.

We will provide the following pre-opening assistance:

1. General guidance in selecting sites (Franchise Agreement, Section 3).

2. Review, and approve or disapprove, the custom development plan you submit for a PODS® Business (Franchise Agreement, Section 3.1).

3. Descriptions of available franchise territories in the area in which you are to establish your Business (Franchise Agreement, Section 3.2(a)).

4. Assistance in arranging for the advertising agency to tailor our standard advertisements to your Territory (Franchise Agreement, Section 3.2(h)).

5. Provide training to your drivers and warehouse personnel (Franchise Agreement, Section 3.2(l)).

6. Accept or reject site(s) you submit to us for Warehouse and other facilities for your Business (Franchise Agreement, Section 3.2(p)).

7. Furnish guidance in developing the Facilities (Franchise Agreement, Section 3.3(a)).

8. Approve your Facility opening for business (Franchise Agreement, Section 3.3(b)).

9. Approve your grand opening advertising and promotional program (Franchise Agreement, Section 3.3(d)).

10. Approve the terms of any lease or purchase contract for the site of your PODS® Business (Franchise Agreement, Section 3.3(f)).

11. If you have not previously owned or managed a PODS® Business and if you request our assistance 30 days prior to opening your PODS® Business, we will provide you with opening assistance by our personnel for up to 3 business days and with such other opening assistance as we deem appropriate (Franchise Agreement, Section 3.3(h)).

12. We will provide initial training to you (or your Operating Partner) and any district, general or assistant managers. This training is described in detail later in this Item (Franchise Agreement, Section 4.1).

13. We will provide you with a copy of the Manual (or make it accessible to you via electronic format, like Internet, Intranet or CD-ROM) (Franchise Agreement, Section 4.3).

14. We will provide you with the Computer System with the Software installed (Franchise Agreement, Sections 8.1, 8.2 and 8.3).

15. We will establish e-commerce policies and procedures, including Website policies and procedures. (Franchise Agreement, Sections 8.5 and 12.5).

Site Selection.

You select the sites for the operation of a PODS® Business, subject to our acceptance based on our standard site selection criteria, including demographic characteristics, traffic patterns, parking, character of neighborhood, competition from and proximity to other businesses, the nature of other businesses in proximity to the site and other commercial characteristics and the size, appearance and other physical characteristics of the proposed site. Before you acquire, by lease or purchase, any site for operation of a PODS® Business, you must submit a site report to us. We will review each site report and determine whether to accept or reject each site after considering the factors we deem appropriate, including general location, access, visibility, size and configuration, and other physical characteristics of the site. If we accept a site, we will deliver to you a signed site acceptance form. We will accept or reject a site within 15 days after receipt of your site report. If you and we cannot agree on a site within 90 days after you sign the Franchise Agreement, the Franchise Agreement will be terminated (Franchise Agreement, Section 3.2(p)).

Neither our acceptance of a site nor any information communicated to you regarding our standard site selection criteria will constitute a warranty or representation of any kind, express or implied, as to the suitability of a site for operation of a PODS® Business. Our acceptance of a proposed site merely signifies that we are willing to grant a franchise at the site (Franchise Agreement, Section 3.3(e)).

A PODS® Business may not be relocated from one site to another without first obtaining our written consent (Franchise Agreement, Section 3.2(p)).

Time to Opening.

We estimate the time from the date you sign the Franchise Agreement to the date you open a PODS® Business from 75 to 90 days. However, this time estimate may vary depending upon numerous factors including location, availability of equipment, construction schedules, any required approvals, completion of the training program, financing and whether or not you elect to operate a PODS® Business out of a temporary Facility until a permanent Facility becomes available.

Continuing Obligations.

We will provide the following assistance during the operation of your PODS® Business:

1. Periodic guidance to you with regard to the System, including improvements and changes (Franchise Agreement, Section 4.2).

2. Periodically modify the Manual to reflect changes in standards, specifications and operating procedures (Franchise Agreement, Section 4.3).

3. Provide you any enhancements that we, or our affiliates, make to the Software (Franchise Agreement, Section 8.3(c)).

4. During our normal business hours, provide you with telephone assistance on using and trouble-shooting the Software (Franchise Agreement, Section 8.3(c)).

5. Handle all the activities related to billing and collection services (Franchise Agreement, Section 11.1 and Exhibit "F" to Franchise Agreement).

6. At your request, handle all the activities related to credit card processing services (Franchise Agreement, Section 11.2 and Exhibit "G" to Franchise Agreement).

7. Establish from time to time minimum amounts of monthly expenditures and/or advertising levels for your local advertising (Franchise Agreement, Section 12.1(a)).

8. Approve or disapprove your advertising materials. (Franchise Agreement, Section 12.1(b)).

9. Designate the classified and other directories in which you must obtain and maintain listings (Franchise Agreement, Section 12.1(c).

10. Establish SMP(s) in which you must participate (Franchise Agreement, Section 12.2).

11. Administer a marketing and advertising fund ("**MAF**") for the development of advertising and related programs and materials (Franchise Agreement, Section 12.4).

12. We will issue and take actions we deem appropriate in accordance with, e-commerce or website policies and procedures that we may establish from time to time, including, if an applicable website policy is established by us or our designee, operating a centralized PODS® Website in accordance with our policies and procedures, which may include, for example the MAF's operation of the centralized PODS® Website and related webpages, links and networks. (Franchise Agreement, Sections 8.3 and 12.5).

Performance Review

On a periodic basis as we determine appropriate, we will audit, rate and report to you, on a periodic basis, the performance of your PODS® Business using the following criteria, as modified from time to time in the Manual (the "**Performance Criteria**"):

(a) You have timely and fully paid all fees, charges and other payments due us or our Affiliates;

(b) You have, on a timely basis, submitted all sales reports, profit and loss statements, balance sheets and other reports as we require from time to time using our approved format, and such submissions are fully completed and contain all of the information and data required;

(c) All Containers assigned to your location are properly accounted for;

(d) You are storing all Containers that are rented and storing customer contents inside your Warehouse at all times except while the Containers are (i) in transit; (ii) in a staging area outside the Warehouse for no longer than 24 hours prior to or after a scheduled transit; or (iii) located on any non-Warehouse site designated by the customer;

(e) All BX/BXF Containers are only being used for Interfranchise customers;

(f) You are obtaining Customer acceptance of the PODS® brand container;

(g) You are using current forms of the customer rental agreements as amended from time to time;

(h) You are compliant with all insurance requirements;

(i) All forklift operators have appropriate OSHA training;

(j) You obtain and maintain the optimal number of vehicles, Lifts and Containers and with the mix of models and types we specify from time to time for both residential and commercial customers;

(k) Your acquisition, maintenance and continued use of Software we specify from time to time;

(l) You are, and have been, participating fully in required marketing promotion and advertising programs (including those developed for different users, markets and commercial and residential customers); and

(m) Such other criteria as we determine from time to time that we consider important for your operational performance and your compliance with our System.

Currently, ratings for each criterion will be either compliant or noncompliant. If we are unable to measure your performance under one or more criteria, we will give you a complaint rating for such unmeasured criteria (unless our inability to do so is caused, in part, by your lack of cooperation or your failure to provide the necessary information, in which case you will be given a noncompliant rating). Failure to meet any Performance Criteria will result in a Noncompliant audit. Franchise locations receiving a Noncompliant audit rating will be given 30 days on the date of the issuance of the audit report, to remediate all deficiencies to our satisfaction (Franchise Agreement, Section 1.4).

Development Plan

Within the first 15 days following the date of your Franchise Agreement, you may submit to us for approval, a development plan (the "**Custom Plan**") for your PODS® Business. The Custom Plan must be in the form of a timeline and must address your proposed financing sources and terms for the temporary and permanent Premises and Facilities, the trucks/lifts, forklifts and Containers. Additionally, the Custom Plan must address all of the items contained in the Standard Plan. If the Custom Plan is not approved by us, you must implement the Standard Plan, which includes the following time schedules:

ITEM	TIMELINE
Select Franchise Territory	Before signing Franchise Agreement
Create Business Entity	Before signing Franchise Agreement
Sign Agreement	Day 1
Make Initial Payments	Day 1
Truck/Lift	Start week 1, complete week 4
Insurance, Temporary Warehouse and Forklift	Start week 1, complete week 4
Pricing and Coverage Policy	Start week 1, complete week 6
Television Advertising	Start week 4, complete week 8
Owner Operated and/or General Manager Training	Weeks 4 and 5
Hiring of Drivers and Warehouse Operators	Start week 6, complete week 8
Pre-opening Advertisement	The 2 weeks prior to opening
Delivery of Trucks/Lifts and Hiring Drivers	The 2 weeks prior to opening
Grand Opening	90 days after signing the Franchise Agreement
Find Site for and Build First Permanent Warehouse	Months 2 through 11 after opening

(Franchise Agreement, Sections 3.1 and 3.2).

Training

Before the opening of a PODS® Business and at any time you open a new warehouse location or have a new manager operating any of your facilities, you (or your Operating Partner) and any district, general or assistant managers that have not previously managed a PODS® Business must complete, to our

satisfaction, the initial training program and be certified by us as meeting our qualifications for management and operation of a PODS® Business. If you (or your Operating Partner) have previously owned or managed a PODS® Business, then you (or your Operating Partner) may attend the initial training at your option and at no additional cost. We may require other employees to attend and satisfactorily complete additional training programs. (Franchise Agreement, Section 4.1.)

All training programs will be at such times and places as may be designated by us. You will be responsible for all costs we incur for training including travel and living expenses. In addition, you and your employees will be responsible for any and all other expenses incurred by them in connection with any such courses including the costs of transportation, lodging, meals, wages and workers compensation insurance.

Our training programs are conducted on an as-needed basis and consist of classroom training, E-learning programs via our PODS® Virtual Classroom, and hands-on training covering all phases of a PODS® Business including the use and installation of products used in connection with a PODS® Business. The completion of the E-learning portion of training will be required prior to attending the classroom and hands-on portion of training. Training will be conducted at locations in the United States which we determine to be appropriate. Currently, most training is conducted virtually or online. Some training can be done at one of our facilities located in Clearwater, Florida. The amount of training will range from 3 to 5 weeks depending upon the background and experience of the person being trained. The training will be conducted after you sign the Franchise Agreement and before you open a PODS® Business. New or replacement Operating Partners must have successfully completed the Initial Training Program prior to or within 30 days of their designation as an Operating Partner.

As of the date of this disclosure document, the subjects covered, approximate hours of classroom and on-the-job training, and other information about our initial training program are described below:

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
TECHNOLOGY			
RBMS	8.0	0	Virtual Classroom and Modules
Citrix	0.5	0	Virtual Classroom and Modules
2021 Your Role: Internet Security	1.0	0	Online – UKG
Phishing Fundamentals	0.5	0	Online – UKG
Cyber Essentials - Working Remotely	0.5	0	Online – UKG
Keep an Eye On PII	1.0	0	Online – UKG
Security Awareness	0.5	0	Online – UKG
MARKETING			

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Local Sales	1.0	0	Virtual Classroom
Customer Service	1.0	0	Virtual Classroom
PODS Brand Standards	1.0	0	Online – UKG
Delighting the Customer: The Seven Step Delivery Process	2.0	0	Online – UKG
OPERATIONS			
Local Truck Operations	0	16.0	Local Hub or Clearwater, FL
Storage Center Tour	0	4.0	Local Hub or Clearwater, FL
Forklift Certification	2.0	6.0	Online –and In-Person Testing
Unevenly Loaded Containers	0.5	1.0	Online –UKG
Podzilla Lift Operations	0.5	3.0	Online – UKG
Hazard Communication Standards: SDS & Policy	1.0	0	Online – UKG
Cargo Securement	0.3	0	Online – UKG
Commercial Container Delivery	1.5	0	Online – UKG
Gypsy Moth Training and Acknowledgment	0.5	0	Online – UKG
OOS Policy Training	1.2	0	Online – UKG
Call Center Operations	2.0	0	Virtual Classroom
Regulations / Ordinances	1.0	0	Virtual Classroom
Risk Management	1.0	0	Virtual Classroom
Call Center Agent Training	2.0	0	Side by Side – Onsite, Clearwater, FL
CULTURE			
Franchise Operations Manager Learning Plan	2.0	1.0	Online – UKG
Reasonable Suspicion Testing: What Supervisors Need to Know	4.0	0	Online – UKG
PODS Mission, Vision, Values	0.25	0	Virtual Classroom
FINANCIAL			

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Billing & Collections	1.0	0	Our Headquarters (Clearwater, Florida)
Accounting	1.0	0	Our Headquarters (Clearwater, Florida)
IF Settlements	1.0	0	Our Headquarters (Clearwater, Florida)
PERSONNEL			
Onboarding New Associates	1.0	0	Virtual Classroom
Annual Required Training Plans	1.0	0	Virtual Classroom
TOTALS	**41.75**	**31**	

The time periods allocated to the subjects listed above are approximations, and the time actually spent by you and your personnel may vary based on the experience and performance of those persons being trained and business needs. Various aspects of operating a PODS® Business are integrated throughout the training. There are no definitive starting and stopping times for training of these subjects. All required pre-opening training will be held at our corporate headquarters in Clearwater, Florida, or at such other location within the United States as we consider to be appropriate.

The instructional materials used in the initial training will consist primarily of our Manual, marketing and promotional materials, videos and other handouts. We have developed and utilize various forms of training guides to enhance training in addition to the Manual.

The minimum experience of the instructors involved in training are as follows:

Division	Minimum Training Experience
Training Division	2 years of training management
Lift Operations Division	3 years general management and 2 years lift management
Transportation Division – Fleet Management	3 years general management and 1 year fleet management
Franchise Director	1 year franchise sales operational
Franchise Sales Division	1 year franchise sales operational
Human Resource	3 years human resource management
Accounting	3 years general management and 1 year accounting/bookkeeping experience
Sales Representative	1 year franchise sales experience
IT Department	2 years basic computer science and 1 year actual operational knowledge of our Software
Legal Risk Management	3 years comprehensive knowledge of legal issues, general management and insurance related information
Customer Service	5 years call center director or assistant call center director and 2 years call center management

Manual

You will be given the opportunity to review the Manual before purchasing the Franchised Business.

Computer System

You must use in the operation of your Franchised Business certain Software (including modifications and improvements we mandate from time to time). We have also compiled a set of computer hardware components (collectively, the "**Computer System**") to operate the Software. You will acquire the Computer System from us when you sign this Agreement. We provide the Computer System to you at no additional cost, as part of the Initial Franchise Fee. The computers, computer-related equipment, and peripheral devices are referred to as the "**Designated Hardware**." We operate a wide area network (the "**Network**") which is an electronic communications network which links computers of our Affiliates and franchisees (and any other persons we authorize) in different locations with us and consists of the Software, the Designated Hardware and certain communications and other software. The Software includes any modifications, improvements, changes, alterations or enhancements, all related documentation, the tangible media upon which the program is recorded, and database file structure, but excludes any data or databases owned or compiled by us or our Affiliates for use with the Software which are owned by us or otherwise or any data generated by our use of the Software (Franchise Agreement, Section 8.1).

Licenses to remotely access the Software and associated interfaces will be granted as a package consisting of two non-exclusive, non-transferable, non-assignable licenses. The package will be provided to you for your first 400,000-population territory to be used solely in connection with the operation of your Franchised Business. You will be provided an additional license for each additional 400,000-population territory provided that a corresponding Warehouse has been constructed, leased or otherwise obtained to service that area. Additional licenses are available for acquisition from us. No other use of the Software or the Network is permitted. You must use the Software solely on and in connection with the Designated Hardware. Your right to use the Software is co-terminous with the Term. If, for any reason, this Agreement is terminated, your right to use the Software is also terminated (Franchise Agreement, Section 8.2).

We will deliver to you one copy of the Software (in non-printed, machine-readable disk form). We will install the Software on the Designated Hardware. We are not responsible for testing the Software except that we will demonstrate to you that the interface module to the Network is fully operational. You must not copy by any process whatsoever the Software or any portion of it, without our prior written consent. However, you may make copies (in non-printed, machine-readable disk form) of the Software solely for archival and backup purposes. You must reproduce and include any copyright notice, trademarks, service marks, other proprietary markings and/or confidential legends on or within any archival copy of that Software (Franchise Agreement, Section 8.3).

If you are in substantial compliance with your Franchise Agreement, we will deliver to you and you must install and use, such error corrections, upgrades, modifications, improvements, enhancements, extensions and other changes to the Software (collectively, "**Enhancements**"), developed or adopted by us or our Affiliates for use on the Designated Hardware. Any Enhancements to the Software are owned by us. During our normal work hours, we will provide you with telephone assistance (the "**Assistance**") on using and trouble-shooting the Software through a toll-free number (Franchise Agreement, Section 8.3).

You are exclusively responsible for supervising, managing and controlling the use of the Software by you, your agents and your employees, including: (i) assuring proper configuration of the Designated Hardware and related equipment or devices; (ii) implementing and enforcing procedures

sufficient to discharge your obligations of confidentiality and security under this Agreement; and (iii) immediately disclosing all steps taken by you to satisfy your obligations regarding the Software to us on request. We may require additional procedures or steps, or the signing of additional documents, in order to protect our rights in and to the Software (Franchise Agreement, Section 8.3).

Accordingly, if we develop new, upgraded or replacement software and specify new or replacement hardware, we may require you to acquire them from us, our affiliates or designated or approved source or supplier. Furthermore, if we do so, you must pay us or our affiliates such charges we assess for licensing, selling or leasing such software and hardware on such terms and conditions as we set from time to time (Franchise Agreement, Section 8.12).

We have the exclusive right to use the Software in all forms (whether printed, magnetic disk, coded or otherwise), all copies of the Software and all Manuals. All applicable rights relating to the Software (including without limitation, trade secrets, rights and proprietary information, patents, copyrights and trademarks) remain vested in and owned by us. You must not, and have no right to, sublicense the Software or to use the Software in any commercial endeavor other than the operation of your Franchised Business (Franchise Agreement, Section 8.4). You must not remove, deface or destroy any copyright, patent, trademark or service mark notice or other proprietary markings or confidential legends placed on or within the Software (Franchise Agreement, Section 8.6). We retain ownership to and title in all coding relating to the Software, including without limitation, the source code (Franchise Agreement, Section 8.7). You must not decompile, disassemble or reverse engineer the Software or attempt to do so. You must not modify, enhance, alter or attempt to do any of the foregoing to the Software in any way whatsoever (Franchise Agreement, Section 8.8).

You must keep the Software in a secure place and use sufficient restrictions to prevent disclosure of the Software to unauthorized persons. The Software is confidential in nature, proprietary and constitutes one of our trade secrets. Thus, you must not, directly or indirectly, sell, grant, pledge, hypothecate, assign, convey, transfer, publish, display, make available or in any other manner disclose to any third party the Software or its function, logic or structure. All persons or entities who are permitted access to the Software must sign such documents as we may require to protect confidentiality of the Software and our rights. If you neglect or fail to protect the confidentiality of the Software, or permit any unauthorized disclosure of the Software to a third person, we may terminate this Agreement (Franchise Agreement, Section 8.5).

You must promptly disclose to us all ideas and suggestions for modifications or enhancements of the Software or the Network conceived or developed by or for you. You grant to us a worldwide, non-exclusive, perpetual, royalty-free license to use and to license the use of any ideas and suggestions for modifications or enhancements of the Software that you may develop from time to time (Franchise Agreement, Section 8.9).

We have the right at all times to access the Software and the Network and to retrieve, analyze and use all data in your files for the Software at any time. You must not in any way bar, restrict or limit our access to your files in the Network or the Software. If you deny us access, it will constitute a material breach of your Franchise Agreement (Franchise Agreement, Section 8.10).

You must notify us immediately of the assertion of any claim that the Software or your use of the Software violates the trade secret, trademark, copyright, patent or other proprietary rights of any other party. You must also cooperate with us in the investigation or resolution of any such claim. We will defend you against any and all such claims. If the Software becomes, or in our opinion is likely to become, the subject of any claims of infringement of a copyright or patent, we may procure for you the right to continue using the Software, or replace or modify the Software to render it non-infringing or discontinue its use (Franchise Agreement, Section 8.11).

We have the right to control all use of URL's, domain names, websites, addresses, metatags, links, key words, e-mail addresses, social media accounts or platforms, and any other means of electronic identification or origin ("**e-names**"). We also have the right to designate, approve, control or limit all

aspects of your use of the internet, intranet, World Wide Web, social media, wireless technology, digital cable, use of e-names, e-mail, websites, home pages, bulletin boards, chatrooms, e-mail, linking, framing, on-line purchasing cooperatives, marketplaces, barter exchanges, and related technologies, methods, techniques, registrations, networking, and any electronic communication, commerce, computations, or any means of interactive electronic documents contained in a network of computers or similar devices linked by communications software (collectively, "**e-commerce**"). You must follow all of our policies and procedures for the use and regulation of e-commerce and share all social media access codes with us so we can check on brand advertising, customer satisfaction and related purposes. We may require that you provide graphical, photographic, written or other forms of artistic or literary content to us for use in e-commerce activities associated with the Marks, the Copyrights or the System which we may designate. We may restrict your use of e-commerce to a centralized website, portal or network or other form of e-commerce designated by us operated by us or our designee. You must not create your own website. We may require that you provide information to us via e-commerce. We may require you to coordinate your e-commerce activities with us and other PODS® Businesses. We may require you to obtain the services of and pay the then current fees for ISP and ASP services if we do not provide these services. You recognize and agree that between you and us, we own all rights to all interest in and to any data collected via e-commerce related to the System, the Marks or the Copyrights, including any customer data, click-stream data, cookies, user data, hits and the like: such information is deemed by us to be and constitutes our Confidential Information (Franchise Agreement, Section 8.13).

Advertising

Marketing and Advertising Fund.

We established and administer the MAF for the creation and development of marketing, advertising and related programs and materials. You must contribute to the MAF amounts that we establish from time to time, not to exceed 2% of Net Sales (currently 2%), and payable monthly together with the royalty fees. PODS® facilities owned by us and our affiliates will contribute to the MAF on the same basis. We have the right to grant exemptions for any length of time from the requirement of contributing to the MAF. The MAF does not spend any money on advertising which is principally a solicitation for the sale of new franchises. (Franchise Agreement, Section 12.4(a).) The final authority on all programs financed by the MAF will rest with us, and we will have sole discretion over all aspects of such programs, including national or regional media, creative concepts, materials, endorsements, agencies and suppliers (Franchise Agreement 12.4(e)).

The MAF will be accounted for separately from our other funds and will not be used to defray any of our general operating expenses, except for reasonable salaries, administrative costs, overhead and expenses we may incur in activities related to the administration of the MAF and its programs, including e-commerce; conducting market research; trademark registrations maintenance, policing and enforcement; employing advertising/public relations agencies; maintenance, administration and direction of advertising and promotional activities; toll free telephone service; and the development, hosting, maintenance, linking, networking and content for internet or intranet websites, web-pages, networks, communities, alliances or other forms of e-commerce, including business-to-business or business-to-consumer e-commerce; preparing advertising and marketing materials; and collecting and accounting for contributions to the MAF. All disbursements from the MAF shall be made first from income and then from contributions. While our intent is to balance the MAF on an annual basis, from time to time, the MAF may run at either a surplus or deficit. We may spend in any fiscal year an amount greater or less than the aggregate contributions to the MAF in that year, and the MAF may borrow from us or our lenders to cover deficits in the MAF or cause the MAF to invest any surplus for future use by the MAF. We will prepare annually a statement of monies collected and costs incurred by the MAF and furnish a copy to you upon your written request. Except as otherwise expressly provided in this Section, we assume no direct or indirect liability or obligation with respect to the maintenance, direction or administration of the MAF. We do not act as trustee or in any other fiduciary capacity with respect to the MAF (Franchise Agreement, Section 12.4(b)). The MAF will not be audited.

Although the MAF is intended to maximize general recognition and patronage of the Marks for the benefit of all PODS® Facilities, we cannot assure you that any particular PODS® Facility will benefit directly or pro-rata from the placement of advertising. Additionally, we reserve the right to define, at any time, the measurement terms for any media coverage. The MAF may be used to pay for the cost of preparing and producing materials and programs we select, including video, audio and written advertising materials, media planning and buying services, and for the cost of employing advertising agencies and supporting market research activities. We may furnish you with marketing, advertising and promotional materials at cost, plus any related administrative, shipping, handling and storage charges (Franchise Agreement, Section 12.4(c)).

The advertising will be prepared and we will give final approval of your advertising program. Supervision of your advertising program will be at our discretion. We will have sole discretion over all aspects of programs financed by the MAF, including e-commerce, national or regional media, creative concepts, materials and endorsements. Although the MAF is intended to maximize general recognition and patronage of the Marks for the benefit of all PODS® facilities, we cannot assure you that any particular PODS® Business will benefit directly or pro rata from the placement of advertising. The MAF may be used to pay the cost of preparing and producing materials and programs we select and for the costs of employing advertising agencies and supporting market research activities. In the fiscal year ended December 31, 2025, MAF expenditures were as follows:

Item	Expenditure	Percentage of Total
Brand	$2,924,202	20%
Brand Communications and Social	$1,090,358	7%
BI	$241,448	2%
Customer Insight and Experience	$436,750	3%
CRM	$614,249	4%
Media Tools	$580,357	4%
Partnerships	$451,681	3%
SEO	$480,798	3%
MAF Others	($100,824)	-1%
Partnerships Commissions	$2,436,118	17%
Ecommerce Tools	$0	0%
Resi Marketing	$5,968,031	41%
Commercial	$459,655	3%
Franchisee Contribution	($930,675)	-6%
Total	$14,652,148	100%

Advertising Cooperatives

We have the right to establish local and/or regional advertising cooperatives for PODS® Facilities in your local or regional area, covering such geographical areas as we may designate from time to time. You must participate in such advertising cooperative and its programs (other than price advertising, as to which you may choose not to participate) and abide by its bylaws. You must contribute such amounts to the advertising cooperative(s) as they determine from time to time in accordance with their bylaws. Any PODS® Facilities owned by us or any of our Affiliates located in such designated local or regional area(s) will contribute to the cooperative(s) on the same basis. Contributions to such local and regional advertising cooperatives are credited toward the monthly minimum advertising expenditures otherwise required by this Agreement; however, if we provide you and your local and/or regional advertising cooperative 30 days' notice of a special regional or national promotion, you must participate in such promotion and pay to us or the cooperative any regional advertising fees assessed in connection therewith, beginning on the effective date of such notice and continuing until such regional promotion is concluded. Any such special regional advertising fee may be, at our option, in addition to,

and not credited towards, the advertising expenditure required by your Franchise Agreement (Franchise Agreement, Section 12.3).

Advertising conducted by any such cooperatives may be in various media including television, radio, magazine, newspaper, billboards, transit, aerial advertising and e-commerce opportunities. The advertising may be developed by outside advertising agencies with the assistance of our in-house advertising staff. No cooperatives will use any funds for advertising which is principally a solicitation for the sale of franchises.

Local Advertising

You are responsible for all advertising and promotional activities pertaining to the Franchised Business, other than MAF, SMP and cooperative advertising activities. It is required that you engage a media buying service for placement of all media coverage. We may provide recommendations as to the available resources. We will establish from time-to-time minimum amounts of monthly expenditures and/or advertising levels for advertising and promotional activities (the "**Monthly Advertising Requirement**"). At our option, you must purchase such other media and advertising programs as we develop from time to time. These expenditures can be on local, regional, or national broadcast media, but are always subject to approval in advance of placement by us (Franchise Agreement, Section 12.1(a)).

You may supplement the Monthly Advertising Requirement with additional advertising and promotion, but you must submit to us for our prior approval, samples, mock-ups or written outlines of all advertising and promotional materials not prepared or previously approved by us and which vary from our then current standard advertising and promotional materials. Disapproval may include, but is not limited to, issues such as that the Marks are improperly displayed, we believe that the advertising and marketing are not truthful in content or are misleading, and that the advertising messages and strategy are not consistent with our overall objectives for PODS® Businesses. You may not use any advertising or promotional materials that we have disapproved. We will not require prior approval of advertising and promotional materials that we have previously approved unless such materials have subsequently been disapproved or you have otherwise received notice of a change. You may advertise, market and promote your Franchised Business as much as you want subject to the territorial restrictions described in this Agreement, and our approval of the content and format of it (Franchise Agreement, Section 12.1(b)).

You must also obtain and maintain directory listings in the classified and other directories that we designate from time to time covering your Protected Area. The listings must be placed in such categories as we specify from time to time (Franchise Agreement, Section 12.1(c)).

SMP

You must participate in the cooperative media buying and advertising program we establish (the "**SMP**"). This includes paying to us the amounts we assess for your market at the times and on terms we bill from time to time ("**SMP Contributions**"). SMP Contributions are due and payable on the terms described in the periodic assessments, and may vary from time to time. We and our Affiliates will pay SMP Contributions on the same basis as franchisees. We may change, modify or cancel it at any time. The SMP will be governed by the SMP Policy we develop from time to time, and may include, as and on terms we determine, participation on committees. However, all advertising and marketing using the SMP is subject to our approval. The SMP Policy currently in effect on the is attached as Exhibit "H" to the Franchise Agreement. You must pay such amount to us for an advertising cooperative pooling purpose for national advertising programs on a system-wide basis with other PODS® franchisees. Your participation in such programs will satisfy your minimum monthly local advertising and promotional requirements (Franchise Agreement, Section 12.2).

Under the current SMP program, franchisees pay us 2.00% of Net Sales for national advertising purposes (in addition to any applicable Local Advertising Requirement) (Exhibit "H"). This practice may change at some time in the future and revert back to the requirement of the Franchise Agreement. In the fiscal year ended December 31, 2025, SMP expenditures were as follows:

Item	Expenditure	Percentage of Total
Activation	$38,532,248	60%
Awareness	$23,224,906	36%
Agency and Non-Working	$2,634,500	4%
Total	$64,391,654	100%

Promotion and Pricing

You will participate in all: (a) marketing and promotional programs that we require; and (b) gift certificate, gift card and/or loyalty card programs that we require. To the extent allowed by applicable law, you must comply with our minimum, maximum, and other pricing requirements for products and services offered by the Franchised Business (Franchise Agreement, Section 10.12).

Websites

Any Website constitutes "advertising." You must only utilize the Website that we develop and establish for marketing, promotions and advertising. If we permit you to utilize a Website that you develop, any Website you develop or utilize must meet all other terms and conditions for advertising described in the Franchise Agreement or our Manual. For this purpose, a "**Website**" means an interactive electronic document, contained in a network of computers linked by communications software that you operate or authorize others to operate and that refers to your Franchised Business, the Marks, us, and/or the System. The term "**Website**" also includes Internet, Intranet and World Wide Web home pages. You acknowledge and agree that we own all right, title and interest in and to all Websites that are used by our franchisees which bear our marks. We have the sole right to control all indirect or direct use of Websites by you. You must comply with all of the terms and conditions pertaining to use of Websites we designate from time to time in the Manual, including any Website policy or e-commerce policy we designate from time to time (Franchise Agreement, Section 12.5).

We own all right, title and interest (including any copyright, trademark, service mark, goodwill or other intellectual property rights) in and to our Website, your Website and any information or data relating to our Website or your Website, including the log of "hits" by visitors, the Websites or web-pages they visit, and any personal or business data they voluntarily supply. We will share information gleaned from your Website with you and others. We will implement and enforce a privacy policy relating to the Websites. You may not sell any information or data relating to your Website or our Website. You must sign any documents we deem necessary to establish or perpetuate our ownership interest in and to your Website, any Website directly or indirectly related to a part of the System or any information or data relating to them (Franchise Agreement, Section 12.5.).

We may add to, revoke, or change the website policies or e-commerce policies we designate from time to time. We fully expect that changes will be needed as a result of legal developments concerning the Internet, changes in technology, the introduction of new top-level domain suffixes, etc. We also may discontinue operation of our Website, your Website and the provision of Franchisee's or third party's Websites on our or your Website if we determine circumstances warrant doing so (Franchise Agreement, Section 12.5).

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ITEM 12
TERRITORY

The Franchise Agreement grants you the right, and you assume the obligation, to operate a PODS® Business solely within a specific geographic area (the "**Protected Area**"). The Protected Area consists of one or more Territories. A Territory is an area containing a population of approximately 400,000 people as of the date of your Franchise Agreement, and will be further described by a list of nine digit Zip Codes developed by us. A Territory or Protected Area will neither be reduced nor be increased due to any change in population or change in zip codes. A Protected Area affords you: (a) the right to provide moving services for a customer currently residing in your Protected Area to a location in an adjoining franchise territory regardless of whether such territory is an open area or is the protected area of another franchisee, provided such moving services do not go beyond 50 miles outside your Protected Area without prior consent of us or the other franchisee; and (b) the right to market and sell services in an area immediately bordering your Protected Area that is not the Protected Area of another franchisee, us or our Affiliates and which is not reserved by us (an "**Open Area**").

Although customers may reside anywhere, your marketing, operations and performance of services are restricted to your Protected Area or Open Areas, except to the limited extent provided above. You may not relocate a PODS® Business from one location to another without our consent or provide products or services outside the Protected Area except as provided by the Franchise Agreement. The Franchise Agreement does not provide you with any options, rights of first refusal, or similar rights to acquire additional franchises.

If you are not in full compliance with the Franchise Agreement, or do not pay all amounts owed us when due, including the Minimum Royalty Fee, we have the right to operate or grant a franchise to anyone else to operate another PODS® Business within your Protected Area.

Interfranchise Program

We and other franchisees may perform services in your Protected Area pursuant to the Interfranchise Program. If for any reason other than a Force Majeure event or a breach of the Franchise Agreement by Franchisor you do not participate in any Interfranchise Transaction, you waive your right to participate in any other Interfranchise Transactions and we may operate them in your Territory and Protected Area (along with other franchisees at no compensation to you). We retain the exclusive right to allocate revenues received from those Interfranchise Transactions, and the Interfranchise Program generally, between the franchisees or other operators of PODS® Facilities, as we deem appropriate from time to time. You recognize that the division of revenues may change from time to time and may vary depending upon the circumstances. You also recognize that our policy regarding Interfranchise Transactions and the Interfranchise Program may change periodically. Your share of Interfranchise Program operating profits from participating in any move between separately owned Territories will be the greater of $100.00 or one-third (1/3) of the total collected net revenues from such transactions (the "**IF-Net Revenue**"). Further, if we determine, in our sole discretion, that the foregoing percentage allocation of IF-Net Revenue would render any Interfranchise Transaction economically unfeasible for us or another operator of a PODS® Facility involved in the Interfranchise Transaction, then we may adjust the percentage allocation of IF-Net Revenue payable to you to the degree necessary to render such Interfranchise Transactions economically feasible for the parties involved. We may require any or all Interfranchise Transactions be handled through our Billing Services. In determining such IF-Net Revenue, we will deduct from the revenues collected the following expenses and other similarly associated expenses:

(a) Actual costs and expenses we incur in connection with the Interfranchise Transaction (such as freight charges, port fees, ferry charges, cross border expenses, credit card expenses, bad debt write-offs, auction related expenses associated with delinquent accounts), which may include a reasonable allocation of overhead for our call center, logistics, marketing,

and revenue management departments and other expenses attributable to Interfranchise Transactions;

(b) Costs and expenses associated with repositioning of Containers used or to be used in Interfranchise Transactions in order to rebalance inventories as necessary, Container repairs, and Container property taxes;

(c) Costs and expenses associated with dedicated carriers, the operation of hub locations, and staging yards, including, but not limited to, rent, labor, and equipment (which may include depreciation and amortization), and the licensing of software for your transportation management system;

(d) All Royalty Fees and MAF attributable to the Interfranchise Transaction; and

(e) Amounts paid in connection with customer disputes which may be shared by us and the franchisee(s) performing service in the particular Interfranchise Transaction, or may be allocated solely to the party responsible for the liability, as we determine in our reasonable discretion.

In lieu of the IF-Net Revenue method of sharing revenue, we may establish a fee-only model and pay you (and other franchisees) for providing local transportation and storage services in connection with Interfranchise Transactions. You will comply with such requirements if and when we change the program.

National Accounts

We have developed a National Accounts program for the benefit of PODS® Busineses. A National Account is a customer or group of customers that operate or were sourced through an entity under common ownership or control, under the same trademarks or service marks, through independent franchises, or other associations that we have arranged to provide services at multiple locations and/or on a cross-border basis (i.e., across different Territories), and including participants in the VAR Program, and including government related accounts and businesses with multiple locations whether owned directly, through affiliates or owned by licensees. We have the right to solicit customers anywhere, including your Protected Area and whether or not you currently provide services to them, to develop as National Accounts. You must fully participate in the National Accounts program. You must use your best efforts to perform services to any National Accounts located in your Protected Area on such terms and conditions as we have specified for such National Account, including any maximum charges for services. You may decide not to perform services for any National Account located in your Protected Area. Additionally, any National Account may decide not to do business with you. In such cases, we, or any PODS® Business we designate, may perform services for such National Account. If you elect to not participate in any National Account Transaction, you waive your right to participate in any future National Account Transactions. We will be responsible for the service contracts, billing and collection from National Accounts and will remit to you all amounts due you for performing services to them based on our collections reduced by all amounts and fees due us; including your allocated portion of commissions, we pay for the National Accounts you help service. For certain National Accounts, we may agree to increase the maximum liability for damage or loss to customer contents from the levels in our standard rental agreements. If we do so, you agree to assume the increased liability for the damage or loss on customer contents for National Accounts you service.

VAR Program

We have developed a value-added reseller program whereby certain products and services of ours and our franchisees are offered and sold by third parties. These third parties are admitted to our VAR Program in a way to attempt to increase both our and our franchisees' sales and market penetration. VAR

Program participants are typically movers, storage facilities and other similar businesses that have relationships with customers that could utilize our and our franchisees' services. We administer the VAR Program like a National Account program. You must participate in our VAR Program and follow its rules and regulations as they are established from time to time. If you do not participate in the VAR Program, either on an individual or an aggregate basis, then we may offer, sell and provide the products and services requested by the VAR Program participant without any obligation or compensation to you. In addition, if you do not service any VAR Program participants, then we may forbid you from participating in the VAR Program completely. If that happens, then we may provide products and services and sell them to VAR Program participants in your Protected Area without any compensation or obligation to you. We may conduct sales, solicitations, marketing and promotional activities in your Protected Area to solicit VAR Program participants and to promote the VAR Program.

Reserved Rights

We retain all of our rights and discretion with respect to the use of the Marks, the System and PODS® Facilities anywhere else, including the right to: (a) operate, and grant to others the right to operate the PODS® Business at such locations and on such terms and conditions as we deem appropriate; (b) sell any products, equipment or services, including any components of the System, under the Marks or under any other trademarks, service marks or trade dress, through other channels of distribution; (c) operate, and grant to others the right to operate, facilities or businesses identified by trademarks, service marks or trade dress, other than the Marks, pursuant to such terms and conditions as we deem appropriate; (d) sell equipment and services to National Accounts and for the VAR Program and solicit VAR Program participants anywhere; (e) operate, manage and administer the Interfranchise Program and provide products and services for it in your Territory if you do not; and (f) do anything that is not expressly and exclusively granted to you under your Franchise Agreement.

We have the right to operate (directly or through an Affiliate) and grant to others the right to operate within the Protected Area and elsewhere businesses similar to the PODS® Business that we purchase (or as to which we purchase the rights as franchisor) that are part of another franchise system or chain. If such event does occur, we agree not to operate such other business using the PODS® trademarks, service marks or trade dress.

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ITEM 13
TRADEMARKS

The Franchise Agreement grants you to the right to operate a PODS® Business under the trademarks and service marks "PODS®," "PORTABLE ON DEMAND STORAGE®" and our distinctive designs, logos, trade dress and color schemes. You must use the Marks in strict accordance with the Franchise Agreement and the Manuals.

The status of the registration of the following Marks on the Principal Register of the United States Patent and Trademark Office ("**USPTO**") by us is as follows:

Mark	Registration (R) / Filing (F) Date	Date Renewed	Registration or Serial No.	Use
PODS	07/11/00 (R)	9/20/19	2,365,848	Metal containers for the storage and transportation of goods and paper and cardboard packing boxes.
PODS	11/01/05 (R)	12/16/14	3,011,459	Moving and storage services, namely, rental, storage, delivery and pick up of portable storage units.

Mark	Registration (R) / Filing (F) Date	Date Renewed	Registration or Serial No.	Use
PODS	01/07/2025 (R)	N/A	97,150,034	Transportation and supply chain logistics information services, namely, providing transportation information and information related to the storage, transportation and delivery of documents, packages, raw materials, and other freight for others by rail or truck; rentals of storage and shipping containers, self-propelled lifting platforms for purposes of transporting portable storage containers, and packing and shipping supplies; warehousing services, namely, storage, distribution, pick-up, packing, and shipping of goods and cargo for others; moving company services; consultancy services relating to transportation and moving of goods; providing facilities in the nature of containers for merchandise storage
	09/26/2023(R)	N/A	90,633,721	Metal containers for the storage and transportation of goods; metal locks, metal boxes and other branded moving supplies, namely, metal storage boxes and metal straps for securing furniture and home goods
PODZILLA	04/04/06 (R)	04/04/16	3,077,552	Power-operated lift used to transport and place portable storage containers.

Mark	Registration (R) / Filing (F) Date	Date Renewed	Registration or Serial No.	Use
PORTABLE ON DEMAND STORAGE	06/10/08 (R)	01/26/18	3,445,140	Moving and storage services, namely, rental, storage, delivery and pick up of mobile storage containers.
	08/11/09 (R)	09/19/19	3,666,828	Metal containers for the storage and transportation of goods and moving and storage services, namely, rental, storage, delivery and pick up of mobile storage containers.
	09/29/09 (R)	09/19/19	3,689,446	Metal containers for the storage and transportation of goods and moving and storage services, namely, rental, storage, delivery and pick up of mobile storage containers.
PODS. MOVING & STORAGE, SOLVED.	04/12/16 (R)	10/13/2022	4,938,519	Moving and storage services, namely, rental, storage, delivery and pick up of portable storage units.
PODS. MOVING & STORAGE, SOLVED.	04/11/17 (R)	10/11/2023	5,181,973	Metal containers for the storage and transportation of goods and paper and cardboard packing boxes.`
	04/08/21 (F)	10/03/2023	90,633,691	Metal containers for the storage and transportation of goods; locks, boxes and supplies. Moving and storage services, namely, rental storage delivery and pick up mobile storage containers.

There are no currently effective material determinations of the USPTO, the Trademark Trial and Appeal Board, the trademark administrator of this state or any court; no pending infringements, oppositions or cancellations; and no pending material litigation involving any of the Marks. We do not know of any infringing uses that could materially affect your use of the Marks. All required affidavits have been filed. We know of no other superior prior rights or infringing uses.

You agree to follow our rules when using the Marks and not use our name or Mark as part of a corporate name or with modifying words, designs, or symbols unless you receive our prior written consent. You may not use the Marks in connection with the sale of any product or service that is not previously authorized by us in writing.

We reserve the right to substitute different trade names, service marks, trademarks and indicia of origin for the Marks if the Marks can no longer be used, or if we determine, in our sole discretion, that substitution will be beneficial to the System. If we do, you agree if requested to discontinue or modify your use of any Mark or use one or more additional or substitute Marks, at your expense. You agree to comply with our directions within the time period prescribed in our notice. We will not be obligated to reimburse you for any expenses or loss of revenue attributable to any modified or discontinued Mark or for any expenditures you make to promote a modified or substitute trademark or service mark.

You agree to notify us immediately when you learn about an infringing or challenging use of the Marks. We will take the action we think appropriate, but we are not required to take any action if we do not feel it is warranted. We may require your assistance, but you are not permitted to control any proceeding or litigation relating to our Marks. You agree to not directly or indirectly contest our right to the Marks. We will indemnify you against and reimburse you for all damages for which you are held liable to third parties in any proceeding arising out of your authorized use of any Mark and in compliance with your Franchise Agreement, resulting from claims by third parties that your use of the Marks infringes their trademark, and for all costs you reasonably incur in the defense of any such claim in which you are named as a party, so long as you have timely notified us of the claim and have otherwise complied with the terms of your Franchise Agreement

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ITEM 14
PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

We do not own any rights or licenses to any patents that are material to the franchise. We claim copyright protection for our Manual, printed and promotional materials, forms and contracts, websites, and any software that we may develop (the "**Copyrights**").

We also consider certain information relating to the development and operations of the PODS® Business trade secrets and proprietary information. This information includes:

(i) sales, marketing and advertising programs and techniques for the PODS® Business;

(ii) identity of suppliers and knowledge of specifications and pricing for authorized products, materials, supplies and equipment;

(iii) knowledge of our operating results and financial performance and that of other franchisees; and

(iv) methods of inventory control, storage, product handling and management of the PODS® Business.

All ideas, concepts, methods or techniques useful to the System, whether or not constituting protectable intellectual property, and whether created by you or on your behalf, must be promptly disclosed to us and, if adopted as part of the System, will be considered our property and deemed as works made-for-hire for us. You must sign whatever documents we request to evidence our ownership or to assist us in securing intellectual property rights and such ideas, concepts, methods or techniques.

You may not use our confidential information in an unauthorized manner and must take reasonable steps to prevent its disclosure to others.

There are no currently effective determinations of, nor any pending material proceedings in, the Copyright Office (Library of Congress) or any court regarding any of the copyrighted materials. Nor are there any agreements currently in effect which significantly limit our right to use or authorize you to use the copyrighted materials. Further, there are no infringing uses actually known to us which could materially affect your use of the copyrighted materials in any state.

You must immediately notify us of any apparent infringement or challenge to your use of any Copyright, or claim by any person of any rights to any of the Copyrights, and you must not communicate with any person other than us and our legal counsel in connection with any infringement, challenge or claim. We have sole discretion to take any action we deem appropriate and will have the right to control exclusively any litigation or PTO or other administrative proceeding arising out of any infringement, challenge or claim or otherwise relating to any of the Copyrights. You must execute any documents, provide assistance and take such action as, in the opinion of our counsel, may be necessary or advisable to protect our interest in any litigation or PTO or other proceeding or otherwise to protect our interest in the Copyrights. At our sole discretion, we will be entitled to prosecute, defend or settle any proceeding arising out of your use of any of the Copyrights, and, if we decide to prosecute, defend or settle any such matter, we will have no obligation to indemnify or reimburse you for any fees or disbursements of any counsel retained by you.

We are not obligated to protect your rights to use the Copyrights or confidential information, or to protect you against claims of infringement or unfair competition, although we intend to do so when it is in the best interests of the PODS® System. We are not obligated to participate in your defense and/or indemnify you for expenses or damages if you are a party to an administrative or judicial proceeding involving the Copyrights if the proceeding is resolved unfavorable to you.

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

If you are, or at any time become, a business corporation, partnership, limited liability company or other legal entity (a "**Business Entity**"), you must designate in Exhibit "A" to the Franchise Agreement as the "Operating Partner" an individual approved by us who must have the authority to bind you regarding all operational decisions with respect to a PODS® Business; and who has completed our training program to our satisfaction.

You (or your Operating Partner) shall either: (i) exert your full time and best efforts to the development and operation of a PODS® Business and all other PODS® Facilities you own; and not engage in any other business or activity, directly or indirectly, that requires substantial management responsibility or time commitments or otherwise may conflict with or detract from your obligations under the Franchise Agreement, or (ii) appoint a General Manager, acceptable to us, to run your business and who is fully authorized to make all decisions relating to the business. A PODS® Business at all times must be: (a) under the direct, on premises supervision of: (i) a manager who has completed our training program to our satisfaction; or (ii) a qualified and trained supervisor who has been appropriately trained (in accordance with the Manual); and (b) staffed by a sufficient number of competent and properly trained employees. However, you, your Operations Partner or your General Manager at all times must remain active in overseeing the operations of your PODS® Business (including being available "on call" if a PODS® Business is being supervised by a manager or employee other than your Operating Partner or General Manager). We may require your officers, directors, manager and assistant managers to sign nondisclosure agreements.

If you are a Business Entity, each owner must undertake to be personally bound, jointly and severally, by your obligations under the Franchise Agreement. Under no circumstances will a Franchise Agreement be entered into without the execution of personal guaranties, unless other collateral security is provided by you which is satisfactory to us in our sole discretion. A copy of our current form of Guaranty is attached as Exhibit "F" of this disclosure document.

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ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

Unless approved by us in writing in advance, you must offer and sell all and only those goods and services that we have approved (see Items 8 and 9). We may add, delete and change items that you may or must offer, in our unrestricted discretion, and this may require you to purchase additional equipment. Excepted as provided by the Agreement, you may not sell or provide goods or services outside your Protected Area without our prior written consent.

You must maintain at all times and at your expense an inventory of Containers, approved products and equipment sufficient in quantity, quality and variety to realize a PODS® Business's full potential.

We may conduct market research to determine customer trends and salability of new products and services. You agree to cooperate by participating in our market research programs by test marketing new products and services and providing us timely reports and other relevant information regarding such market research. You must purchase a reasonable quantity of such test products and make a reasonable effort to sell them.

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ITEM 17
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

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

THE FRANCHISE RELATIONSHIP		
Provision	**Section in Franchise or Other Agreement**	**Summary**
(a) Length of the Franchise Term	2.1	10 years
(b) Renewal or Extension of the Term	17.1	You have the right to acquire a renewal franchise for 1 additional 10-year term on the terms and conditions of our then-current Franchise Agreement.
(c) Requirements for the Franchisee to Renew or Extend	17.1, 17.2, & 17.3	You agree to: (a) not be in default; (b) give us timely notice; (c) enter into our then-current form of Franchise Agreement; (d) enter into a general release; (e) pay successor franchise fee (currently the greater of $50,000 per Territory or 50% of our then-current franchise fee; (f) remodel or upgrade your PODS® Business and equipment to comply with our then-current standards and specifications; and (g) maintain possession of your Business. If you renew, you may be required to enter into an agreement with materially different terms and conditions than the original agreement.
(d) Termination by Franchisee	None	Not Applicable.
(e) Termination by Franchisor without Cause	None	Not Applicable.
(f) Termination by Franchisor with Cause	16	We can terminate only for specified causes.
(g) "Cause" Defined – Curable Defaults	16.2	Curable defaults include: (a) failure to open the Business and commence operations; (b) abandonment; (c) failure to open a PODS® Business on operational days on 3 or more occasions within a 6-month period; (d) unauthorized transfer; (e) material misstatements or omissions in any information given to us; (f) cancellation or termination of your lease or sublease for your Business; (g) conviction of or pleading no contest to, a felony or other crime or offense we believe may adversely affect the goodwill associated with the Marks; (h) unauthorized transfer (i) unauthorized use or disclosure of Confidential Information; (j) failure to comply with mandatory specifications, standard or operating procedures; (k) 10 days to cure failure to

THE FRANCHISE RELATIONSHIP		
Provision	**Section in Franchise or Other Agreement**	**Summary**
		accurately report Net Sales; (l) 30 days to cure payment failures; (m) fail on 3 or more occasions within any 12 consecutive months to: submit when due reports or other data, information or supporting records; or to commit the same breach of the Franchise Agreement 3 or more times; (n) are in default or suffer termination of or fail to comply with the same provisions of this Agreement or any other agreement with us or our affiliates.
(h) "Cause" Defined – Non-curable Defaults	16.1	At our discretion, your Franchise Agreement may be terminated without notice: (a) if you become insolvent; (b) are adjudicated bankrupt or insolvent; (c) uncured filing of a petition in bankruptcy, reorganization or similar proceedings; (d) you are in receivership; (e) you request an appointment of a receiver or make a general assignment for the benefit of creditors; (f) unsatisfied final judgment against you in the amount of $25,000 or more; (g) your bank accounts, property or accounts receivable are attached; (h) execution is levied against your PODS® Business; (i) foreclosure of your property; (j) uncured dissolution or liquidation of your of your Business Entity.
(i) Franchisee's Obligations on Termination / Non-Renewal	18	Cease operation of PODS® Business; return Manual and confidential materials; abide by non-compete and related provisions; pay all amounts owing to us; comply with purchase option provisions; transfer phone listings and number (also see "r" below).
(j) Assignment of Contract by Franchisor	15.8 & 21.8	No restriction
(k) "Transfer" by Franchisee – defined	1.4	Includes voluntary or involuntary, direct or indirect, assignment sale, gift or other disposition of any interest in your Franchise Agreement, your or your PODS® Business.
(l) Franchisor Approval of Transfer by Franchisee	15.1	We have the right to approve all transfers.
(m) Conditions for Franchisor Approval of Transfer	15.2	You are operating your PODS® Business and are in full compliance under the Franchise Agreement and other agreements with us or our affiliates, new franchisee complies with current qualifications; payment of transfer fee equal to the greater of $50,000 per Territory or 50% of our then-current initial franchise fee; no outstanding defaults; delivery of our then-current Franchise Agreement and related documents; delivery of non-compete agreement; delivery of general release by you; complete training program; and if you finance

THE FRANCHISE RELATIONSHIP		
Provision	**Section in Franchise or Other Agreement**	**Summary**
		any part of the transfer, you must subordinate your security interest to the Franchise Agreement; and your agreement to be bound by the post-term competitive restrictions.
(n) Franchisor's Right of First Refusal to Acquire Franchisee's Business	15.6	We can match any *bona fide* offer to purchase a PODS® Business.
(o) Franchisor's Option to Purchase Franchisee's Business	18.4, 18.5 and 18.6	At termination or expiration, we have an option to purchase all or portions of your assets at Fair Market Value. We also have the right to acquire any or all of the Lifts and/or Containers you are using in a PODS® Business at Book Value if they are owned by you, or if leased, by assumption of lease. We also have the option to purchase all of the assets of your PODS® Business at any time after the 60th month following the opening date of your business at a purchase price equal to the Entity Value which is calculated by multiplying Normalized EBITDA by 6, plus or minus net working capital, less all other debt obligations, liabilities and contingent liabilities of your business, plus unsettled distributions from Interfranchise Transactions in which you participated that are owed to you by us as of the closing date of the acquisition, plus distributions from the PODS CPP loss pool recoveries that have been received by us in the normal course of business which remain unpaid as of the closing date of the acquisition. Normalized EBITDA is EBITDA (earnings before interest, taxes, depreciation and amortization) calculated for the preceding 12-month period normalized for: (a) related party transactions to be restated at current arm's length market rates; (b) excess owners' compensation normalized to expected ongoing management expenses; (c) all other lease obligations will be treated in accordance with generally accepted accounting principles; and (d) revenue and expenses will be adjusted to eliminate isolated and nonrecurring operational events (e.g., capital sales of equipment); and to include amounts that were not paid due to deferred maintenance (to include amounts needed to be spent to bring such items up to our standards and specifications) or advertising expenses less than required under the franchise agreement.
(p) Death or Disability of Franchisee	15.5	Upon your death or permanent disability or that of the Operating Partner or an Owner of a controlling interest, his interest must be transferred to a third party approved by us within 9 months form the date of death or permanent disability. If a replacement Operating

THE FRANCHISE RELATIONSHIP		
Provision	**Section in Franchise or Other Agreement**	**Summary**
		Partner or manager satisfactory to us is obtained within 9 months, no transfer will be required.
(q) Non-Competition Covenants during the Term of the Franchise	7.2	During the term of the franchise, you and each of your owners and the operating partner may not enter into a competing business without written consent from the Franchisor.
(r) Non-Competition Covenants after the Franchise is Terminated or Expires	18.3	You and any owner may not be involved in any competing business offering or providing services: (i) in the Protected Area or within 50 miles of its boundaries; (ii) in a protected area or within 50 miles of its boundaries, that we have granted to any other franchisee; or (iii) within 50 miles of the boundaries of any PODS® Business owned or operated by us for 2 years without our written consent.
(s) Modification of the Agreement	21.11	No modifications unless mutually agreed to by the parties in writing.
(t) Integration/Merger Clause	21.11	Only written terms of the Franchise Agreement, its exhibits and riders, the Manual and any personal guaranties are binding. All other promises may not be enforceable; however, nothing in the Franchise Agreement or any related agreement is intended to disclaim representations made in this disclosure document or its attachments or addenda.
(u) Dispute Resolution by Arbitration or Mediation	20	Except for certain claims, all disputes must be mediated at our headquarters, currently Clearwater, Florida.
(v) Choice of Forum	21.7	Any state or federal court in the judicial circuit in which we have our principal place of business, currently Pinellas County, Florida (subject to State Law, see Exhibit "D").
(w) Choice of Law	21.6	Florida law applies generally. Local law may apply with respect to service charges and covenants not to compete (subject to State Law, see Exhibit "D").

Please refer to the disclosure addenda and contractual amendments appended to this disclosure document for additional terms that may be required under applicable state law. Please note, though, that if you would not otherwise be covered under those state laws by their own terms, then you will not be covered merely because we have given you an addendum that describes the provisions of those state laws.

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ITEM 18
PUBLIC FIGURES

We do not use any public figure to promote our franchise. We do use public figures from time to time to promote PODS® products and services.

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ITEM 19
FINANCIAL PERFORMANCE REPRESENTATIONS

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

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 or projections of your future income, you should report it to the franchisor's management by contacting Jeff Concannon at 13535 Feather Sound Drive, 4th Floor, Clearwater, Florida 33762 and (727) 538-6400, the Federal Trade Commission, and the appropriate state regulatory agencies.

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ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
Systemwide Outlet Summary
For Years Ending December 31, 2023, 2024, and 2025

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2023	16	16	0
	2024	16	16	0
	2025	16	16	0
Company- Owned	2023	113	114	1
	2024	114	114	0
	2025	114	114	0
Total Outlets	2023	129	130	1
	2024	130	130	0
	2025	130	130	0

Table No. 2
Transfers of Franchised Outlets from Franchisees to New Owners (other than the Franchisor)
For Years Ending December 31, 2023, 2024, and 2025

State	Year	Number of Transfers
TOTAL	2023	**0**
	2024	**0**
	2025	**0**

Table No. 3
Status of Franchise Outlets
For Years Ending December 31, 2023, 2024, and 2025

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

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at End of the Year
Delaware	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0
Florida	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Georgia	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0
Hawaii	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0
Indiana	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Kentucky	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0
Louisiana	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Michigan	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0
Mississippi	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0
Missouri	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
Nebraska	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Nevada	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
North Carolina	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0
Ohio	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Rhode Island	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0
South Carolina	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0
South Dakota	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0
Texas	2023	3	0	0	0	0	0	3
	2024	3	0	0	0	0	0	3
	2025	3	0	0	0	0	0	3

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at End of the Year
Virginia	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0
Wisconsin	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
TOTALS	2023	**16**	0	0	0	0	0	**16**
	2024	**16**	0	0	0	0	0	**16**
	2025	**16**	0	0	0	0	0	**16**

Table No. 4
Status of Company-Owned Outlets
For Years Ending December 31, 2023, 2024, and 2025

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired From Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of Year
Alabama	2023	4	0	0	0	0	4
	2024	4	0	0	0	0	4
	2025	4	0	0	0	0	4
Arkansas	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1
California	2023	7	0	0	0	0	7
	2024	7	0	0	0	0	7
	2025	7	0	0	0	0	7
Colorado	2023	3	0	0	0	0	3
	2024	3	0	0	0	0	3
	2025	3	0	0	0	0	3
Connecticut	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1
Delaware	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1
District of Columbia	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1
Florida	2023	9	0	0	0	0	9
	2024	9	0	0	0	0	9
	2025	9	0	0	0	0	9
Georgia	2023	6	0	0	0	0	6
	2024	6	0	0	0	0	6
	2025	6	0	0	0	0	6
Hawaii	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1
Idaho	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1
Illinois	2023	3	0	0	0	0	3
	2024	3	0	0	0	0	3
	2025	3	0	0	0	0	3

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired From Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of Year
Indiana	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1
Iowa	2023	1	1	0	0	0	2
	2024	2	0	0	0	0	2
	2025	2	0	0	0	0	2
Kansas	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1
Kentucky	2023	2	0	0	0	0	2
	2024	2	0	0	0	0	2
	2025	2	0	0	0	0	2
Louisiana	2023	2	0	0	0	0	2
	2024	2	0	0	0	0	2
	2025	2	0	0	0	0	2
Maryland	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1
Maine	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2023	1	0	0	0	0	1
Massachusetts	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1
Michigan	2023	2	0	0	0	0	2
	2024	2	0	0	0	0	2
	2025	2	0	0	0	0	2
Minnesota	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1
Mississippi	2023	3	0	0	0	0	3
	2024	3	0	0	0	0	3
	2025	3	0	0	0	0	3
Missouri	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1
Nevada	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1
New Jersey	2023	3	0	0	0	0	3
	2024	3	0	0	0	0	3
	2025	3	0	0	0	0	3
New Meixco	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1
New York	2023	6	0	0	0	0	6
	2024	6	0	0	0	0	6
	2025	6	0	0	0	0	6
North Carolina	2023	6	0	0	0	0	6
	2024	6	0	0	0	0	6
	2025	6	0	0	0	0	6
Ohio	2023	3	0	0	0	0	3
	2024	3	0	0	0	0	3
	2025	3	0	0	0	0	3
Oklahoma	2023	2	0	0	0	0	2

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired From Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of Year
	2024	2	0	0	0	0	2
	2025	2	0	0	0	0	2
Oregon	2023	3	0	0	0	0	3
	2024	3	0	0	0	0	3
	2025	3	0	0	0	0	3
Pennsylvania	2023	5	0	0	0	0	5
	2024	5	0	0	0	0	5
	2025	5	0	0	0	0	5
Rhode Island	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1
South Carolina	2023	4	0	0	0	0	4
	2024	4	0	0	0	0	4
	2025	4	0	0	0	0	4
South Dakota	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1
Tennessee	2023	5	0	0	0	0	5
	2024	5	0	0	0	0	5
	2025	5	0	0	0	0	5
Texas	2023	9	0	0	0	0	9
	2024	9	0	0	0	0	9
	2025	9	0	0	0	0	9
Utah	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1
Virginia	2023	4	0	0	0	0	4
	2024	4	0	0	0	0	4
	2025	4	0	0	0	0	4
Washington	2023	2	0	0	0	0	2
	2024	2	0	0	0	0	2
	2025	2	0	0	0	0	2
Wisconsin	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1
TOTALS	2023	**113**	**1**	0	0	0	**114**
	2024	**114**	**0**	0	0	0	**114**
	2025	**114**	**0**	0	0	0	**114**

Table No. 5
Projected New Franchised Outlets as of December 31, 2025

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlets In the Next Fiscal Year (2026)	Projected New Company-Owned Outlets In the Next Fiscal Year (2026)
TOTAL	**0**	**0**	**0**

Exhibit "E" attached to this disclosure document lists the names of all current franchisees with their addresses and telephone numbers as of December 31, 2025.

Exhibit "E" attached to this disclosure document lists the name, city, state and the current business telephone number (or, if unknown, the last known home telephone number) of the 4 franchisees who had an outlet terminated, cancelled, not renewed or otherwise voluntarily ceased to do business

under the Franchise Agreement during out most recently completed fiscal year, or who has not communicated with us within 10 weeks of the issuance date of this disclosure document.

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

We are not currently offering any existing franchised outlets to prospective franchisees, including those that either have been reacquired by us or are still being operated by current franchisees pending a transfer. If we begin to offer any such outlet, specific information about the outlet will be provided to you in a separate supplement to this disclosure document.

In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with the PODS® franchise system. You may wish to speak with current and former franchisees but be aware that not all such franchisees will be able to communicate with you.

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ITEM 21
FINANCIAL STATEMENTS

Our parent company, APLPD Holdco, absolutely and unconditionally guarantees the performance of our obligations under our franchise registrations and the franchise agreement. Therefore, a copy of the Guarantee of Performance signed by APLPD Holdco is attached to this Disclosure Document as Exhibit J. APLPD Holdco's audited financial statements for the years ended December 31, 2023, 2024, and 2025, and their unaudited financial statements for the period ended March 31, 2026, are attached as Exhibit "C."

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ITEM 22
CONTRACTS

The following agreements are attached as exhibits:

1.	Application and Deposit Agreement	Exhibit A
2.	Franchise Agreement and Exhibits:	Exhibit B
	A. Principal Owners Statement	
	B. Protected Area	
	C. Lease Provisions	
	D. Standard Terms and Conditions for Purchase of Containers and Lifts	
	E. List of Opening Items	
	F. Schedule of Billing Services	
	G. Schedule of Credit Card Processing Services	
	H. Current Sales and Marketing Program	
	I. Form of PODS® Asset Purchase Agreement	
4.	Principal Owners Guaranty	Exhibit F
5.	UCC-1 Financing Statement	Exhibit G

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ITEM 23
RECEIPTS

You will find 2 copies of a detachable Receipt in Exhibit "L" at the end of this disclosure document. One receipt must be signed, dated and delivered to us. The other receipt should be retained for your records.

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EXHIBIT A

APPLICATION AND DEPOSIT AGREEMENT

APPLICATION AND DEPOSIT AGREEMENT

THIS APPLICATION AND DEPOSIT AGREEMENT (this "**Agreement**") is effective as of _____ (the "**Effective Date**"), regardless of when it is signed, by and between PODS Enterprises, LLC, a Florida limited liability company, with its principal place of business at 13535 Feather Sound Drive, 4th Floor, Clearwater, Florida 33762 ("**we**," "**us**" or "**our**") and _____ ("**you**" or "**your**"). You and we are sometimes referred to collectively as the "parties" or separately as a "party."

BACKGROUND INFORMATION

We grant rights to purchase PODS® franchises, which is a distinctive storage and moving business featuring the use of portable storage units ("**Containers**") and specialized equipment specifically designed for lifting and transporting the containers. We own or have the rights to license certain trade names, trademarks, service marks and trade dress, including the mark PODS® and a distinctive color scheme (collectively, the "**Marks**"). We have developed and own a comprehensive system relating to the franchising of our storage and moving business which system includes accounting methods, custom computer software, advertising, sales and promotional techniques, personnel training, the Marks, certain business practices and policies, all of which we reserve the right to improve, further develop or otherwise modify from time to time (the "System Standards").

PURPOSE STATEMENT

We grant to persons who meet our qualifications and who are willing to undertake the investment and effort the right to operate a PODS® franchise at an approved location (a "**PODS® Franchise**"). You have applied to us to acquire a Franchised Program in a defined geographic area designated by us as the territory consisting of in population (the "**Territory**"). To determine whether to grant you a PODS® Franchise, we must evaluate your credentials and determine the feasibility of granting you a PODS® Franchise in the Territory. We incur various expenses in making those evaluations and determinations. The purpose of this Agreement is to have us forgo the right to grant a PODS® Franchise in the Territory (the "**Rights**") for a period of 30 days while you evaluate the elements necessary for you to purchase the PODS® Franchise in the Territory.

Accordingly, the parties agree as follows:

OPERATIVE TERMS

1. **Deposit**. Contemporaneously with signing this Agreement, you must pay us a deposit (the "**Deposit**") of $_____ to conditionally reserve you right to purchase a PODS® Franchise in the Territory. If we grant a PODS® Franchise in the Territory to you, this Deposit will be applied toward the initial franchise fee of $_____, which would be due and payable on _____, 201_____ . The Deposit will not bear interest. We will not establish a separate account for the Deposit. You recognize that we incur significant expenses in evaluating your qualifications and evaluating sites for the Territory. T**HE DEPOSIT IS NOT REFUNDABLE UNDER ANY CIRCUMSTANCES.**

2. **Confidential Information**: We may disclose certain information to you regarding the PODS® franchise, and the know-how related to its use; plans, specifications, size and physical characteristics of franchise locations; site selection criteria, land use and zoning techniques and criteria; methods in obtaining licensing and meeting regulatory requirements; sources and design of equipment, forms, materials and supplies, marketing, advertising and promotional programs; staffing and delivery methods and techniques for personal services; the selection and training of managers and other

employees, the recruitment, qualification and investigation methods to secure employment for employment candidates; any computer software we make available or recommend, methods, techniques, formats, specifications, procedures, information and systems related to and knowledge of and experience in the development, operation and franchising of a PODS® Franchise; knowledge of specifications for and suppliers of certain products, materials, supplies and equipment; methods of doing business, customers and supplier lists and the like (the "**Confidential Information**"). You acknowledge and agree that the Confidential Information is confidential and proprietary to us"). You will not acquire any interest in the Confidential Information. The use of duplication of any Confidential Information in any other business will constitute an unfair method of competition. You will not disclose, leak, divulge, disseminate, reveal, make available, replicate, duplicate (in any form, tangible or intangible) or otherwise communicate all or any portion of the Confidential Information to any other person or entity, or use it for any purpose other than good faith negotiations with us to obtain a PODS® Franchise, either directly or indirectly, unless given permission to do so in writing by us. You will use the highest degree of care to safeguard the confidentiality of the Confidential Information and not make any copies or abstracts of the Confidential Information (in any form, tangible or intangible) except when permitted to do so in writing by us. You will adopt and implement all reasonable procedures we may prescribe form time to time to prevent unauthorized use or disclosure of the Confidential Information.

3. **Failure to Perform**. If, for any reason whatsoever, you and we do not enter into a definitive Franchise Agreement by _____, 20__ for the Territory, you and we further agree as follows:

(a) *Return*: You will immediately return to us all prototypes, samples, brochures, copies, materials, duplicates, derivations, portions, extracts and any other aspects of the Confidential Information in your possession.

(b) *Copies*: You will immediately deliver to us all additional copies or other duplicates of the Confidential Information produced or created by you or us, including without limitation, all prototypes, documents, photocopies, notes, memoranda, extracts, excerpts, derivations, worksheets or other ancillary documentation containing, or derived form, Confidential Information, whether contained on paper, tangible material, tape or in the computer memory banks or the storage devices.

(c) *Destruction*: You will immediately destroy any Confidential Information or derivations which you may possess in computer memory or elsewhere in machine readable form that cannot be returned to us, thereby leaving no written evidence or intangible embodiment of the Confidential Information in your possession.

(d) *Certificate*: Within 10 days following notice from us of our demand that you return or destroy the Confidential Information, you will deliver to us a written certificate executed by you (or a duly authorized officer on your behalf, if applicable), stating that you have fully and completely discharged all of your obligations under the provisions of this Agreement, including the return or destruction of all the Confidential Information.

(e) *Deposit*: You immediately forfeit your Deposit.

(f) *Forfeiture of Your PODS® Franchise*: If you timely enter into a Franchise Agreement with us, but fail to commence operations of your PODS® Franchise by _____, 201__, you will forfeit your PODS® Franchise, your initial franchise fees for rights in, the Territory will be forfeited.

4. *Governing Law and Jurisdiction*. Florida law governs this Agreement. Jurisdiction and venue for any claims involving this Agreement are exclusively in the courts serving Pinellas County, Florida. The parties irrevocably submit to the venue and jurisdiction of such courts.

5. *Legal Fees*. In any action or dispute, at law or in equity, that may arise under or otherwise relate to the terms of this Agreement, the prevailing party will be entitled to full reimbursement of its legal fees from the other party. Litigation expenses include lawyer fees, defense costs, witness fees and other related expenses including paralegal fees, travel and lodging expenses and court costs. Reimbursement to the prevailing party is due from the non-prevailing party within 30-days of written notice following the entry of a final, non-appealable order form a court of competent jurisdiction.

6. *Assignment*. This Agreement and all rights and obligations of the parties, may not be assigned subcontracted or transferred by you without our prior written consent which may be withheld in our sole discretion.

7. *Cooperation*. Each party is expected to investigate the qualifications, background and respective businesses of the other party (the "**Due Diligence Process**"). Each party agrees to cooperate with the other party in the Due Diligence Process.

7. *Effect*. This Agreement neither evidences, nor commits us to, a grant of a PODS® Franchise in the Territory to you. Any grant of a PODS® Franchise to you will be subject to a definitive Franchise Agreement mutually acceptable and signed by both you and us. Except as provided in this Agreement, no party has any obligation to the other party.

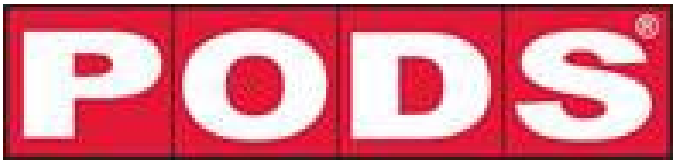
8. *Effective Date*. The effective date of this Agreement is _____.

Intending to be bound, the parties sign below.

US	**YOU**
PODS ENTERPRISES, LLC	_____
a Florida limited liability company	a(n) _____
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

EXHIBIT B

FRANCHISE AGREEMENT



PODS® FRANCHISE AGREEMENT

AGREEMENT DATE: _____

FRANCHISEE: _____

ADDRESS: _____

_____

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PODS®

FRANCHISE AGREEMENT

This Franchise Agreement ("**Agreement**") is made as of _____ (the "**Contract Date**"), between **PODS ENTERPRISES, LLC** ("**Franchisor,**" "**us**" or "**we**"), a Florida limited liability company, with its principal place of business located at 13535 Feather Sound Drive, 4th Floor, Clearwater, Florida 33762, and _____, a(n) _____, whose principal address is _____ ("**Franchise**" or "**you**").

1. INTRODUCTION

1.1 **Franchised Business**. We operate and franchise storage and moving businesses featuring the use of portable, modular storage units (the "Containers") and specialized equipment specifically designed for lifting and transporting the Containers (the "Lifts"). We own or have the rights to license certain trade names, trademarks, service marks, logos, designs, symbols and trade dress, including the marks "PODS®" "PORTABLE ON DEMAND STORAGE®" and a distinctive color scheme, and may adopt, use and license additional or substitute trade names, trademarks, service marks, logos, designs, symbols and trade dress in connection with the operation of the business (collectively, the "Marks"). We have developed and own a comprehensive system relating to the franchising of a storage and moving business, including accounting methods, custom computer software, advertising, sales and promotional techniques, personnel training, the Marks, equipment and specifications for authorized equipment, methods of inventory and operations control and certain business practices and policies, all of which we may improve, further develop or otherwise modify from time to time (the "System").

1.2 **Your Acknowledgments**. You have read this Agreement and our Franchise Disclosure Document. You understand the terms of this Agreement and accept them as being reasonably necessary to maintain the uniformity of our high quality standards at all PODS® Facilities in order to protect the goodwill of the Marks and the integrity of the System. You have conducted an independent investigation of the business contemplated by this Agreement and recognize that the industry is highly competitive, with constantly changing market conditions. You recognize that the nature of the business may change over time, that an investment in a Franchised Business involves business risks and that the success of the venture is largely dependent on your own business abilities, efforts and financial resources. You have not received or relied on any guaranty or assurance, expressed or implied, as to the revenues, profits or success of the business venture contemplated by this Agreement.

1.3 **Your Representations**. You, and your Owners, if applicable, represent and warrant to us, that: (a) neither you nor any of your Owners has made any untrue statement of any material fact or has omitted to state any material fact in obtaining the rights granted to you under this Agreement; (b) neither you nor any of your Owners has any direct or indirect legal or beneficial interest in any Competitive Business, except as otherwise completely and accurately disclosed in your franchise application; (c) the execution and performance of this Agreement will not violate any other agreement to which you or any of your Owners may be bound; (d) you will comply with and/or assist us to the fullest extent possible in our efforts to comply with Executive Order 13224 issued by the President of the United States, the USA PATRIOT ACT, and all other present and future federal, state and local laws, ordinances, regulations, policies, lists, and any other requirements of any governmental authority addressing or in any way relating to terrorist acts and acts of war (the "Anti-Terrorism Laws"); and (e) neither you nor any of your Owners, employees, agents, property or interests are subject to being "blocked" under any of the Anti-Terrorism

Laws and that neither you nor they are otherwise in violation of any of the Anti-Terrorism Laws; and (f) our approval of your request to purchase a franchise is made in reliance on all of your representations and warranties. Any violation of these representations or warranties, or any Anti-Terrorism Laws by you or your Owners or your or your Owners' agents or employees, or any "blocking" of your or their assets under the Anti-Terrorism Laws, will constitute grounds for us to immediately terminate this Agreement and any other agreements you have entered into with us or any of our Affiliates. You recognize that we have approved your franchise application in reliance on all of the statements you and your Owners have made in connection therewith.

1.4 **Certain Definitions**. The terms listed below have the meanings which follow them and include the plural as well as the singular. Other terms are defined elsewhere in this Agreement in the context in which they arise. "**Affiliate**" – Any person or entity that directly or indirectly owns a majority of the interests in or controls the referenced party, that is directly or indirectly owned or controlled in such manner by the referenced party, or that is under common control with the referenced party. The term "**control**" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of an entity, whether through ownership of voting securities, by contract or otherwise.

"**Business Assets**" – The assets of the Franchised Business will include Containers, Lifts, trucks, inventories of non-perishable products, materials, supplies, furniture, equipment, signs, and any and all leasehold improvements, fixtures, building and land, but excluding any cash and short-term investments and any items not meeting our specifications.

"**Business Entity**" – an organization to own and operate the Franchised Business (i.e., a corporation, partnership, limited liability company or similar business organization).

"**Calendar of Operations**" -- The schedule you submit to us showing the days that your Franchised Business will be open for business during the following 3-calendar month period. At a minimum, your Franchised Business must be open Monday – Saturday, 8 a.m. – 5 p.m., or as otherwise directed by us in the Manual from time to time (generally recognized national holidays are the only exceptions and are noted in the Manual). Your Calendar of Operations is subject to our approval, such approval not to be unreasonably withheld.

"**Call Center**" – During the Term, we (or our designee) will provide a toll free number which your customers can use to contact our order department. Call Center personnel will answer inquiries and obtain orders for Containers from prospects calling from your Protected Area or any Open Area we approve at your request. Orders will be entered into the Computer System which will periodically transmit the orders to the Computer System at your facility. Our continuing provision of the Call Center service to you is contingent on your prompt and regular payment of all amounts you owe us.

"**Competitive Business**" – Any storage or moving business featuring the use of vehicles and related equipment by you or your customers to transport or store business or personal property. But Competitive Businesses do not include: (i) the ownership or operation of other PODS® Facilities that are licensed or franchised by us or any of our Affiliates; or (ii) the ownership of shares of a class of securities that are listed on a stock exchange or traded on the over-the-counter market and that represent less than five percent (5%) of that class of securities.

"**Confidential Information**" – Our proprietary and confidential information relating to the development and operation of PODS® Facilities and the System, including: (a) licenses, processes, trade secrets and procedures for the development or marketing of products or services delivered in

connection with the operation of the Franchised Business; (b) our technical information, methods, the Manual, drawings, data, formulae and inventions which relate to the System; (c) improvements to the System including any addition or modification to, or any development, invention or improvement relating to, the System, including intellectual property rights relating to any such addition, modification, development, invention or improvement which has been or is made, discovered or developed or comes to be in your possession prior to termination of the Term; (d) sales, marketing and advertising programs and techniques pertaining to the System; (e) identity of suppliers and customers, National Accounts, PODS® Corporate Development accounts, and knowledge of specifications and pricing for services; (f) knowledge of operating results and financial performance of PODS® Facilities, other than the Franchised Business or other PODS® Facilities you own; (g) methods of inventory control, storage, product handling and management relating to PODS® Facilities; (h) computer systems and software programs; and (i) any information on the design, construction and operation of the Lift. Publicly known information is not considered confidential.

"**Containers**" – PODS® brand portable, modular storage units designed to be used in tandem with the Lifts and may consist of varying models and sizes designed for different users, markets and purposes (including commercial and residential).

"**Copyrights**" – We claim copyright protection for all PODS® Manuals, PODS® Software and advertising and marketing materials we develop that are used in the Franchised Business. New and or updated versions of Manuals and Software programs will be protected by copyright law.

"**Custom Plan**" – A Plan you determine and submit for us for review and approval.

"**Dates**" – The following dates are distinguishable as follows:

(a) "**Contract Date**" – The date the Franchise Agreement has been signed by both parties.

(b) "**Opening Date**" – The first actual day your Franchised Business is open to the public for business, or in the case of a successor franchise, the first day of operations under the successor franchise agreement.

(c) "**Anniversary Date**" – The first day of the thirteenth month from the Opening Date and annually thereafter (as an example, if the Opening Date is June 15, 2018, then the Anniversary Date is July 1, 2019 and each July 1 thereafter).

"**Designated Hardware**" – A computer and the associated physical equipment directly involved in the performance of data processing or communications functions for purposes of this Agreement which will include one of each of the following: CPU, Printer, Scanner and Monitor.

"**Facility**" – The Warehouse(s), office(s) and equipment of the Franchised Business you operate in the Protected Area, one of which shall be designated your principal place of business or Premises.

"**Franchised Business**" – The business conducted utilizing the System, including the on-going business concern under which it is operated.

"**General Manager**" – The person you appoint to operate your Franchised Business on a day-to-day basis and who has full authority equal to the Operating Partner should the Operating Partner not be available. Before being appointed, the General Manager must be approved by us and

complete our training program to our satisfaction. Our approval may be based in part on a background check that you provide on our request, and such approval will not be unreasonably withheld.

"**Immediate Family**" – Spouse, parents, brothers, sisters and children, whether natural or by adoption.

"**Improvement**" – Any addition or modification to, or any development, invention or improvement relating to the System, including Intellectual Property Rights relating to any such addition, modification, development, invention or improvement which has been or is made, discovered or developed or is or comes to be in the possession of Franchisor or Franchisee prior to the termination of the Term.

"**Index**" – The Consumer Price Index (U.S. Average, all items) maintained by the U.S. Department of Labor (or such equivalent index as may be adopted in the future) between January 1, 1995 and January of the then-current year. All fixed dollar amounts used in this Agreement (e.g., the Minimum Royalty Fee, the minimum required local advertising expenditure) will be adjusted on January 1 of each year in proportion to the changes in the Index. Each adjustment will be made effective on January 1 based on the January index, but the first adjustment will not be made until the second January following the Contract Date (e.g., for an Contract Date of July 1, 2006, the first adjustment would be effective as of January 1, 2008). Our failure to adjust any fixed dollar amounts due to changes in the Index at any time does not constitute our waiver of the right to do so at any other time, including for past periods. But we will not impose such adjustments retroactively.

"**Intellectual Property**", "**IP**", or "**Intellectual Property Rights**" – All intellectual property rights, including, without limitation: (a) Patents, Copyrights, Marks and Improvements, and including registered designs, trademarks, service marks, trade dress and the rights to have confidential information kept confidential; and (b) any application or right to apply for registration of any intellectual property right.

"**Interfranchise Program**" – The program we developed, administer and may change from time to time (or even cancel) that governs the rules for participating in transactions (including fees, revenue sharing, liabilities, costs, etc.) that involve portable storage services that require services to be performed both inside and outside of your Protected Area, and also involve performance of the services by us and/or another franchisee (an "**Interfranchise Transaction**").

"**Lifts**" – Specialized equipment specifically designed for lifting and transporting the Containers and may consist of different models and types to be used with different Containers and motor vehicles.

"**Manual**" – Our confidential manual, as amended from time to time, which may consist of one or more manuals, containing our mandatory and suggested standards, specifications and operating policies and procedures relating to the development and operation of PODS® Facilities, the Franchised Business and other information relating to your obligations under this Agreement. The Manual may be in electronic form with access granted solely through our intranet or extranet, via computer disk or other electronic means. The term "**Manual**" also includes alternative or supplemental means of communicating such information to you, including bulletins, electronic mail, videotapes, audio tapes, compact discs, content delivered, to be accessed, or otherwise provided through the internet or intranets, training materials and computer diskettes.

"**Marketing and Advertising Fund**" or "**MAF**" – A fund we established and administer to create and develop marketing, advertising and related programs and materials.

"**Marks**" – Our current and future trademarks, service marks, and trade dress used to identify the services and/or products offered by PODS® Facilities, including the mark PODS® and our distinctive designs, logos, trade dress and color schemes.

"**Minimum Royalty Fee**" – Means the following amounts per month and on a per Territory basis during the following time periods measured from the Opening Date:

Time Period	Amount
0-3 months	$ 0
4-12 months	$ 800
13-24 months	$2,000
25 months and forward	$3,000

The Minimum Royalty Fee will be adjusted by the Index.

"**National Accounts**" – A customer or group of customers that operate or were sourced through an entity under common ownership or control, under the same trademarks or service marks, through independent franchises, or other associations that we have arranged to provide services at multiple locations and/or on a cross-border basis (i.e., across different Territories), and including participants in the VAR Program, and including government-related accounts and businesses with multiple locations whether owned directly, through affiliates or owned by licensees.

"**Net Sales**" – The aggregate amount of sales, rents, revenues, fees, charges and other consideration actually received for services and products sold or leased in connection with operations conducted by the Franchised Business including those from a transaction under the Interfranchise Program and revenue derived from sales at or away from the Franchised Business, whether for cash or credit, but excluding: (a) the amount of all federal, state or municipal sales or service taxes collected from customers and paid to the appropriate authority; (b) the amount of all insurance billed to and collected from customers and paid to the appropriate insurance company; (c) the amount of all customer refunds and adjustments, and pre-approved, in writing, promotional discounts; (d) any amounts written off as bad debt expense and not subsequently collected; (e) revenue from the isolated sale of Containers to us or another franchisee as a part of an Interfranchise Transaction we organized and managed, and that resulted from a customer's decision to convert from local storage of contents to a moving of contents to another market outside of your Protected Area pursuant to an Interfranchise Transaction; (f) any other isolated sale of Containers, Lifts or other assets that we have approved in advance between you and other Franchisees or us; and (g) revenue from any other transaction that we determine to exclude from Net Sales from time to time, if any.

"**Open Area**" – An area immediately bordering on your Protected Area and within 20 miles thereof that is not the Protected Area of another franchisee, of one of our company operations or of one of our Affiliates and which is not reserved by us.

"**Operating Partner**" – The individual you designate in Exhibit A who has completed our training program to our satisfaction and who manages your Franchised Business.

"**Owner**" – Each person or entity that has a 10% or more direct or indirect legal or beneficial ownership interest in you or your Franchised Business, if you or your Franchised Business is a corporation, partnership, limited liability company or other legal entity.

"**Payment Period**" – The monthly period for reporting and for paying monthly recurring fees and amounts due to us that we specify from time to time. We may specify different due dates for different fees and charges. All invoices are due upon receipt unless special terms are specified by us on the invoice. All invoices unpaid after the due date on the invoice are past due.

"**Performance Criteria**" – On a periodic basis as we determine appropriate, we will audit, rate and report to you, the performance of your PODS® Business using the following criteria, as modified from time to time in the Manual (the "**Performance Criteria**"):

(a) You have timely and fully paid all fees, charges and other payments due us or our Affiliates;

(b) You have, on a timely basis, submitted all sales reports, profit and loss statements, balance sheets and other reports as we require from time to time using our approved format, and such submissions shall be fully completed and contain all of the information and data required;

(c) All Containers assigned to your location are properly accounted for;

(d) You are storing all Containers that are rented and storing customer contents inside your Warehouse at all times except while the Containers are (i) in transit; (ii) in a staging area outside the Warehouse for no longer than 24 hours prior to or after a scheduled transit; or (iii) located on any non-Warehouse site designated by the customer;

(e) All BX/BXF Containers are only being used for Interfranchise customers;

(f) You are obtaining Customer acceptance of the PODS® brand container;

(g) You are using current forms of the customer rental agreements as amended from time to time;

(h) You are compliant with all insurance requirements;

(i) All forklift operators have appropriate OSHA training;

(j) You obtain and maintain the reasonable number of vehicles, Lifts and Containers and with the mix of models and types we specify from time to time for both residential and commercial customers;

(k) Your acquisition, maintenance and continued use of Software we specify from time to time; and

(l) You are, and have been, participating fully in required marketing promotion and advertising programs.

Currently, ratings for each criterion will be either compliant or noncompliant. If we are unable to measure your performance under one or more criteria, we will give you a complaint rating for such unmeasured criteria (unless our inability to do so is caused, in part, by your lack of cooperation or your failure to provide the necessary information, in which case you will be given a noncompliant rating). Failure to meet any Performance Criteria will result in a Noncompliant audit. Franchise locations receiving a Noncompliant audit rating will be given 30 days on the date of the issuance of the audit report, to remediate all deficiencies to our satisfaction.

"**The Plan**" – Either the Standard Plan or the Custom Plan for the development and operation of the Franchised Business that you must follow.

"**PODS® Facilities**" – The physical facilities which we or any of our Affiliates or other franchisees own and/or operate and which use the System.

"**Premises**" – Your principal place of business located at one of your Facilities.

"**Protected Area**" – The geographic area consisting of one or more Territories as described on Exhibit B.

"**Software**" – The Software is the proprietary computer software and/or such other computer software that we require the Franchised Business and other franchisees to use from time to time.

"**Standard Plan**" – The Plan set forth in the Manual utilized for the development of the Franchised Business if there is no Custom Plan.

"**System**" – Franchisor has developed and owns a comprehensive system relating to the franchising of its storage and moving business which system includes accounting methods, custom computer software, advertising, sales and promotional techniques, personnel training, the Manual, the Marks, Patents, equipment and specifications for authorized equipment, methods of inventory and operations control and certain business practices and policies, all of which we may improve, further develop or otherwise modify from time to time (the "**System**").

"**Term**" – The time period beginning on the Contract Date and ending after 10 years.

"**Territory**" – A Territory consists of a geographic area of approximately 400,000 people determined as of the Contract Date. The Initial Franchise Fee and all other initial costs, commitments, and other obligations are based on a Protected Area consisting of 1 Territory. If the Protected Area contains more or less than 1 Territory, all fees, purchase requirements, and similar obligations are multiplied by the number of Territories in the Protected Area or fraction thereof. A Territory or Protected Area will neither be reduced nor increased due to any change in population or change in zip codes. If the Protected Area includes more than one Territory, then the term "Territory" means each and all of them whenever the context so requires. Exhibit B describes the Protected Area and the number of Territories.

"**Transfer the Franchise**" – or similar words – The voluntary, involuntary, direct or indirect sale; assignment; transfer**;** license; sublicense; sublease; collateral assignment; grant of a security; collateral or conditional interest; inter-vivos transfer; testamentary disposition or other disposition of: (1) this Agreement; (2) any interest in or right under this Agreement; (3) more than 50% or more of any form of ownership interest (stock, partnership interest, etc.) or of a Controlling Interest in Franchisee; or (4) substantially all of the assets, revenues or income of the Franchised Business. Transfers also include without limitation: (a) any transfer, redemption or issuance of a legal or beneficial ownership interest in the capital stock of, or a partnership interest in, or membership or ownership interest in any limited liability company, or of any interest convertible to or exchangeable for such interests in Franchisee; (b) any merger or consolidation of Franchisee, whether or not Franchisee is the surviving corporation; (c) any transfer in, or as a result of, a divorce, insolvency, corporate or partnership dissolution proceeding or otherwise by operation of law; (d) any transfer upon the death of Franchisee or any Owner of Franchisee by will, declaration of or transfer in trust or under the laws of intestate succession that results in a transfer of a

Controlling Interest; or (e) any foreclosure upon any assets of your Franchised Business or the transfer, surrender or loss by you or any Owner of possession, control or management of a Controlling Interest in your Franchised Business. A "Controlling Interest" is any ownership, beneficial, equity or voting interest in a franchisee operating in the form of a Business Entity that enables its owner or holder to elect or direct the management or policies of such Business Entity, directly or indirectly. A Controlling Interest is conclusively presumed for the ownership or control (direct or indirect) of 50% or more of the securities, equity interests or other voting interests of any Business Entity**.**

"**VAR**" – A value added reseller of products and services offered by us and our franchisees pursuant to the VAR Program.

"**VAR Program**" – The program whereby a VAR offers and sells products and services for us and our franchisees administered under our National Accounts program.

"**Warehouse**" – The warehouses/storage centers located in the Territory operated by the Franchised Business.

2. GRANT OF RIGHTS

2.1 **Grant of Franchise**. Subject to the terms of this Agreement, we grant to you the right, and you assume the obligation, to operate the Franchised Business from one or more Facilities (one of which will be designated the Premises) and to use the System solely in connection therewith, for a term of 10 years, starting on the date of this Agreement (the "Term"). You agree to fulfill your obligations and exert your best efforts to do so, for the full Term. Except as provided elsewhere in this Agreement, you will not conduct the Franchised Business, use the System or provide products or services beyond a geographical area (the "Protected Area") depicted or described on Exhibit B. All of the Facilities must be located within the Protected Area. You may not relocate any Facility, without our consent. Our consent will be given or withheld based on our evaluation of security, cost and appropriateness of purpose and shall not be unreasonably withheld.

2.2 **Your Protected Area**. The franchise allows you to operate your Franchised Business solely in the Protected Area. You agree to use your best efforts to market, advertise and promote the System and optimize the Franchised Business in the Protected Area. During the Term, as long as you are in full compliance with this Agreement and you continue to pay us all amounts owed when due, you will have:

(a) The exclusive right to operate the Franchised Business within the Protected Area and the right to market and sell the services offered by PODS® Facilities in conformance with the Manual. This right includes providing moving services for a customer currently residing in your Protected Area to a location within the protected area of another franchisee or an area serviced by us or our Affiliates; provided that, such moving services shall not go beyond 50 miles outside your Protected Area without the prior consent of us or the other franchisee. In return for the right to provide moving services from your Protected Area into another such territory, you agree that other franchisees, ourselves or our Affiliates may provide moving services into your Protected Area for their customers who originate the move from within our or that franchisees' Protected Area, as well as pursuant to the Interfranchise Program; and

(b) The non-exclusive right to market and sell services offered by the Franchised Business to individuals and organizations located outside of the Protected Area, in an Open Area, subject to our reservation of any Open Area for ourselves, our Affiliate or another franchisee.

Your marketing, operations and performance of services are restricted to your Protected Area, except for any Open Area and as otherwise provided in this Agreement. You must not market, promote or solicit customers for your Franchised Business within, or solicit customers who are located within, a geographic area exclusively awarded to another franchisee, or one of our Affiliates or reserved for us, without our prior consent. You acknowledge that we may grant a franchise to anyone in any geographic area other than the Protected Area with no obligation or compensation to you whatsoever. We may do so at any time so that your operations outside of your Protected Area (i.e., in an Open Area) are at your own risk.

2.3 **Our Territorial Restrictions.** Except as otherwise stated herein, during the Term, we will not operate, nor grant a franchise to anyone else to operate, another Franchised Business within the Protected Area, as long as you pay Royalty Fees equal to or greater than the associated Minimum Royalty Fee and otherwise comply with this Agreement and the Manual. The Minimum Royalty Fee requirement will apply on the Opening Date. If you fail to pay to us the Minimum Royalty Fee, we will have full rights to operate and grant others the right to operate Franchised Businesses in the Protected Area. We will operate our business everywhere as it pertains to Interfranchise Transactions and National Accounts, including within your Protected Area.

2.4 **Interfranchise Transactions**. Notwithstanding the foregoing, we and other franchisees may perform services in your Protected Area pursuant to the Interfranchise Program. If for any reason other than a Force Majeure event or a breach of this Agreement by Franchisor you do not participate in any Interfranchise Transaction, you waive your right to participate in any other Interfranchise Transactions and we may operate them in your Territory and Protected Area (along with other franchisees at no compensation to you). We retain the exclusive right to allocate revenues received from those Interfranchise Transactions, and the Interfranchise Program generally, between the franchisees or other operators of PODS® Facilities, as we deem appropriate from time to time. You recognize that the division of revenues may change from time to time and may vary depending upon the circumstances. You also recognize that our policy regarding Interfranchise Transactions and the Interfranchise Program may change periodically. Your share of Interfranchise Program operating profits from participating in any move between separately owned Territories will be the greater of $100.00 or one-third (1/3) of the total collected net revenues from such transactions (the "IF-Net Revenue"). Further, if we determine, in our sole discretion, that the foregoing percentage allocation of IF-Net Revenue would render any Interfranchise Transaction economically unfeasible for us or another operator of a PODS® Facility involved in the Interfranchise Transaction, then we may adjust the percentage allocation of IF-Net Revenue payable to you to the degree necessary to render such Interfranchise Transactions economically feasible for the parties involved. We may require any or all Interfranchise Transactions be handled through our Billing Services. In determining such IF-Net Revenue, we will deduct from the revenues collected the following expenses and other similarly associated expenses:

(a) Actual costs and expenses we incur in connection with the Interfranchise Transaction (such as freight charges, port fees, ferry charges, cross border expenses, credit card expenses, bad debt write-offs, auction related expenses associated with delinquent accounts), which may include a reasonable allocation of overhead for our call center, logistics, marketing, and revenue management departments and other expenses attributable to Interfranchise Transactions;

(b) Costs and expenses associated with repositioning of Containers used or to be used in Interfranchise Transactions in order to rebalance inventories as necessary, Container repairs, and Container property taxes;

(c) Costs and expenses associated with dedicated carriers, the operation of hub locations, and staging yards, including, but not limited to, rent, labor, and equipment (which may include depreciation and amortization), and the licensing of software for your transportation management system;

(d) All Royalty Fees and MAF attributable to the Interfranchise Transaction; and

(e) Amounts paid in connection with customer disputes which may be shared by us and the franchisee(s) performing service in the particular Interfranchise Transaction, or may be allocated solely to the party responsible for the liability, as we determine in our reasonable discretion.

In lieu of the IF-Net Revenue method of sharing revenue, we may establish a fee-only model and pay you (and other franchisees) for providing local transportation and storage services in connection with Interfranchise Transactions. You will comply with such requirements if and when we change the program.

2.5 **National Accounts**. We may operate and administer a National Accounts program for the benefit of any PODS® Facilities and Franchised Businesses. National Accounts may include a variety of different organizations. The locations of some of the National Accounts may be in your Protected Area and they may also have locations in other geographic areas. Accordingly, regardless of any contrary provision of this Agreement, you and we agree as follows:

(a) **Territorial Rights**: You agree that we may solicit customers located in your Protected Area, whether or not you currently provide services to them, in order to develop them as National Accounts. We may do so without violating any of your territorial rights as described in this Agreement.

(b) **Best Efforts**: You must fully participate in the National Accounts program. You will use your best efforts to perform services to National Accounts located in your Protected Area on the terms and conditions specified in the program for such National Accounts. These terms may vary from National Account to National Account depending on the situations and circumstances. You agree that we may set discounts, commissions and price structures, including maximum charges for services, to such National Accounts and you will fully comply with them.

(c) **Participation**: If, for any reason, you do not participate and perform services for any National Account on the designated terms and conditions or we determine you are not eligible to perform them, then: (i) we may suspend you from eligibility to participate in any or all other National Account programs; and (ii) we may perform such services for the National Accounts directly in or outside your Protected Area or allow others to do so, at no compensation to you.

(d) **Alternative Services**: You recognize that some National Accounts, for whatever reason, may decide that they do not want to do business with you. If that happens, we will cooperate with you to the fullest extent practicable to resolve the National Account's concerns. However, if, after we exercise what we believe to be reasonable efforts to rectify the problem, the National Account continues to refuse to do business with you, then you agree that we or any other franchisee we designate may provide services for such National Account in your Protected Area. You also agree that we or any franchisee we designate may perform services for any National Account located in your Protected Area for whom you have declined to provide services. Neither we nor any of our franchisees will be liable or obligated to pay you any compensation for doing so, and neither we nor any franchisee will be considered in breach of any provision of this Agreement or any other agreement between you and us. You release us and such franchisees from any liability or obligation to you for providing services to such National Accounts. We will indemnify, defend and hold you harmless from and against any claims brought by a National Account arising out of our performance of services in your Protected Area.

(e) **Billing, Reports and Forms**: For purposes of coordinating efforts and results of National Account programs, you must timely provide us with copies of all reports, forms and notices relating to performing services for National Accounts that we may specify from time to time. You also agree to coordinate with us any solicitations you conduct that may have potential for development as National Accounts. National Accounts may require uniform billing terms, central billing by us, and various other practices and formats for you to follow. In this connection, all National Accounts will be billed pursuant to the Billing Services and will be subject to Billing Services Fees unless we determine otherwise (whether or not the customer is invoiced at national, regional, local or branch levels). We will be responsible for the service contracts, billing and collection from National Accounts and will remit to you all amounts due you for performing services to the National Account based on our collections reduced by all amounts and fees due us, including your allocated portion of commissions we pay for the National Accounts you help service.

(f) **Eligibility**: Due to the need to assure adherence to our standards in performing services for National Accounts, you will not be eligible for assignment of National Accounts unless you are in compliance with this Agreement and the Manual. If you are not eligible, then Section 2.5(c) above applies.

(g) **VAR Program**: We have developed a value-added reseller program whereby certain products and services of ours and our franchisees are offered and sold by third parties. These third parties are admitted to our VAR Program in a way to attempt to increase both our and our franchisees' sales and market penetration. VAR Program participants are typically movers, storage facilities and other similar businesses that have relationships with customers that could utilize our and our franchisees' services. We administer the VAR Program like a National Account program. You agree to participate in our VAR Program and to follow its rules and regulations as they are established from time to time. If you do not participate in the VAR Program, either on an individual or an aggregate basis, then we may offer, sell and provide the products and services requested by the VAR Program participant without any obligation or compensation to you. In addition, if you do not service any VAR Program participants, then we may forbid you from participating in the VAR Program completely. If that happens, then we may provide products and services and sell them to VAR Program participants in your Protected Area without any compensation or obligation to you. You acknowledge and agree that we may conduct sales, solicitations, marketing and promotional activities in your Protected Area to solicit VAR Program participants and to promote the VAR Program.

(h) **Contents Liability**: For certain National Accounts, we may agree to increase the maximum liability for damage or loss to customer contents from the levels in our standard rental agreements. If we do so, you agree to assume the increased liability for the damage or loss on customer contents for National Accounts you service.

2.6 **Our Reservation of Rights**. We retain all of our rights and discretion with respect to the use of the Marks, the System and PODS® Facilities anywhere, including the right to: (a) operate, and grant to others the right to operate the Franchised Business at such locations and on such terms and conditions as we deem appropriate outside of your Protected Area; (b) sell any products, equipment or services, including any components of the System, under the Marks or under any other trademarks, service marks or trade dress, through other channels of distribution, including in your Protected Area; (c) operate, and grant to others the right to operate, facilities or businesses identified by trademarks, service marks or trade dress, other than the Marks, pursuant to such terms and conditions as we deem appropriate, including in your Protected Area; (d) sell equipment and services to National Accounts and for the VAR Program and solicit VAR Program participants anywhere, including in your Protected Area; (e) operate, manage and administer

the Interfranchise Program and provide products and services for it in your Territory if you do not, including in your Protected Area; (f) acquire, or be acquired by, a business that operates substantially the same business as the Franchised Business identified by trademarks, service marks or trade dress, other than the Marks, and operate, and grant others the right to operate, such businesses, including in your Protected Area, pursuant to such terms and conditions as we deem appropriate and (g) do anything that is not expressly and exclusively granted to you under this Agreement.

2.7 **Acquisitions**. Notwithstanding any of the foregoing, we (and/or our Affiliates and successors) have the right to operate (directly or through an Affiliate) and grant to others the right to operate within your Protected Area and elsewhere businesses similar to the Franchised Business that we (and/or our Affiliates and successors) acquire (or as to which we acquire the rights as franchisor) that are part of another franchise system or chain. If such event does occur, we agree not to operate such other business using the PODS® trademarks, service marks or trade dress.

3. OPENING AND DEVELOPMENT

3.1 **The Plan**. Within the first 15 days following the date of this Agreement you may submit to us a Custom Plan for your Franchised Business. Within 15 days following your submittal, we will either approve or disapprove your Custom Plan. If we disapprove your Custom Plan we will provide you with written reasons for our disapproval, and you will have up to 15 additional days to resubmit your plan with changes that address or correct the reasons for our disapproval. We will review and approve or disapprove any such resubmittals within 10 days of receipt. Our decision will be final, however, we will not unreasonably withhold acceptance of your Custom Plan. The Custom Plan you submit will be in the form of a timeline and must address your proposed financing sources and terms for the temporary and permanent Premises and Facilities, the trucks/lifts, forklifts and Containers. Additionally, the Custom Plan must address all of the items contained in the Standard Plan. If you do not submit or if we do not approve the Custom Plan you agree to implement the Standard Plan and meet all of the time schedules within the Standard Plan. You agree to meet all of the time schedules of the Plan that apply to you whether it is a Custom Plan or the Standard Plan.

3.2 **The Standard Plan**. The Manual contains a more complete list of activities and objectives along with a detailed timeline for the Standard Plan. The items below are intended to describe some of the critical elements of the Standard Plan and should not be taken to be a complete list of activities and objectives. Additionally, other parts of this Agreement address subjects contained in this Section. In determining the specific meaning of this Agreement, the contents of this Section and the contents of the other parts of this Agreement shall be considered as if they are a single section. Any conflict in meaning between other parts of this Agreement and the contents of this Section shall be decided in favor of the other parts.

(a) **Create Business Entity**: – Before Agreement Signing. You will have established the business entity you will use to own and operate the Franchise. Alternatives are Sole Proprietorship, General Partnership, Corporation, Limited Partnership or Limited Liability Company. You will need to obtain a Federal Identification number for your company and provide us with copies of your company papers and certain other organizational information.

(b) **Sign Agreement**: – Day One. After you, your business partners and/or owners have reviewed this Agreement in detail so as to fully understand your obligations, you will sign the Agreement and associated exhibits and addenda providing two signed copies to us. We will sign both copies and return one completed copy of the Agreement to you.

(c) **Make Initial Payments**: – Day One. The Initial Franchise Fee and the payment for the initial order of Containers and the order of Lifts are payable upon execution of the Agreement.

(d) **Truck/Lift**: – Start week one complete week four. We currently have relationships with one or more truck leasing companies that will allow you, upon the approval of the leasing company and the truck dealer, to lease delivery trucks and our proprietary Lifts. Since the delivery time for the trucks can vary based on demand, you must order at least one truck and Lift immediately after execution of the Agreement.

(e) **Insurance, Temporary Warehouse and Forklift**: – Start week one complete week four. Within the first week you must obtain insurance acceptable to us, under the terms of this Agreement. You must find, submit a site plan for approval and rent, for a period of approximately one year, a temporary Warehouse suitable for storing at least 175 Containers in a location convenient to servicing your Protected Area, and you must locate and rent a forklift capable of lifting and moving loaded Containers. The Warehouse must be occupied and ready for use within 75 days from the date of this Agreement.

(f) **Pricing and Coverage Policy**: – Start week one complete week six. Based on your study of the pricing of other storage and moving options in your territory, you must establish the pricing you will charge for the rental of the Containers and for the various services and handling charges you will apply. You must compile a list of nine digit zip codes for all portions of your Protected Area and for any portions of Open Area(s) which you wish to service until that Open Area(s) is serviced by us, one of our Affiliates, or another franchisee. This information and your calendar of planned operational days for the first three months of operations must be sent to us for inclusion in the PODS call taking system.

(g) **Television Advertising**: – Start week four and complete week eight. You must contact an approved advertising agency and arrange for them to develop a television advertising schedule for the pre-opening and post opening periods. We may assist you in arranging for the advertising agency to tailor our standard advertisements to your franchise area, but it is your sole responsibility to satisfy your advertising obligations under this Agreement.

(h) **Owner Operated and/or General Manager Training**: – Weeks four and five. Upon mutual acceptance of the Agreement we will schedule up to two weeks of training, at a time acceptable to you and us, for you and/or your General Manager. Successful completion of the training is a requirement for opening your franchise.

(i) **Hiring of Drivers and Warehouse Operators**: – Start week six complete week eight. At least six weeks before your scheduled grand opening you must begin advertising for driver and Warehouse personnel with the objective of having at least two qualified candidates for training we will provide for you, the General Manager/Operating Partner, the drivers and the Warehouse personnel. You must have your drivers and Warehouse personnel hired 3 weeks prior to opening.

(j) **Pre-opening Advertisement**: – The two weeks prior to opening. Prior to your Opening Date you may advertise. Pre-opening advertising is at your discretion. However, an advertising program must be in place by your Opening Date as described herein. We may require that you spend at least $500 in media advertising for distribution throughout your entire Territory during the month preceding the Opening Date.

(k) **Delivery of Trucks/Lifts and Hiring Drivers**: – The two weeks prior to opening. Two weeks before opening we will begin training the drivers/Warehouse personnel you have hired as provided below. In order for training to be conducted and effective, the trucks and Lifts must have been delivered and operational before training begins. Our training will last 2-3 days. You will be responsible for insuring that your drivers practice the skills they learn after our instruction is complete and before you open for business. Additionally, at your expense and on a time available basis, you may have your driver trainees accompany one of our experienced drivers at one of our locations for two days.

(l) **Grand Opening**: – Ninety days after signing this Agreement you must hold your grand opening and be opened for business, and have accepted delivery of a mutually agreed upon amount of Containers that are available for customers.

(m) **Find Site for and Build First Permanent Warehouse**: – Months two through eleven after your opening. You must enter into a lease for an existing building or acquired property and arranged for the construction, on a build to suit/lease back basis, of your first permanent Warehouse, within four months after the opening of your franchise. You must maintain a permanent Warehouse for the duration of this Agreement. This does not imply a need to own the Warehouse. The size of the Warehouse must accommodate the market demand. The completion of the Warehouse must coincide with the expiration of the lease on your temporary Warehouse so that you can move your PODS® equipment and office to the new location before your lease on the temporary Warehouse expires. Additionally, you must monitor and take corrective action if the rate of Container rental and the number of Containers stored in your temporary Warehouse exceeds the capacity of the temporary Warehouse before the permanent Warehouse is available. You must not sign any lease agreement for any Warehouse unless and until: (i) we have approved it in accordance with this Agreement and (ii) the lease has the provisions contained in Exhibit C to this Agreement.

(n) **Build and Occupy Second Permanent Warehouse:** Additional Warehouses will be required as we deem necessary based on our judgment of the market and demand in your Territory. If and as we require, you must obtain an approved lease for, build out, and begin operating, an additional Warehouse, within six months of our written notice to you.

(o) **Site Selection**: - You are solely responsible for selecting the sites of the Warehouse and other facilities from which you will open and operate the Franchised Business. The sites for all of the Warehouses of the Franchised Business are subject to our approval. You must not acquire or lease a site without our approval. Our acceptance will be based on our standard site selection criteria, including demographic characteristics, traffic patterns, parking, character of neighborhood, competition from and proximity to other businesses, the nature of businesses in proximity to the site, and other commercial characteristics and the size, appearance and other physical characteristics of the proposed site, as well as other considerations that may arise from time to time. Before you acquire, by lease or purchase, any site for the operation of the Franchised Business or any facility, you must submit a site report to us. We will review each site report and determine whether to accept or reject each site after considering the factors we deem appropriate, including general location, access, visibility, size and configuration, and other physical characteristics of the site. We will accept or reject a site within 15 days after receipt of your site report. If you and we cannot agree on a site within 90 days after you sign the Franchise Agreement, the Franchise Agreement will be terminated without refund. You may not relocate a facility or your premises from one site to another without first obtaining our written consent based on the same or similar criteria as we use for evaluating other sites for PODS® Facilities.

3.3 **Opening the BusinessDevelopment**: You are responsible for developing the Facilities and for all expenses associated with it. You must submit a site plan depicting the location and type of improvements to be situated upon the Facilities as well as parking, access and signage specifications to us for our approval before starting to develop the Facilities. All development must be in accordance with the plans and specifications we have approved and comply with all applicable laws, ordinance and local rules and regulations. We will furnish such guidance to you in developing the Facilities as we deem appropriate. We do not, by approving your plans or specifications or inspecting the Facilities, assume any liability or responsibility to you or to any third parties.

(b) **Opening For Business**: The requirement to complete construction of the Facilities includes obtaining all required construction and occupancy licenses and permits, developing the Facilities (including all outdoor features and landscaping), installing all required fixtures (including overhead cranes, if appropriate), furnishings, equipment and signs, and doing all other things as may be required pursuant to this Agreement, the Manual, or by practical necessity to have the Facility ready to open for business. The Facility may not be opened for business until we have notified you that the Facility meets our requirements for opening. Notwithstanding the foregoing, we may, in our sole discretion, conditionally approve opening of the Facility for business prior to satisfaction of all of our requirements, provided that you subsequently satisfy, on a timely basis, all conditions which we may establish.

(c) **Initial Orders**: Concurrent with execution of this Agreement you will submit an order for at least 36 Containers. Within 30 days of execution of this Agreement you will order at least 1 truck and 1 Lift from us or from an approved finance or leasing company.

(d) **Grand Opening Program**: You may be required to provide a plan to be approved by us regarding the advertising of your Grand Opening.

(e) **Site Acceptance Disclaimer**: Neither our acceptance of the Premises or Facilities nor any information communicated to you regarding our standard site selection criteria for Facilities constitutes a warranty or representation of any kind, express or implied, as to the suitability of the Premises or Facilities or for any purpose. Our acceptance of the Premises or Facilities merely signifies that we are willing to grant permission for operation of a Facility at that location. Your decision to develop and operate the Premises or Facilities is based solely on your own independent investigation of the suitability of the Premises or Facilities for a PODS® Facility. In consideration of our acceptance of the Premises or Facilities, you and your Owners release us, and our Affiliates, officers, directors, employees and agents from any and all loss, damages and liability arising from or in connection with the selection and/or acceptance of the Premises for development as a Facility.

(f) **Acquisition Terms**: You agree to deliver to us a copy of any lease, sublease or purchase contract for the Facilities for our approval before you sign it. You agree that any lease or sublease for the Facilities must, in form and substance satisfactory to us, include all of the provisions set forth on Exhibit C, and otherwise meet our approval. You may not execute a lease, sublease or purchase contract or any modification thereof without our approval. We do not, by virtue of approving the lease, sublease or purchase contract assume any liability or responsibility to you or to any third parties nor will our approval constitute a warranty or representation as to that document's fairness or suitability or as to your ability to comply with its terms. You must deliver a copy of the fully signed lease, sublease or purchase contract to us within 5 days after its execution. If you or one of your Affiliates at any time own the Facilities, you must immediately notify us and we may require that you or such Affiliate enter into a lease with us at commercially reasonable rates for a term co-terminate with the Term and we will sublease the Facilities to you on the same terms as the prime lease.

(g) **Specifications and Standards**: Equipment, materials and supplies that are not purchased from either us or our Affiliates, or from approved suppliers, must meet our standards and specifications, including standards and specifications for quality, design, warranties, appearance, function and performance. We may change our specifications and standards at any time. But if we do so, we will either revise our Manuals or provide other notice to you. Unless we require otherwise, the change in specifications and standards will only apply after notice of the change.

(h) **Opening Assistance**: We anticipate that you will want our assistance with opening your Facility. But we recognize that if you have already owned or managed a PODS® Facility, that you will not need our help. If you want our help in opening your Facility, you must notify us at least 30 days prior to the anticipated Opening Date so that we can coordinate with the personnel that we will need to schedule on-site. Our opening personnel will be available to provide on-site opening assistance for up to 3 business days, subject to schedule availability. Thus, it is important to make scheduling arrangements as soon as possible when you target your Opening Date. You may need to change your anticipated Opening Date in order to accommodate the schedule of our opening personnel. Otherwise, we will provide you with such opening assistance as we deem appropriate to assist you in starting your operations from our headquarters.

4. TRAINING AND GUIDANCE

4.1 **Initial Training Program**. Prior to opening the Facility, you (or your Operating Partner), and any district, general or assistant managers who have not previously managed a PODS® Facility, must attend and successfully complete an initial training program on the operation of a PODS® Facility at such time(s) and place(s) as we designate. Otherwise, attendance by your employees is optional. If you (or your Operating Partner) have previously owned or managed a PODS® Facility, then the initial training is optional for you (or your Operating Partner). We will not charge any fees for attendance at the initial training program; however, you shall reimburse us for travel, meal and lodging expenses incurred by our employees for any training programs conducted for your benefit away from our headquarters. You will be responsible for all compensation and expenses (including travel, meals and lodging) incurred by you and your personnel in attending any training programs. You must immediately replace any manager who fails to successfully complete any training program or any manager who otherwise is not qualified to manage a PODS® Facility.

4.2 **On-Going Guidance**. We will furnish you periodic guidance with respect to the System, including improvements and changes to the System. Such guidance, at our discretion, will be furnished in the form of the Manual, bulletins and other written materials, consultations by telephone or in person at our offices or at a PODS® Facility, or by any other means of communications, including virtual training classes. We may require you, your Operating Partner or your General Manager and your managers to attend and successfully complete periodic or additional training programs. You agree to pay any fees we may establish from time to time to prepare and conduct periodic or additional training programs. At your request, we may provide special assistance for which you will be required to pay the per diem fees and charges we may establish from time to time. However, you are solely responsible for training all of your employees and ensuring they are fully trained to perform their duties. We do not require your employees to attend our training programs.

4.3 **Manual**. During the Term, we will loan you 1 copy of the Manual (or make the Manual accessible to you via electronic format, like Internet, Intranet or CD ROM). You agree to comply fully with all mandatory standards, specifications and operating procedures and other obligations contained in the Manual which we may modify from time to time, provided no addition or modification may alter your fundamental status and rights under this Agreement. You must adhere to updated changes within 30 days'

notice that a modification has been made regarding our policies and procedures. You must keep your copy of the Manual current. However, you may not alter or amend the electronic format Manual. If a dispute develops relating to the contents of the Manual, our master copy will be controlling. The Manual contains Confidential Information, and you agree neither to copy any part of the Manual nor to make any portion of or all of the electronic format Manual accessible to others, or disclose its contents without our express written consent. To the extent any of the System standards, or other resources in the Manual, address personnel or employment matters, those are not mandatory but are merely recommendations, suggestions or guidelines. System standards do not include any mandatory requirements on your employees' wages, working conditions, hours, staffing levels, shift timing or other terms of employment; but may specify uniforms and appearance to meet brand standards.

5. INTELLECTUAL PROPERTY RIGHTS

5.1 **Ownership**. You acknowledge that we own the Marks, Copyrights, Patents and Improvements (the "IP"). Your right to use the IP is derived solely from this Agreement and is limited to conducting the Franchised Business pursuant to and in compliance with this Agreement. Your unauthorized use of any of the IP constitutes a breach of this Agreement and an infringement of our rights to use the IP. This Agreement does not confer on you any goodwill or other interests in the IP. Your use of the IP and any goodwill established thereby inures to our exclusive benefit. All provisions of this Agreement applicable to the IP apply to any additional or substitute trademarks, service marks, copyrights, patents, improvements and trade dress we authorize you to use. You may not at any time during or after the Term contest, or assist any other person in contesting, the validity or ownership of any of the IP owned by us or our Affiliates. You shall promptly disclose and make fully available all Improvements to us. Franchisee assigns to us all of its right, title and interest in any Improvements. We agree that any such Improvement shall be deemed a part of the System provided that the Improvement is approved by us.

5.2 **Use of the Marks**. You agree to use the Marks as the sole identification of the Franchised Business, provided you identify yourself as the independent owner thereof in the manner we prescribe. You agree to use the Marks and labeling procedures as we prescribe in connection with the sale of authorized products and services. You may not use any Mark (or any abbreviation, modification or colorable imitation) as part of any corporate or legal business name or in any other manner not expressly authorized by us in writing, or permit or engage in any act that may prejudicially affect any of the IP.

5.3 **Discontinuance of Use of Marks**. If it becomes advisable at any time for us or you to modify or discontinue use of any Mark or use one or more additional or substitute trademarks, service marks or trade dress, you agree to comply with our directions within a reasonable time after notice. We will have no liability or obligation whatsoever with respect to any such required modification or discontinuance of any Mark or the promotion of a substitute trademark, service mark or trade dress.

5.4 **Notification of Infringements and Claims**. You must notify us immediately of (a) any apparent infringement by any third party of any Mark, Copyright, or Improvement; (b) any challenge by any third party to your use of the System; or (c) any claim by any other person of any rights in any Mark, Copyright, or Improvement. You may not communicate with any person, other than us and our counsel, in connection with any such infringement, challenge or claim. We will have sole discretion to take such action as we deem appropriate and will have the right to control exclusively any litigation or administrative proceeding arising out of any such infringement, challenge or claim or otherwise relating to any Mark, Copyright or Improvement. You must sign any and all documents, render such assistance and do such things as may be advisable in the opinion of our counsel to protect our interests in any litigation or administrative proceeding or otherwise to protect our interests in the IP. We are entitled to, and you waive any rights with respect to, any and all damages, relief, awards and other compensation we receive or are awarded arising out of any infringement proceedings involving the IP. We (and our Affiliates) are solely

entitled to any damages, settlement awards, compensation, and any other proceeds resulting from or arising out of any infringement claims involving any Mark, Copyright, Improvement or any of our or our Affiliates other Intellectual Property.

5.5 **Indemnification of Franchisee**. We agree to indemnify you against, and to reimburse you for, all damages for which you are held liable in any proceeding arising out of your authorized use of any Mark pursuant to and in compliance with this Agreement and, except as provided herein, for all costs you reasonably incur in defending any such claim brought against you, provided you have timely notified us of such claim and provided further that you and your Owners and Affiliates are in compliance with this Agreement and all other agreements entered into with us or any of our Affiliates. As we determine in our sole judgment, we are entitled to prosecute, defend and/or settle any proceeding arising out of your use of any Mark pursuant to this Agreement, and, if we undertake to prosecute, defend and/or settle any such matter, we have no obligation to indemnify or reimburse you for any fees or disbursements of any legal counsel retained by you.

6. FEES

6.1 **Initial Franchise Fee**. At the time you sign this Agreement, you must pay us an initial franchise fee of N/A because your Protected Area has a population of N/A. The initial franchise fee is nonrefundable. In exchange, we grant you the Franchise and will deliver certain items to you listed on Exhibit E. We will apply any deposit you have paid us toward the Initial Franchise Fee in accordance with any deposit agreement between you and us.

6.2 **Royalty Fee**. You agree to pay us fees in connection with the operation of your Franchised Business each month equal to the greater of the Minimum Royalty Fee or 8% of Net Sales generated during the calendar month immediately preceding the payment date for the Payment Period (the "Royalty Fees").

6.3 **Performance Adjustments**. After the 3rd Anniversary Date, we may adjust your Royalty Fees depending on your performance as follows:

(a) During any time period in which you receive a Noncompliant Performance Rating, in addition to the Royalty Fees otherwise due, you must pay us a supplemental Royalty Fee of 2% of Net Sales, otherwise fully in accordance with the payment terms for Royalty Fees otherwise specified in this Agreement(the "Supplemental Royalties").

(b) Once your Performance Rating has attained a Compliant rating again, then the Supplemental Royalties will no longer be charged as long as you maintain a Compliant rating. We have no obligation to evaluate you for a Performance Rating more frequently than every 6 months.

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6.4 **Billing Services Fee Schedule**. You must pay us the Billing Services Fee in the amounts and method we charge from time to time (the "Billing Services Fee"). The Billing Services Fee will be based upon each charge you make to a customer for your Franchised Business or related event described below (a "Customer Billing Event"). The current Billing Services Fee schedule is as follows:

Manual Bill/Collection	$5.25
Credit Card Auto Pay (no invoice to customer)	$1.25
Credit Card Auto Pay (courtesy invoice mailed)	$2.25
Direct Bill Invoice	$6.26

Certified Letters	$7.00
Auction Admin Fee	$75.00

We will remit an invoice to you on a monthly basis for the Billing Services Fees with respect to transactions from the preceding month. The invoice is payable on or before the 25th day of each month. All out-of-pocket expenses such as credit card processing fees, newspaper ads, certified letters, etc. will be charged to you. We may change any portions of the Billing Services Fee from time to time, including the method and basis (e.g., a percentage of the affected invoice(s)).

6.5 **Credit Card Processing Services Fee Schedule**. You must pay us the Credit Card Processing Services (the "Credit Card Processing Services Fee"), which is based upon each charge made by a customer for your Franchised Business. The current Credit Card Processing Services Fee schedule is $0.35 per customer transaction. We will remit an invoice on a monthly basis for the Credit Card Processing Services Fee, with respect to transactions for the preceding month. The invoice is payable on or before the 25th day of each month. Transaction fees from the processing bank will be separate and invoiced to you directly by the credit card company at the same rates in effect for us. Other additional fees may apply to you based upon the type of transaction and to the extent we incur third party expenses to manage the services (e.g., for technology or processing). We will bill such third party expenses to you on a pro rata basis as we determine appropriate to fairly apportion such expenses among all Franchised Businesses, whether owned by us, our affiliates or franchisees. Such fees will be noted on the monthly invoice. A separate merchant number must be obtained for your Franchise location. This will ensure that all applicable transaction fees will be billed to you directly from the credit card processing companies and you will remit payment to them directly.

6.6 **Fee Changes**. We may change the amounts, method of payment and due dates of any or all of the following fees: Billing Services Fees; and Credit Card Processing Services Fees and reimbursement schedule for Billing Services at any time upon 30 days' prior written notice to you. The new fee and/or reimbursement schedule will become effective as of the end of the 30-day notice period or such later date we specify.

6.7 **Timing/Due Dates**. Except as otherwise stated in this Agreement, you must pay all monthly fees due to us no later than the payment day we specify from time to time for the Payment Period.

6.8 **Interest On Late Payments**. Royalty Fees and all other amounts which you owe us or any of our Affiliates bear interest after their due date at the highest contract rate of interest permitted by law, not to exceed 1.5% per month. We will not impose, or require you to pay, interest on late payments unless you have been delinquent by more than 30 days, or unless you have been delinquent on 2 or more occasions during the immediately preceding 12 calendar months. However, your failure to pay all amounts when due is a breach of this Agreement and may constitute grounds for termination t otherwise in accordance with its terms.

6.9 **Offsets**. We may offset against any amount we owe you, any amount you owe us. We will notify you if we do so.

7. RESTRICTIVE COVENANTS

7.1 **Confidential Information**. We will disclose parts of our Confidential Information to you solely for your use in the operation of the Franchised Business. The Confidential Information is proprietary and includes our trade secrets. During the Term and thereafter: (a) you may not use the Confidential Information in any other business or capacity (you acknowledge such use is an unfair method of competition); (b) you must exert your best efforts to maintain the confidentiality of the Confidential

Information; (c) you may not make unauthorized copies of any portion of the Confidential Information disclosed in written, electronic or other form; and (d) you must implement all reasonable procedures we prescribe from time to time to prevent unauthorized use or disclosure of the Confidential Information, including the use of nondisclosure agreements with your officers, directors, managers and assistant managers and the delivery of such agreements to us. Information will not be deemed confidential or proprietary if generally known to the public. Notwithstanding the foregoing, we will permit you to disclose the Confidential Information to your professional advisors, investors and any lender for bona fide business transactions as long as they agree to keep such information as confidential pursuant to such written agreements as we may approve, and as may be required pursuant to any court hearing, legal proceeding or court order, provided that you inform the courts of the confidential nature of such information and give us the opportunity to seek a protective order prior to disclosing such information.

7.2 **In-Term Covenants**. During the Term, neither you nor any of your Owners may, directly or indirectly (such as through members of his or their Immediate Families or other Affiliates), without our prior consent (which consent may be withheld at our discretion):

(a) own any legal or beneficial interest in, or be employed by or render services or give advice to: (1) any Competitive Business located anywhere; or (2) any entity located anywhere which grants franchises, licenses or other interests to others to operate any Competitive Business; or

(b) divert or attempt to divert any business or customer to any Competitive Business or do anything injurious or prejudicial to the goodwill associated with the Franchised Business.

7.3 **Information Exchange**. All ideas, concepts, methods and techniques useful to the Franchised Business, whether or not constituting protectable intellectual property that you create, or that are created on your behalf, must be promptly disclosed to us. If we adopt any of them as part of the System, they will be deemed to be our sole and exclusive property and deemed to be works made-for-hire for us. You agree to sign whatever assignment or other documents we request to evidence our ownership or to assist us in securing intellectual property rights in such ideas, concepts, techniques or materials. You will be entitled to whatever award or recognition programs we institute, from time to time, to reward franchisees for developing Improvements.

8. THE COMPUTER SYSTEM

8.1 **Use of the Computer System**. We have the right to use, and allow our designees to use, the Software in various aspects of operating a Franchised Business for scheduling, routing, customer maintenance, invoicing, accounts receivable, and various other matters. We may change, modify, alter, upgrade and enhance the Software and even designate new or replacement software programs, at any time in our discretion. You must use in the operation of your Franchised Business certain Software (including modifications and improvements we mandate from time to time). We have also compiled a set of computer hardware components (collectively, the "Computer System") to operate the Software. You will acquire the Computer System from us when you sign this Agreement and pay us the initial franchise fee; there is no separate charge for it. The computers, computer-related equipment, and peripheral devices are referred to as the "Designated Hardware." We operate a wide area network (the "Network") which is an electronic communications network which links computers of our Affiliates and franchisees (and any other persons we authorize) in different locations with us and consists of the Software, the Designated Hardware and certain communications and other software. The Software includes any modifications, improvements, changes, alterations or enhancements, all related documentation, the tangible media upon which the program is recorded, and database file structure, but excludes any data or databases owned or compiled by

us or our Affiliates for use with the Software which are owned by us or otherwise or any data generated by our use of the Software.

8.2 **Software License**. Licenses to remotely access the Software and associated interfaces will be granted as a package consisting of two non-exclusive, non-transferable, non-assignable licenses. The package will be provided to you for your first Territory to be used solely in connection with the operation of your Franchised Business. You will be provided an additional license for each additional Territory provided that a corresponding Warehouse has been constructed, leased or otherwise obtained to service that area. Additional licenses are available for acquisition from us. Furthermore, you agree to pay us or the vendor for the actual cost of any licensing fees for your use of third party software that we may require you to use in the operation of your Franchised Business. No other use of the Software or the Network is permitted. You must use the Software solely on and in connection with the Designated Hardware. Your right to use the Software is coterminous with the Term. If, for any reason, this Agreement is terminated, your right to use the Software is also terminated.

8.3 **Delivery and Installation**. We will deliver to you one copy of the Software (in non-printed, machine-readable disk form). We will install the Software on the Designated Hardware. We are not responsible for testing the Software except that we will demonstrate to you that the interface module to the Network is fully operational.

(a) **Copies**: You must not copy by any process whatsoever the Software or any portion of it, without our prior written consent. However, you may make copies (in non-printed, machine-readable disk form) of the Software solely for archival and backup purposes. You must reproduce and include any copyright notice, trademarks, service marks, other proprietary markings and/or confidential legends on or within any archival copy of that Software.

(b) **Maintenance**: If you are in substantial compliance with this Agreement, we will deliver to you and you must install and use, such error corrections, upgrades, modifications, improvements, enhancements, extensions and other changes to the Software (collectively, "Enhancements"), developed or adopted by us or our Affiliates for use on the Designated Hardware. Our delivery of the Enhancements to you may be based on such conditions as we deem necessary or reasonable relating to their use including the payment of any associated cost or fees. Upon delivery of any Enhancements to you, your use of them will be governed by this Agreement. Any Enhancements to the Software are owned by us. During our normal work hours, we will provide you with telephone assistance (the "Assistance") on using and trouble-shooting the Software through a toll-free number. You are solely responsible for any costs you incur in connection with the Enhancements.

(c) **Manuals**: We may specify numerous requirements relating to the use of the Software in our Manuals. Any Manuals provided to you or any portion of the Manuals that are devoted to the Software or the Network are strictly confidential and proprietary. You may not copy the Manuals for any reason whatsoever.

(d) **Certain Responsibilities**: You are exclusively responsible for supervising, managing and controlling the use of the Software by you, your agents and your employees, including:

(i) assuring proper configuration of the Designated Hardware and related equipment or devices;

(ii) implementing and enforcing procedures sufficient to discharge your obligations of confidentiality and security under this Agreement; and

(iii) immediately disclosing all steps taken by you to satisfy your obligations regarding the Software to us on request. We may require additional procedures or steps, or the signing of additional documents, in order to protect our rights in and to the Software.

8.4 **Rights to Software**. You acknowledge and agree that (other than through license from us) we have the exclusive right to use and license the Software in all forms (whether printed, magnetic disk, coded or otherwise), all copies of the Software and all Manuals. All applicable rights relating to the Software (including without limitation, trade secrets, rights and proprietary information, patents, copyrights and trademarks) remain vested in and owned by us. You must not, and have no right to, sublicense the Software or to use the Software in any commercial endeavor other than the operation of your Franchised Business.

8.5 **Security**. You must keep the Software in a secure place and use sufficient restrictions to prevent disclosure of the Software to unauthorized persons. The Software is confidential in nature, proprietary and constitutes one of our trade secrets. Thus, you must not, directly or indirectly, sell, grant, pledge, hypothecate, assign, convey, transfer, publish, display, make available or in any other manner disclose to any third party the Software or its function, logic or structure. All persons or entities who are permitted access to the Software must sign such documents as we may require to protect confidentiality of the Software and our rights. If you neglect or fail to protect the confidentiality of the Software, or permit any unauthorized disclosure of the Software to a third person, we may terminate this Agreement.

8.6 **Copyright and Marks**. You must not remove, deface or destroy any copyright, patent, trademark or service mark notice or other proprietary markings or confidential legends placed on or within the Software.

8.7 **Coding**. We are under no obligation to disclose to you the source codes of the Software or the Network in non-machine readable form. We retain ownership to and title in all coding relating to the Software, including without limitation, the source code.

8.8 **Reverse Engineering**. You must not decompile, disassemble or reverse engineer the Software or attempt to do so. You must not modify, enhance, alter or attempt to do any of the foregoing to the Software in any way whatsoever.

8.9 **Ideas and Suggestions**. You must promptly disclose to us all ideas and suggestions for modifications or enhancements of the Software or the Network conceived or developed by or for you. You grant to us a worldwide, non-exclusive, perpetual, royalty-free license to use and to license the use of any ideas and suggestions for modifications or enhancements of the Software that you may develop from time to time.

8.10 **Access**. We have the right at all times to access the Software and the Network and to retrieve, analyze and use all data in your files for the Software at any time. You must not in any way bar, restrict or limit our access to your files in the Network or the Software. If you deny us access, it will constitute a material breach of this Agreement.

8.11 **Infringement**. You must notify us immediately of the assertion of any claim that the Software or your use of the Software violates the trade secret, trademark, copyright, patent or other proprietary rights of any other party. You must also cooperate with us in the investigation or resolution of any such claim. We will defend you against any and all such claims. If the Software becomes, or in our

opinion is likely to become, the subject of any claims of infringement of a copyright or patent, we may procure for you the right to continue using the Software, or replace or modify the Software to render it non-infringing or discontinue its use.

(a) **Warranty Limitations:** We do not represent or warrant to you, and expressly disclaim any warranty, that the Software or the Network are error-free or that the operation and use of the Software or the Network by you will be uninterrupted or error-free. We have no obligation or liability for any expense or loss incurred by you arising from your use of the Software or the Network nor do we have any obligation or liability for any expense or loss incurred by you arising from your use of any other software.

(b) **Merchantability and Fitness**: We make no other warranty whatsoever, whether express or implied, other than as described in this Agreement. WE DISCLAIM ANY IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

(c) **Limitation of Liability**: We have no liability to you for lost savings, lost profits or consequential, punitive or incidental damages. The above-stated express warranty is in lieu of all of our liabilities or obligations for damages arising out of or in connection with the delivery, use or performance of the Software or the Network. In no event will our liability for breach of warranty exceed the aggregate amount of all Royalty Fees paid to us by you for the proceeding 90-day period from the breach under this Agreement. Your exclusive remedy and our entire liability, with respect to your use of the Software and the network, are limited as described in this Section of this Agreement.

8.12 **Computer and Operating Software Upgrades**. You acknowledge that over time the custom application Software we provide may become obsolete or impractical to maintain as a result of changes and developments in the computer and software industry. Accordingly, if we develop new, upgraded or replacement software and specify new or replacement hardware, we may require you to acquire them from us, our Affiliate or designated or approved source or supplier. Furthermore, if we do so, you must pay us or our Affiliates such charges we assess for licensing, selling or leasing such software and hardware on such terms and conditions as we set from time to time.

8.13 **E-Commerce**. We have the right to control all use of URL's, domain names, websites, addresses, metatags, links, key words, e-mail addresses, social media accounts or platforms, and any other means of electronic identification or origin ("e-names"). We also have the right to designate, approve, control or limit all aspects of your use of the internet, intranet, World Wide Web, social media, wireless technology, digital cable, use of e-names, e-mail, websites, home pages, bulletin boards, chatrooms, linking, framing, on-line purchasing cooperatives, marketplaces, barter exchanges, and related technologies, methods, techniques, registrations, networking, and any electronic communication, commerce, computations, or any means of interactive electronic documents contained in a network of computers or similar devices linked by communications software (collectively, "e-commerce"). You must follow all of our policies and procedures for the use and regulation of e-commerce and share all social media access codes with us so we can check on brand advertising, customer satisfaction and related purposes. We may require that you provide graphical, photographic, written or other forms of artistic or literary content to us for use in e-commerce activities associated with the Marks, the Copyrights or the System which we may designate. We may restrict your use of e-commerce to a centralized website, portal or network or other form of e-commerce that we designate to be operated by us or our designee. We may require that you provide information to us via e-commerce. We may require you to coordinate your e-commerce activities with us and other PODS® Businesses. We may require you to obtain the services of and pay the then current fees for ISP and ASP services if we do not provide these services. You recognize and agree that between you and us, we own all rights to all interests in and to any data collected via e-commerce related

to the System, the Marks or the Copyrights, including any customer data, click-stream data, cookies, user data, hits and the like. Such information constitutes our Confidential Information.

9. YOUR ORGANIZATION AND MANAGEMENT

9.1 **Organizational Documents**. If you, or the Franchised Business, are, or at any time become, a Business Entity, you and each of your Owners represent, warrant and agree that: (a) you are duly organized and validly existing under the laws of the state of your organization, and, if a foreign business corporation, partnership, limited liability company or other legal entity, you are duly qualified to transact business in the state in which the Franchised Business is located; (b) you have the authority to execute and deliver this Agreement and to perform your obligations hereunder; (c) true and complete copies of the articles of incorporation, partnership agreement, bylaws, subscription agreements, buy-sell agreements, voting trust agreements and all other documents relating to your ownership, organization, capitalization, management and control have been delivered to us and all amendments thereto shall be promptly delivered to us; (d) your activities are restricted to those necessary solely for the development, ownership and operation of the Franchised Business in accordance with this Agreement and in accordance with any other agreements entered into with us or any of our Affiliates; (e) the articles of incorporation, partnership agreement or other organizational documents recite that the issuance, transfer or pledge of any direct or indirect legal or beneficial ownership interest is restricted by the terms of this Agreement; and (f) all certificates representing direct or indirect legal or beneficial ownership interests now or hereafter issued must bear a legend in conformity with applicable law reciting or referring to such restrictions.

9.2 **Disclosure of Ownership Interests**. You and each of your Owners represent, warrant and agree that Exhibit A is current, complete and accurate. You agree that an updated Exhibit A will be furnished promptly to us, so that Exhibit A (as so revised and signed by you) is at all times current, complete and accurate. Each person who is or becomes an Owner must execute an agreement in form as we prescribe, undertaking to be bound jointly and severally by the terms of this Agreement. You will promptly notify us and send us copies of all organizational documents and any changes, amendments or replacements of them.

9.3 **Operating Partner/Management of Franchised Business**. If you, or the Franchised Business, are, or at any time become, a corporation, partnership, limited liability company or other legal entity, you must designate in Exhibit A as the "Operating Partner" an individual approved by us who must have completed our training program to our satisfaction. If you have not appointed a General Manager to run your business, then your Operating Partner must: (i) exert full-time and best efforts to the development and operation of the Franchised Business and all other PODS® Facilities you own; and (ii) not engage in any other business or activity, directly or indirectly, that requires substantial management responsibility or time commitments or otherwise that may materially conflict with or detract from your obligations hereunder. The Franchised Business at all times must be managed by you (or your Operating Partner) or by a General Manager.

9.4 **Principal Owners Guaranty**. If you are a Business Entity, then all of your Owners must personally guarantee all of your obligations under this Agreement. Our current form of Principal Owners Guaranty is attached as an Exhibit to the Franchise Disclosure Document. With respect to your Owners, you represent and warrant as follows:

(a) You, or all of your Owners in the aggregate, have a net worth of at least $7,348,000.

(b) You have been in business for at least 5 years.

(c) Each of your Owners is a natural person whose net worth, or joint net worth with that person's spouse, exceeds one million dollars ($1,000,000) as of the Contract Date, excluding the value of that person's personal residence, any and all retirement or pension plan accounts or benefits, home furnishings, and automobiles.

(d) Each of your Owners is a natural person whose gross income exceeds three hundred thousand dollars ($300,000) per year in each of the two most recent years, or whose joint gross income with that person's spouse exceeds five hundred thousand dollars ($500,000) per year in each of those years, and who reasonably expects to reach the same income level in the current year.

(e) Each and every Owner has knowledge and experience in financial and business matters, either alone or with professional advisers of such Owner who are unaffiliated with, and not directly or indirectly compensated by, us or an affiliate or selling agent of us, such that each and every Owner has the capacity to evaluate the merits and risks of, and protect their own interests in, the franchise investment.

(f) Each and every Owner of the Franchised Business has purchased the Franchised Business for the Owner's own account, or a trust account if the Owner is a trustee, for the purpose of conducting the Franchised Business as a franchise and not with a view to, or for a sale in connection with, any resale or distribution of the Franchised Business or any interest in the Franchised Business.

(g) The immediate cash payment required from each Owner who is a natural person, upon the purchase of the Franchised Business, does not exceed 10 percent of that person's net worth or joint net worth with that person's spouse, exclusive of that person's personal residence, any and all retirement or pension accounts or benefits, home furnishings and automobiles.

10. OPERATING STANDARDS

10.1 **Condition of Facility, Vehicles and Equipment**. You must maintain the Facility and all vehicles, Containers, Lifts, signs and other equipment in an attractive and clean condition. If the Facility is damaged or destroyed by fire or other casualty, you must notify us immediately and initiate within 30 days (and substantially complete within 120 days) all repairs or reconstruction to restore the Facility to its original condition or find and move to a replacement Facility within that time frame.

10.2 **Security Interest in Equipment**. To secure all payment and performance obligations due us under this Agreement, by signing this Agreement, you:

(a) grant to us a first priority security interest in all Lifts and Containers purchased from us from time to time as described in this Agreement;

(b) authorize us to file, without your signature, a UCC-1 Financing Statement, in form and content we deem necessary to protect our interest describing the Lifts and Containers as collateral; and

(c) agree to sign and deliver to us all other documents and take all other steps, acts and measures that may be necessary to ensure that we are able to fully perfect a first priority security interest in the Lifts and Containers.

If you finance or lease your acquisition of the Lifts and Containers, we will allow a first security position to be taken by the lessor and/or lender and subordinate our position to them if they agree in writing to: (1) release their security interest on the Lifts and Containers in exchange for the lesser of (i) the original purchase price of such items, (ii) the outstanding debt allocable to such items, or (iii) the book value of such items using 10 years straight line depreciation; (2) notify us of any defaults and allow us to cure if we decide to do so; and (3) notify us 10 days before seizing or disposing of any of such collateral. The terms of any subordination agreement must be acceptable to us before we will agree to subordinate our interest. If, for any reason, such lender's superior security interest is released, then you agree to take all steps so that we are restored to our prior position as a creditor with a first priority security interest.

10.3 **Uniform Image**. Unless you have received approval from us to the contrary, you agree that:

(a) the Franchised Business will offer for sale all of the products and services that we determine from time to time to be appropriate for the Franchised Business;

(b) the Franchised Business will not offer any products or services (including promotional items) not then authorized by us; and

(c) the Facility will not be used for any purpose, other than the operation of the Franchised Business in compliance with this Agreement, that either:

(i) materially detracts from its efficient operation;

(ii) displays trademarks, service marks or commercial symbols that overshadow the Marks;

(iii) competes with the Franchised Business; or

(iv) we determine may materially detract from the desirable image of the PODS® brand.

10.4 **Products and Services.**

(a) **Sourcing Restrictions**: You acknowledge that the reputation and goodwill of Franchisor is based on, and can be maintained only by, the sale of distinctive high quality products and services, and the use of equipment and supplies we feel are appropriate. Therefore, you agree that the Franchised Business will use and/or offer for sale only products and services that either conform to our specifications and quality standards and/or are purchased from suppliers we approve (which may include us and/or any of our Affiliates).

(b) **Equipment, Vehicles, Fixtures and Signs**: You agree to purchase or lease all required equipment, including Containers and Lifts, packing materials, vehicles, fixtures and signs for the conduct of the Franchised Business. You agree to purchase or lease only such equipment, vehicles, fixtures and signs used in connection with the operation of the Franchised Business which we approve for PODS® Facilities. Some of the equipment, such as Containers, Lifts, packing materials and weather tops must be purchased from us or suppliers approved by us whom we designate from time to time. All such purchases from us will be pursuant to our standard terms and conditions for purchasing them, as they are changed from time to time. Certain other items of equipment, supplies and materials may be purchased only from suppliers that we have previously approved (which may include us or our Affiliates).

(c) **Approved Suppliers**: You may lease or purchase approved types, brands or models of equipment, vehicles, fixtures and signs only from suppliers approved by us (including us and any of our Affiliates). From time to time, we may modify the list of approved types, brands, models and/or suppliers, and you may not, after receipt of notice of such modification, reorder any type, brand or model, or from any supplier, which is no longer approved. We are the sole supplier of Lifts and Containers and may become the sole supplier of other equipment, products and/or services you utilize in the Franchised Business or products and services offered to your customers.

(d) **Alternative Sources**: Other than for the Lifts and Containers and any other product or service we determine to exclusively supply from time to time, if you propose to use any brand and/or supplier which is not then approved by us, you must first notify us and submit sufficient information, specifications and samples concerning such brand and/or supplier so that we can decide whether such brand complies with our specifications and standards and/or such supplier meets our approved supplier criteria. We have the right to charge reasonable fees to cover our costs which may include travel and lodging costs to inspect facilities, interview suppliers, etc. We will notify you of our decision within a reasonable period of time, it being understood that because of the nature and durability of the products comprising the System, testing and scientific verification may be required. We may prescribe procedures for the submission of requests for approval and impose obligations on suppliers, which we may require to be incorporated in a written agreement. We may impose limits on the number of suppliers and/or brands for any of the foregoing items. You agree that we may withhold our consent to the approval of a particular brand and/or supplier, in our sole discretion. If we do not respond to a request contemplated by this subsection, the request will be deemed denied.

(e) **Required Inventory**: You must maintain at all times and at your expense an inventory of approved products and equipment sufficient in quantity, quality and variety to realize the Franchised Business's full potential. Thus, you must always have acquired and maintain the number, types, models, sizes and makeup of vehicles, Lifts and Containers as we specify from time to time; including acquiring and maintaining minimum numbers of categories of Containers (e.g., commercial design vs. residential). Our requirements for minimum inventory may vary both from time to time and from market to market and among franchisees as we determine appropriate based on our business judgment and criteria we develop from time to time, including our forecasts of demand and for services from the Interfranchise Program, marketing campaigns, VAR Program and National Accounts if and when we specify them.

(f) **Lift/Container Purchases**: You must purchase all Containers and Lifts from us at our then current prices and terms, which we may change from time to time. Our Standard Terms and Conditions for Purchase of Containers and Lifts are attached as Exhibit D. We may require that you acquire certain numbers and types of Lifts to service the number of Containers you maintain (i.e., PODZILLA®, commercial). You must maintain, upgrade, replace and implement any changes to such Containers as we specify from time to time as may be applicable to Containers that we offer and sell. If you obtain Containers or Lifts from sources other than us, you will be in material violation of this Agreement.

(g) **Market Research**: We may conduct market research to determine consumer trends and salability of new products and services. You agree to cooperate by participating in our market research programs by test marketing new products and services and providing us timely reports and other relevant information regarding such market research. You must purchase a reasonable quantity of such test products and make a reasonable effort to sell them.

10.5 **Specifications and Standards**. You acknowledge that each and every aspect of the operation of the Franchised Business is important to us and is subject to our specifications and standards. You agree to comply with all mandatory specifications, standards and operating procedures, as modified from time to time (whether contained in the Manual or any other written communication) relating to the appearance or operation of a PODS® Facility, vehicles and equipment, including: (a) type, quality, uniformity, and manner of delivery of products, equipment and services; (b) sales procedures and customer service; (c) advertising and promotional programs; (d) appearance and dress of employees (all other matters pertaining to employment are suggestions or recommendations only); (e) safety, maintenance, appearance, cleanliness, standards of service and operation of the Franchised Business; (f) days and hours of operation; and (g) bookkeeping, accounting and record keeping systems and forms.

10.6 **Compliance With Laws.**

(a) You must maintain in force in your name all required licenses, permits and certificates relating to the operation of the Franchised Business. You must operate the Franchised Business in full compliance with all applicable laws, ordinances and regulations. You must notify us in writing within 5 days after: (a) the commencement of any legal or administrative action, or the issuance of any order of any court, agency or other governmental instrumentality, which may adversely affect the development, occupancy or operation of the Franchised Business or your financial condition; or (b) the delivery of any notice of violation or alleged violation of any law, ordinance or regulation.

(b) All of your advertising and promotion must be completely factual and must conform to the highest standards of ethical advertising. In all dealings with us, as well as your customers, suppliers and the public, you must adhere to the highest standards of honesty, integrity, fair dealings and ethical conduct. You agree to refrain from any business or advertising practice which may be injurious to our business, to the business of other PODS® Facilities or to the goodwill associated with the Marks.

10.7 **Personnel**. The Franchised Business must at all times be: (a) under the direct, on-premises supervision of: (i) a manager who has completed our training program to our satisfaction; or (ii) a qualified and trained supervisor who has been appropriately trained (in accordance with the Manual); and (b) staffed by a sufficient number of competent and properly trained employees. You and your Operating Partner or General Manager at all times must devote full time and attention to overseeing the operations of the Franchised Business (including being available "on call" if the Franchised Business is being supervised by a manager or employee other than your Operating Partner or General Manager). If the relationship with your Operating Partner or General Manager terminates, you must promptly hire or appoint a successor. Any successor Operating Partner or General Manager must meet our approval and must successfully complete our training program. You are solely responsible for hiring, training and supervising all employees of the Franchised Business and must hire sufficient personnel to fully staff the Franchised Business to operate in accordance with System standards. You are responsible exclusively for the terms of their employment, including compensation, and for their proper training in the operation of the Franchised Business. You must establish at the Franchised Business an employee training program meeting our standards. All personnel must meet every requirement imposed by applicable federal, state and local law. All persons you employ that have access to any of the Confidential Information must sign a confidentiality agreement, which will not otherwise contain any terms or conditions of employment, in a form satisfactory to us. You are liable to us for any unauthorized disclosure of such information by any of your owners, directors, employees, representatives or agents.

10.8 **Insurance**.

(a) You must maintain in force the following types and categories of insurance: (a) comprehensive, commercial general and product liability, including premises and operations and warehousemen's liability (including coverage for unauthorized auction or disposal), as well as broker liability; (b) general casualty insurance, including fire and extended coverage, vandalism and malicious mischief insurance, for the replacement value of the Facility and Containers; (c) automobile liability; (d) motor cargo insurance; (e) cyberrisk and liability (including data and/or security breach coverage); (f) errors and omissions liability; (g) business interruption; and (h) such other insurance policies, (including, but not limited to, umbrella or excess liability, worker's compensation and unemployment insurance), as we may determine from time to time as described in the Manual. You are required to enlist the services of a professional insurance agent or broker to obtain the types and amounts of insurance coverage specified. All insurance policies must: (i) be issued by carriers we have either approved or designated; (ii) contain such types and minimum amounts of coverage, exclusions and maximum deductibles as we prescribe; (iii) name us and our Affiliates as additional insureds; (iv) contain a waiver of subrogation in favor of additional insured; (v) apply as primary and non-contributory; (vi) provide for 30 days' prior written notice to us of any material modification, cancellation or expiration of such policy; and (vii) include such other provisions as we may require from time to time. Approval must be obtained prior to binding self-insured status for any line of coverage.

(b) Prior to opening the Franchised Business and on an annual basis at least ten (10) days prior to the expiration of the policies, you must furnish us with evidence of insurance coverage and payment of premiums for all policies we require. Furthermore, prior to commencement of construction of the PODS® Facility you must obtain the policies described in (a) and (b) above. During the Term, you must provide updated insurance information within 7 days following our request for the information. If you fail or refuse to maintain any required insurance coverage, or to furnish satisfactory evidence thereof, it shall be a material breach of this Agreement and we, at our option and in addition to our other rights and remedies hereunder, may obtain such insurance coverage on your behalf and charge you the premiums and any associated costs should you not meet the requirements herein. If we do so, you must fully cooperate with us in our effort to obtain such insurance policies and pay us any costs and premiums we incur.

(c) Your obligation to maintain insurance coverage is not diminished in any manner by reason of any separate insurance we may choose to maintain, nor does it relieve you of your indemnification obligations to us.

(d) We may designate certain insurers and insurance products and programs as mandatory either to ensure coverages meeting our standards or to obtain group coverages and rates. If we do so, you must procure such insurance from the designated insurers on the terms and conditions we have established with them or participate in such program. In these cases, we may maintain the group insurance program for the benefit of us, our Affiliates and franchisees and pay the associated premiums. If we do so, you must reimburse us for the premiums attributable to your Franchised Business within 30 days of our invoice. We may also allow, or require you to participate in a self-insurance program for contents insurance.

10.9 **Transportation Authority**. It is the responsibility of the Franchisee to investigate the requirements as it relates to both Interstate and Intrastate motor carrier and transportation authority. It will further be required that the Franchisee be in compliance with all requisite levels of transportation related authorization and to acquire the appropriate insurances for such authorizations. We reserve the right to review this status and to insure that each franchise is in complete compliance.

10.10 **Content Protection Program**. You must participate in the PODS® Contents Protection Plan (the "PODS® CPP"), whereby you, at the customer's election, shall contractually (a) assume liability for damage caused to their belongings while in your care, custody, and control and (b) be obligated to purchase insurance to protect against such damage. You must offer PODS® CPP to customers. We retain the exclusive right to control all aspects of the PODS® CPP, including obtaining the required underlying insurance and the allocation of expenses and revenues received in the PODS® CPP between the franchisees or other operators of the PODS® Facilities and us, as we deem appropriate from time to time. You agree that we or our affiliates, at our election, may be the sole provider and supplier of PODS® CPP utilizing such methods as we determine appropriate, including our and our affiliates offering or selling insurance to do so. You recognize that the division of revenues or allocation of charges may change from time to time, in our sole discretion, and may vary depending upon the circumstances. We also may charge fees or premiums in lieu of a division of revenue as we see fit and you agree to comply with the fee schedule we develop for doing so. You recognize that our policy regarding the PODS® CPP will likely change periodically or the program may be terminated.

10.11 **Facilities/Warehouse**. You must acquire, maintain, refurbish, renovate and expand your Facility, including the Warehouse, to meet our standards and specifications as in effect from time to time. We may specify standards of quality and quantity of equipment, supplies, storage space, building design and capacity, and such other items as we determine appropriate for a Franchised Business as we determine from time to time. You acknowledge and agree that these requirements will require you to improve, maintain, refurbish, modify and even expand the Warehouse from time to time. We may specify minimum square footage and capacity requirements for all Warehouses used as part of your Facilities. We may specify varying standards for these Facilities, including Warehouses, from franchisee to franchisee and from market to market based on our business judgment of what is optimum in each franchised market. Your failure to comply with the terms of this Section is a material violation of this Agreement.

10.12 **Promotion and Pricing**. You will participate in all: (a) marketing and promotional programs that we require; and (b) gift certificate, gift card and/or loyalty card programs that we require. To the extent allowed by applicable law, you must comply with our minimum, maximum, and other pricing requirements for products and services offered by the Franchised Business.

11. BILLING AND CREDIT CARD SERVICES

11.1 **Billing Services**. During the Term, we will handle all of the activities related to billing and collection services listed on Exhibit F (the "Billing Services"). We will exercise all reasonable efforts we consider appropriate to collect amounts due for the services performed in conducting your Franchised Business. We may, in our discretion, but utilizing our experience and policies developed for Franchised Businesses, compromise, settle, discount, factor, write-off, assign to collection agencies or pursue through legal action, all amounts due for services provided through your Franchised Business. You understand that in fulfilling this obligation, at your expense, we will use other firms and supervise their performance.

11.2 **Credit Card Services**. During the term of the Agreement, we will handle all of the activities related to credit card processing services listed on Exhibit G (the "Credit Card Processing Services"). You understand that in fulfilling this obligation we may use other firms and supervise their performance.

11.3 **No Guarantees**. Although we will try to collect all of the receivables and process all of the credit card transactions, there is no assurance or guarantee as to the timing of collection, the ultimate success of collection or the ultimate success of the credit card process due to declines, charge-backs, etc. We have no obligation other than to exercise our standard procedures for collection of amounts due us and for processing credit card payments. The timing and collectability of the receivables is affected by other

persons and events beyond our control, including the customers you choose to service. Some accounts are more reputable and creditworthy than others. We do not warrant the timing, collectability or disbursement of any amounts owed by anyone. If you are unsatisfied with the collection procedures and/or disbursement procedures, you will meet with us within 30 days of notice and discuss alternative means for collection.

11.4 **Your Responsibilities** . You are responsible for providing us with all data, information and documents that may be necessary for us to provide the Billing Services and the Credit Card Processing Services. This may include business and/or personal financial statements. You are also responsible for establishing a depository account with the financial institution we select so that monies can be remitted to your account directly. You must sign all authorizations or other documents that we may request to establish our authority to accept, endorse and deposit all remittances to the appropriate account on your behalf.

11.5 **Invoices**. All invoices or other communications with respect to a Customer Billing Event to your customers will show you as the named payee with specific instructions to deliver payment to us. You will sign all authorizations or other documents that we request to establish our authority to accept, endorse and deposit all remittances to our account for you ("Your Account").

11.6 **Payments to You**.

(a) **Billing Services**. We will pay you all amounts collected (at our election, less all amounts due us). We may withhold from Your Account any amounts that you owe us for any reason. We will pay such amounts to you on or before the 5th and 20th days of each month with respect to amounts collected during the semi-monthly period ending before the payment date. Each month is divided into 2 semi-monthly periods with the first starting on the 1st day of the month and continuing through the 15th day, and the second period starting on the 16th day of the month and continuing through the last day of the month. We will simultaneously send you financial reports detailing the revenues collected and the amounts that we have setoff for us for amounts due to us or others.

(b) **Credit Card Processing**. All amounts processed by us will be remitted directly to the depository account you have established at a mutually agreed upon banking institution on a daily basis. We will simultaneously send you financial reports (i.e. a credit card batch report) detailing the transactions processed on a daily basis.

11.7 **Failure to Collect**.

(a) **Billing Services**. If we are unable to collect any amounts after the completion of our Billing Services, you may, at your own expense, engage collection agencies and attorneys to collect such amounts. We will only assign accounts to attorneys or collection agencies upon your written instructions. No portion of the Billing Services Fee will be refunded to you.

(b) **Credit Card Processing**. No portion of the Credit Card Processing Fee will be refunded to you. All Credit Card Processing Fees will continue to apply for uncollected amounts. Credit Card Processing Fees may be charged for each attempt to process a credit card number.

(c) **Indemnity**. You will indemnify, defend and hold us harmless from and against any: (i) credit card processing charges imposed for fraudulent, improper or unauthorized charges and such charges themselves; and (ii) claims, losses, liabilities, or damages arising from or out of your actions in collecting or settling any amounts due from any account or customer.

11.8 **Rights Upon Termination**. If this Agreement terminates for any reason, you will be obligated to pay us any fees due for Billing Services rendered prior to termination.

11.9 **Our Right to Inspect Books and Records**. Upon 5 days' written notice to you, we may inspect such books and records related to funds collected on your receivables which we deem to be reasonably necessary to our performance of the Billing Services and Credit Card Processing Services. We are solely responsible for ensuring that your books and records are properly and ethically handled during such inspection.

11.10 **Limitation of Liability**.

(a) We will not be in default of this Agreement if our performance of Billing Services or Credit Card Processing Services is delayed or made impossible because of an act of God, perils of the air, public enemies, public authorities acting with actual or apparent authority, postal delay, pandemic or epidemic, strikes, riots or other local disputes, hazards incident to a state of war, or any other cause beyond our control.

(b) In providing the Billing Services or Credit Card Processing Services, we will rely upon the accuracy and completeness of the information you provide us and on your compliance with applicable law.

(c) We assume no responsibility for the legality or propriety of your business structure, tax or accounting methods.

(d) Except as expressly provided in this Agreement, Exhibit F or Exhibit G, we assume no responsibility for (i) general accounting services for you, (ii) the preparation and filing of any tax forms, or (iii) the preparation and filing of any operating licenses or certificates.

(e) You acknowledge that any projections, pro formas or feasibility studies we prepare for you are estimates based only on historical information or published industry data and do not represent a guaranty of income or financial performance.

(f) We will not be responsible for any bank deposits lost, but we will use our best efforts to assist you to reconstruct the lost deposit, except that we will not be responsible for the amount of the deposit.

(g) We will not be responsible for any errors made on behalf of the financial institution responsible for transmitting the credit card transactions. Any corrections will be made as expeditiously as possible.

12. MARKETING AND ADVERTISING

12.1 **Your Advertising.**

(a) **Local Minimums**. You are responsible for all advertising and promotional activities pertaining to the Franchised Business, other than MAF, SMP, and cooperative advertising activities. It is required that you engage a media buying service for placement of all media coverage. We may provide recommendations as to the available resources. We will establish from time to time minimum amounts of monthly expenditures and/or advertising levels for advertising and promotional activities. At our option, you must purchase such other media and advertising

programs as we develop from time to time. These expenditures can be on local, regional, or national broadcast media, but are always subject to approval in advance of placement by us.

(b) **Required Approval**. You may supplement the advertising described above with additional advertising and promotion, but you must submit to us for our prior approval, samples, mock-ups or written outlines of all advertising and promotional materials not prepared or previously approved by us and which vary from our then current standard advertising and promotional materials. Disapproval may include, but is not limited to, issues such as that the Marks are improperly displayed, we believe that the advertising and marketing are not truthful in content or are misleading, and that the advertising messages and strategy are not consistent with our overall objectives for PODS® Facilities. You may not use any advertising or promotional materials that we have disapproved. We will not require prior approval of advertising and promotional materials that we have previously approved unless such materials have subsequently been disapproved or you have otherwise received notice of a change. You may advertise, market and promote your Franchised Business as much as you want subject to the territorial restrictions described in this Agreement, and our approval of the content and format of it.

(c) **Directory Listings**. You must also obtain and maintain directory listings in the classified and other directories that we designate from time to time covering the Protected Area. The listings must be placed in such categories as we specify from time to time.

12.2 **Sales and Marketing Program**. You must participate in the cooperative media buying and advertising program we establish (the "SMP"). This includes paying to us the amounts we assess for your market at the times and on terms we bill from time to time ("SMP Contributions"). SMP Contributions are due and payable on the terms described in the periodic assessments, and may vary from time to time. We and our Affiliates will pay SMP Contributions on the same basis as franchisees. We may change, modify or cancel it at any time. The SMP will be governed by the SMP Policy we develop from time to time, and may include, as and on terms we determine, participation on committees. However, all advertising and marketing using the SMP is subject to our approval. The SMP Policy in effect on the Contract Date is attached as Exhibit H. You must pay such amount to us for an advertising cooperative pooling purpose for national advertising programs on a system-wide basis with other PODS® franchisees. Your participation in such programs will satisfy your minimum monthly local advertising and promotional requirements.

12.3 **Cooperatives**. We have the right to establish local and/or regional advertising cooperatives for PODS® Facilities, including your Facility, in your local or regional area, covering such geographical areas as we may designate from time to time. You must participate in such advertising cooperative and its programs (other than price advertising, as to which you may choose not to participate) and abide by its bylaws. You must contribute such amounts to the advertising cooperative(s) as they determine from time to time in accordance with their bylaws. Any PODS® Facilities owned by us or any of our Affiliates located in such designated local or regional area(s) will contribute to the cooperative(s) on the same basis. Contributions to such local and regional advertising cooperatives are credited toward the monthly minimum advertising expenditures otherwise required by this Agreement; however, if we provide you and your local and/or regional advertising cooperative 30 days' notice of a special regional or national promotion, you must participate in such promotion and pay to us or the cooperative any regional advertising fees assessed in connection therewith, beginning on the effective date of such notice and continuing until such regional promotion is concluded. Any such special regional advertising fee may be, at our option, in addition to, and not credited towards, the advertising expenditure required by this Section.

12.4 **Marketing and Advertising Fund.**

(a) **Establishment**. We have established and administer a Marketing and Advertising Fund (the "MAF") for the creation and development of marketing, advertising and related programs and materials, including but not limited to, electronic, print and Internet media as well as the planning and purchasing of national and/or regional network advertising. You must contribute to the MAF amounts that we establish from time to time up to 2% of Net Sales, payable on or before the 28th day of the month with respect to the Net Sales incurred during the monthly period ending before the payment date together with the Royalty Fee due hereunder. PODS® Facilities owned by us and our Affiliates shall contribute to the MAF on the same basis as franchisees. For the purpose of calculating contributions by Franchisor or its Affiliates to the MAF or any local and/or regional advertising cooperatives, the types of services and products included in the calculation of "Net Sales" shall only include the services and products customarily sold by franchisees to traditional customers of the Franchised Business. All non-traditional sales, including amounts received from franchisees, proceeds from the sale of Containers, Lifts, signs, vehicles, and other equipment, and all other sales of products and services not traditionally made by franchisees of the System shall be excluded from the calculation of Franchisor's Net Sales. You agree that Franchisor may determine, in its sole discretion, whether a particular sale of products or services is to be included in the definition of "Net Sales" for the purpose of computing Franchisor's contributions to the MAF.

(b) **Accounting**. The MAF will be accounted for separately from our other funds and will not be used to defray any of our general operating expenses, except for reasonable salaries, administrative costs, overhead and expenses we may incur in activities related to the administration of the MAF and its programs, including e-commerce; conducting market research; trademark registrations maintenance, policing and enforcement; employing advertising/public relations agencies; maintenance, administration and direction of advertising and promotional activities; toll free telephone service; and the development, hosting, maintenance, linking, networking and content for internet or intranet websites, web-pages, networks, communities, alliances or other forms of e-commerce, including business-to-business or business-to-consumer e-commerce; preparing advertising and marketing materials; and collecting and accounting for contributions to the MAF. All disbursements from the MAF shall be made first from income and then from contributions. While our intent is to balance the MAF on an annual basis, from time to time, the MAF may run at either a surplus or deficit. We may spend in any fiscal year an amount greater or less than the aggregate contributions to the MAF in that year, and the MAF may borrow from us or our lenders to cover deficits in the MAF or cause the MAF to invest any surplus for future use by the MAF. We will prepare annually a statement of monies collected and costs incurred by the MAF and furnish a copy to you upon your written request. Except as otherwise expressly provided in this Section, we assume no direct or indirect liability or obligation with respect to the maintenance, direction or administration of the MAF. We do not act as trustee or in any other fiduciary capacity with respect to the MAF.

(c) **Use**. Although the MAF is intended to maximize general recognition and patronage of the Marks for the benefit of all PODS® Facilities, we cannot assure you that any particular PODS® Facility will benefit directly or pro-rata from the placement of advertising. Additionally, we reserve the right to define, at any time, the measurement terms for any media coverage. The MAF may be used to pay for the cost of preparing and producing materials and programs we select, including video, audio and written advertising materials, media planning and buying services, and for the cost of employing advertising agencies and supporting market research activities. We may furnish you with marketing, advertising and promotional materials at cost, plus any related administrative, shipping, handling and storage charges.

(d) **Waivers**. We, at our sole discretion, have the right to grant you an exemption for any length of time from the requirement of contributing to the MAF, (including a reduction, deferral, waiver or redirection for specific use of such contribution) upon written request by you stating reasons supporting such exemption. Our decision concerning such request for exemption shall be final. As a condition for granting such exemption, we may require a larger local advertising expenditure by you than that otherwise specified.

(e) **Our Authority**. The final authority on all programs financed by the MAF will rest with us, and we will have sole discretion over all aspects of such programs, including national or regional media, creative concepts, materials, endorsements, agencies and suppliers.

12.5 **Websites**. You acknowledge and agree that any Website constitutes "advertising" under this Agreement. You must only utilize the Website that we develop and establish for marketing, promotions and advertising. If we permit you to utilize a Website that you develop, any Website you develop or utilize must meet all other terms and conditions for advertising described in this Agreement or our Manual and otherwise meet with our approval. For this purpose, a "Website" means an interactive electronic document, contained in a network of computers linked by communications software that you operate or authorize others to operate and that refers to your Franchised Business, the Marks, us, and/or the System. The term "Website" also includes Internet, Intranet and World Wide Web home pages. You acknowledge and agree that we own all right, title and interest in and to all Websites that are used by our franchisees (including you) which bear our marks. We have the sole right to control all indirect or direct use of Websites by you. You must comply with all of the terms and conditions pertaining to use of Websites we designate from time to time in the Manual, including any Website policy or e-commerce policy we designate from time to time.

(a) We own all right, title and interest (including any copyright, trademark, service mark, goodwill or other intellectual property rights) in and to our Website, your Website and any information or data relating to our Website or your Website, including the log of "hits" by visitors, the Websites or web-pages they visit, and any personal or business data they voluntarily supply. We will share information gleaned from your Website with you and others. We will implement and enforce a privacy policy relating to the Websites. You may not sell any information or data relating to your Website or our Website. You will execute and deliver to us any documents we deem necessary to establish or perpetuate our ownership interest in and to your Website, any Website directly or indirectly related to a part of the System or any information or data relating to them.

(b) We reserve the right to add to, revoke, or change the website policies or e-commerce policies we designate from time to time. We fully expect that changes will be needed as a result of legal developments concerning the Internet, changes in technology, the introduction of new top-level domain suffixes, etc. We also reserve the right to discontinue operation of our Website, your Website and the provision of Franchisee's or third party's Websites on our or your Website if we determine circumstances warrant doing so.

13. RECORDS AND REPORTS

13.1 **Records**. You agree to prepare and to maintain for 3 years complete and accurate books, records (including invoices and records relating to your advertising expenditures) and accounts (using our standard chart of accounts) for your Franchised Business, copies of your sales tax returns and such portions of your state and federal income tax returns as related to your Franchised Business. All such books and records shall be kept at the Premises, unless we otherwise approve. If such approval is granted, you agree that regardless of the location that you choose to keep such books and records, we will continue to have access to them for the purposes of inspecting and auditing in accordance with the Agreement. You must

record all sales on computers with software programs designated or approved by us. You may be required to use computer-based cash registers which are fully compatible with our computer system and which include an information interface capability to communicate electronically with our computer system. You agree to provide us with direct and immediate access to all sales, inventory and accounting information related to your Franchised Business at our request.

13.2 **Periodic Reports**. You must furnish us in a manner and format that we may systematically require: (a) no later than the 5th day of each month, a report of Net Sales for the preceding monthly period; (b) no later than the 28th day of each month, an income statement and statement of cash flow for your Franchised Business for the preceding month and the year-to-date, and a balance sheet as of the end of such month; (c) within 90 days after the end of each calendar year, a year-end balance sheet and income statement and statement of cash flow of your Franchised Business for such year, reflecting all year-end adjustments and accruals; and (d) such other information as we may require from time to time, including product, equipment and labor cost reports, marketing and advertising expenditure reports, and sales and income tax statements. You must verify that the information in each such report and financial statement is complete and accurate and sign it. We have the right to disclose data from such reports and statements if we consider disclosure advisable. We reserve the right to require that your annual financial statements be audited, at your expense, by an independent certified public accountant approved by us; but we will only exercise this right if we determine that:

(a) required reports are inaccurate or untimely;

(b) payments required under this Agreement have been delinquent 2 or more times during any 12-month period; or

(c) material discrepancies exist in your records after we conducted an inspection or audit of your Franchised Business.

We will only disclose data from reports and statements to the extent required under applicable law, in order to provide financial performance data for franchise disclosure purposes and to provide information throughout the system of PODS® franchises. We also have the right to utilize such information, data and reports internally and in efforts to assist you with your operation of your Franchised Business. However, we will not treat your data any differently than we treat the data we receive from other franchises in terms of making it available to others.

14. INSPECTIONS OF THE FACILITY

14.1 **Inspections**. We and our designated agents have the right at any reasonable time and without prior notice to: (a) inspect your Franchised Business, including any Containers and other equipment; (b) observe, photograph, audio-tape and/or video tape the operations of your Franchised Business; (c) remove samples of products and equipment for testing and analysis; and (d) interview personnel and customers of the Franchised Business. You agree to cooperate fully with such activities. We have the right to inspect your Facility and operations at any time during normal business hours to ensure that your products and services provided under the Marks or other marks we may allow you to use meet our quality standards. If any such inspection reveals deficiencies in such products or services, you must promptly correct any and all such deficiencies to our complete satisfaction and you will refrain from providing any products or services found by us not to meet our quality standards.

14.2 **Audits**. We have the right at any time during business hours, and without prior notice to you, to inspect, copy and audit the books, records, tax returns and documents relating to the development, ownership, lease, occupancy or operation of the Facility and your Franchised Business. You must cooperate

fully with our representatives and independent accountants conducting such audits. If any inspection or audit discloses an understatement of Net Sales, you must pay us, within 30 days after receipt of the audit report (but within 10 days if it is not the first time), the Royalty Fees due on the amount of such understatement and any other amounts you owe us, plus interest from the date originally due until the date of payment. Further, if such inspection or audit is made necessary by your failure to furnish reports, records or information on a timely basis, or if we determine any understatement of Net Sales for the period of any audit to be greater than 3%, you must reimburse us for the cost of such audit or inspection, including the charges of any attorneys and independent accountants and the travel expenses, room and board and compensation of our employees. If the audit is not undertaken due to your failure to furnish reports on a timely basis, and the audit reveals that you have not understated Net Sales for such period by more than 3%, then we will be responsible for all of our audit costs.

15. FRANCHISEE'S RIGHT TO TRANSFER

15.1 **Franchisor's Approval**. The rights and duties created by this Agreement are personal to you or, if you are a Franchised Business corporation, partnership, limited liability company or other legal entity, your Owners. Accordingly, neither you nor any of your Owners may Transfer the Franchise without our prior approval and without complying with all of the provisions of this Section. Any attempted transfer without such approval or compliance constitutes a breach of this Agreement and is void and of no force or effect.

15.2 **Conditions for Approval**. If we have not exercised our right of first refusal, we will not unreasonably withhold our approval of a Transfer of the Franchise that meets all of the reasonable restrictions, requirements and conditions we impose on the transfer, the transferor(s) and/or the transferee(s), including the following:

(a) you have completed development of the Facility and are operating your Franchised Business in accordance with this Agreement;

(b) you and your Owners and Affiliates are in compliance with the provisions of this Agreement and all other agreements with us or any of our Affiliates;

(c) the proposed transferee, or its Owners (if the proposed transferee is a legal entity), must provide us on a timely basis all information we request, including completion of our standard Franchise Application, must be individuals acting in their individual capacities who are of good character and reputation, who must have sufficient business experience, aptitude and financial resources to operate your Franchised Business, and who must otherwise meet our approval;

(d) the proposed transferee may not be an entity, or be affiliated with an entity, that is required to comply with reporting and information requirements of the Securities Exchange Act of 1934, as amended;

(e) the transferee (or its operating partner) and its managers must have completed our initial training programs to our satisfaction;

(f) the transferee (and its owners) must execute and be bound by our then current standard form of Franchise Agreement and related documents used in the state in which the Franchised Business is located (which may provide for different Royalty Fees, advertising contributions and expenditures, duration and other rights and obligations than those provided in this Agreement) modified to reduce its duration to the remainder of the Term;

(g) you or the transferee must pay us a transfer fee equal to the greater of $50,000.00 per Territory or 50% of our then current standard initial franchise fee for an equivalent sized Protected Area;

(h) you and your Owners and Affiliates must, except to the extent limited or prohibited by applicable law, execute a general release, in form and substance satisfactory to us, of any and all claims against us and our Affiliates, stockholders, officers, directors, employees, agents, successors and assigns;

(i) we must not have disapproved the material terms and conditions of such transfer (including the price and term of payment) on the basis that they are so burdensome as to be likely, in our judgment, to adversely affect the transferee's operation of the Franchised Business or its compliance with its Franchise Agreements and any area development agreements;

(j) if you (or any of your Owners or Affiliates) finance any part of the sale price of the transferred interest, you and/or your Owners or Affiliates must agree that all obligations of the transferee, and security interests reserved by any of them in the assets of the Franchised Business, will be subordinate to the transferee's obligations to pay all amounts due us and our Affiliates and to otherwise comply with this Agreement or the new Franchise Agreement executed by the transferee;

(k) you and your Owners must agree to abide by the post-term competitive restrictions set forth in Section 18.3 and sign and deliver to us any documents we reasonably require evidencing your commitment to do so; and

(l) you and your Owners and Affiliates must execute such other documents and do such other things as we may reasonably require to protect our rights under this Agreement and under any area development agreement.

15.3 **Effect of Approval**. Our approval of a Transfer of the Franchise does not constitute: (a) a representation as to the fairness of the terms of any agreement or arrangement between you or your Owners and the transferee or as to the prospects of success of the Franchised Business by the transferee; or (b) a release of you and your Owners, a waiver of any claims against you or your Owners or a waiver of our right to demand the transferee's exact compliance with this Agreement. Any approval shall apply only to the specific transfer of the franchise being proposed and shall not constitute an approval of, or have any bearing on, any other transfer of the franchise.

15.4 **Special Transfers**. Neither Section 15.6 nor Section 15.2(a), (c), (f) or (g) shall apply to any Transfer of the Franchise (a "**Special Transfer**"): (i) among any of your then current Owners; or (ii) to any member of your Immediate Family or the Immediate Family of a then current Owner of Franchisee (if a business corporation, partnership, limited liability company or other entity). On 30 days' notice to us, you (if you are an individual or partnership) may transfer this Agreement in conjunction with a transfer of all of the assets of the Franchised Business, by an agreement in form and substance approved by us, to a corporation or limited liability company which conducts no business activities other than the Franchised Business (and other PODS® Facilities under Franchise Agreements granted by us), and of which you own and control all of the equity and voting power of all issued and outstanding capital stock. None of the foregoing assignments shall relieve you or your Owners of your respective obligations hereunder, and you and your Owners remain jointly and severally liable for all obligations hereunder. We have the right to reject any Special Transfers proposed, but should we approve such a transfer, you or the owners will be relieved of the responsibility for obligations on a going-forward basis, but will not be relieved of any

responsibility or obligations for anything that has arisen or accrued prior to the date of such Special Transfer.

15.5 **Death or Disability**. Upon your death or permanent disability or the death or permanent disability of the Operating Partner or an Owner of a controlling interest in Franchisee, the executor, administrator or other personal representative of such person shall transfer his interest in this Agreement or his interest in Franchisee to a third party approved by us in accordance with all of the applicable provisions of this Section within a reasonable period of time, not to exceed 9 months from the date of death or permanent disability. However, no transfer will be required if a replacement Operating Partner or manager, satisfactory to us, is obtained within such time period.

15.6 **Our Right of First Refusal**. If you or any of your Owners desire to Transfer the Franchise or any of its assets for legal consideration, you or such Owner must obtain a bona fide, executed written offer and earnest money deposit in the amount of at least 5% of the offering price from a responsible and fully disclosed purchaser who has completed our standard Franchise Application and must deliver immediately to us a complete and accurate copy of such offer and Franchise Application. If the offeror proposes to buy any other property or rights from you or any of your Owners or Affiliates (other than rights under area development agreements or other Franchise Agreements for PODS® Facilities) as part of the bona fide offer, the proposal for such property or rights must be set forth in a separate, contemporaneous offer that is disclosed to us, and the price and terms of purchase offered to you or your Owner for the Transfer of the Franchise or any of its assets must reflect the bona fide price offered for them and may not reflect any value for any other property or rights.

We have the option, exercisable by notice to you or your Owners within 30 days from the date of delivery of a complete and accurate copy of such offer to us, as well as any additional documents, contracts or information made available to or involving the offeror, to purchase such interest or assets for the price and on the terms and conditions contained in such offer, provided that: (a) we may substitute cash for any form of payment proposed in such offer; (b) our credit shall be deemed equal to the credit of any proposed purchaser; and (c) we will have not less than 120 days from the option exercise date to consummate the transaction. We have the right to investigate and analyze the Franchised Business, assets and liabilities and all other matters we deem necessary or desirable in order to make an informed investment decision with respect to the fairness of the terms of our right of first refusal. We may conduct such investigation and analysis in any manner we deem reasonably appropriate and you and your Owners must cooperate fully with us in connection therewith.

If we exercise our option to purchase, we are entitled to purchase such interest subject to all representations and warranties, closing documents and indemnities as we reasonably may require and consistent with the form of Asset Purchase Agreement (the "**APA**") attached as Exhibit I. We may substitute the form of APA for the purchase agreement otherwise agreed upon by you and the offeror. If we do not exercise our option to purchase, you or your Owners may complete the sale to such offeror pursuant to and on the exact terms of such offer, subject to our approval of the transfer as otherwise provided in this Section, provided that if the sale to such offeror is not completed within 120 days after delivery of such offer to us or if there is a material change in the terms of the offer, you must promptly notify us. We will then have an additional option to purchase (on the terms of the revised offer, if any, and otherwise as set forth herein) during the 30-day period following your notification of the expiration of the 120-day period or the material change to the terms of the offer

15.7 **Securities Offerings**. Neither you nor any of your Owners may issue or sell, or offer to issue or sell, any of your securities or any securities of any of your Affiliates, regardless of whether such sale or offer would be required to be registered pursuant to the provisions of the Securities Act of 1933, as amended, or the securities laws of any other jurisdiction, without obtaining our prior consent and complying

with all of our requirements and restrictions concerning use of information about us and our Affiliates. Under no circumstances may you or any of your Owners issue or sell your securities or the securities of any of your Affiliates, if: (a) such securities would be required to be registered pursuant to the Securities Act of 1933, as amended; or (b) after such issuance or sale, you or such Affiliate would be required to comply with the reporting and information requirements of the Securities Exchange Act of 1934, as amended.

15.8 **By Us**. We may transfer this Agreement without restriction and if we do it will inure to the benefit of our transferee or other successor to our interests.

16. TERMINATION OF AGREEMENT

16.1 **Immediate Termination**. This Agreement will automatically terminate without notice, at our discretion: (a) if you become insolvent by reason of your inability to pay your debts as they mature; (b) if you are adjudicated bankrupt or insolvent; (c) if you file a petition in bankruptcy, reorganization or similar proceedings under the bankruptcy laws of the United States or have such a petition filed against you which is not discharged within 30 days; (d) if a receiver or other custodian, permanent or temporary, is appointed to the Franchised Business, assets or property; (e) if you request the appointment of a receiver or make a general assignment for the benefit of creditors; (f) if final judgment against you in the amount of $25,000 or more remains unsatisfied of record for 30 days or longer; (g) if your bank accounts, property or accounts receivable are attached; (h) if execution is levied against your Franchised Business or property; (i) if suit is filed to foreclose any lien or mortgage against any of your assets and such suit is not dismissed within 30 days (unless the amount is bonded against by an insurance company or terms and conditions, and with a financial or other rating, we deem satisfactory); or (j) if you voluntarily dissolve or liquidate or have a petition filed for corporate or partnership dissolution and such petition is not dismissed within 30 days.

16.2 **Termination Upon Notice**. In addition to our right to terminate pursuant to other provisions of this Agreement and under applicable law, we have the right to terminate this Agreement, effective upon delivery of notice of termination to you, if you or any of your Owners or Affiliates:

(a) fail to open the Facility and commence operation of your Franchised Business, within the time period required by this Agreement unless otherwise authorized by the Franchisor;

(b) abandon or fail to actively operate your Franchised Business for 3 consecutive days unless otherwise authorized by Franchisor;

(c) fail to operate your Franchised Business on 3 or more occasions, within a six month period, on one or more days within a month which were specified as operational days on the Calendar of Operations you submitted to us unless otherwise authorized;

(d) surrender or transfer control of the operation of your Franchised Business without our prior consent;

(e) make any material misstatements or omissions in an application for a PODS® franchise or in any other written information provided to us that we have relied upon either in granting the franchise to you or in evaluating whether to approve, consent or agree to a course of action;

(f) suffer cancellation or termination of the lease or sublease for the Facility without alternative leasing arrangements in place;

(g) are convicted of, or plead no contest to, a felony or other crime or offense that we reasonably believe may adversely affect the goodwill associated with the Marks;

(h) make an unauthorized Transfer of the Franchise or its assets or fail to Transfer the Franchise or the interest of a deceased or disabled principal Owner of Franchisee as herein required;

(i) make any unauthorized use or disclosure of any Confidential Information or use, duplicate or disclose any portion of the Manual in violation of this Agreement;

(j) fail or refuse to comply with this Agreement, any other agreement with us, or any mandatory specification, standard or operating procedure prescribed by us or our Affiliates in the Manuals or otherwise relating to the operation of your Franchised Business or violate any law, ordinance or regulation and do not correct such failure, refusal or violation within 30 days after written notice thereof is delivered to you (all Specifications, Standards and operating procedures in the Manual are mandatory unless specifically stated otherwise in the Manual);

(k) fail to report accurately Net Sales or to make payment of any amounts due us or any of our Affiliates, and do not correct such failure within 10 days after written notice of such failure is delivered to you;

(l) fail to make a timely payment of any amount due to a supplier unaffiliated with us (other than payments which are subject to bona fide dispute), and do not correct such failure within 30 days after we deliver to you notice of failure to comply with any material provision of this Agreement;

(m) fail on 3 or more separate occasions within any period of 12 consecutive months: (i) to submit when due reports or other data, information or supporting records; (ii) to pay when due Royalty Fees, contributions to local or regional advertising cooperatives, or other payments due us, any of our Affiliates or any unaffiliated suppliers; or (iii) to comply with this Agreement, or any mandatory specification, standard or operating procedure, whether or not you are notified of such failure or such failure is corrected after notice is delivered to you, and whether or not any one such failure is material or would give rise to our right of termination of this Agreement; or

(n) are in default or suffer termination of any other agreement with us or Affiliates except in the case of bankruptcy.

16.3 **Breach and Non-Compliance Fee**. When you have been notified in writing of a breach of any term or condition of your Franchise Agreement, you will have no more than 15 days to cure the breach. If you fail to cure the breach in the allotted period we may charge a fee we designate up to $5,000. If another breach of any kind occurs again within 12 months from a previous breach, and you fail to cure the breach within 15 days after written notice to you, we reserve the right to charge a fee up to $10,000. Payment of the fee is due 5 days after invoice receipt. Failure to pay the fee may result in a termination of your Franchise Agreement. The fees imposed in this Section are intended to compensate us for our administrative costs and the costs we may incur in association with terminating this Agreement and obtaining a replacement Franchisee as well as to offset some of the losses we incur as a result of the breach. The parties agree that these fees are reasonable, designed to compensate us in situations where we cannot determine the amount of our losses, and are not a penalty. These fees are not exclusive remedies, and imposition of these fees does not preclude us from exercising any other right or remedy under this Agreement, or at law or equity, to which we are entitled. The foregoing 15-day period only applies to these fees, will not be deemed to extend or modify any cure period set forth in this Agreement, nor will it be deemed to provide a cure period for an otherwise incurable breach.

17. RENEWAL RIGHTS

17.1 **Your Right To Acquire a Successor Franchise**. You have the right, subject to the conditions contained in this Section, to acquire one (1) successor franchise for the Franchised Business for a successor term of 10 years , on the terms and conditions of our then current form of Franchise Agreement for PODS® Facilities, if upon expiration of the Term: (a) you and your Owners and Affiliates have been in compliance with this Agreement and any other agreements with us or any of our Affiliates for at least the immediately preceding 12 months, and you and your Owners have been in substantial compliance with this Agreement throughout the Term; (b) we have not notified you of our decision that any federal or applicable state legislation, regulation or rule, which is enacted, promulgated or amended after the date hereof, may have an adverse effect on our rights, remedies or discretion in franchising PODS® Facilities; and (c) you maintain the right to possession of the Premises and Facilities for the term of the successor Franchise Agreement and enter into an agreement with us whereby you agree within a specified time period, starting on the signing of a successor Franchise Agreement, to remodel the Facility, add or replace improvements, fixtures, furnishings, equipment and signs and otherwise modify the Facility to upgrade the Facility to the specifications and standards then applicable for new PODS® Facilities.

17.2 **Notices**. You must give us written notice of your desire to acquire a successor franchise at least 360 days prior to the expiration of this Agreement. If at the time of giving notice your Performance Rating for the previous 12 months is Compliant, we will give you notice, not later than 60 days after receipt of your notice, of our decision whether or not you have the right to acquire a successor franchise. If your Performance Rating is Noncompliant, we will give you notice, not later than 30 days after receipt of your notice, of our decision whether or not you have the right to acquire a successor franchise. Our decision to grant you the right to acquire a successor franchise will be based, in part, on your ability and efforts to obtain and maintain a Compliant rating during the 30-day period. Notwithstanding any notice of our decision that you have the right to acquire a successor franchise for the Facility, your right will be subject to your continued compliance with all the provisions of this Agreement up to the date of its expiration.

17.3 **Agreements**. If you have the right to acquire a successor franchise and state your desire to exercise that right, we and you (and your Owners) will execute our then current standard form of Franchise Agreement used in the state in which the Franchised Business is located (which may provide for different Royalty Fees, advertising contributions and expenditures, duration and other rights and obligations than those provided in this Agreement, and all related documents (including, personal guarantees by your Owners and a remodeling agreement on such terms as we determine to be appropriate) which we then customarily use in granting renewal franchises for the operation of PODS® Facilities. You will be obligated to pay a successor fee of the greater of $50,000 per Territory or 50% of our then current standard initial franchise fee for a PODS® Facility. We will not be required to provide any initial training or development services. You and your Owners must execute general releases, in form and substance satisfactory to us, of any and all claims against us, and our Affiliates, officers, directors, employees, agents, successors and assigns. Failure by you (and your Owners) to sign such agreements and releases within 30 days after delivery to you shall be deemed an election by you not to acquire a successor franchise for the Franchised Business.

18. EFFECT OF TERMINATION OR EXPIRATION

18.1 **Payment of Amounts Owed to Us**. Within 30 days after the effective date of termination or expiration (without renewal) of this Agreement, you must pay us and our Affiliates all Royalty Fees, amounts owed for purchases from us or our Affiliates, interest due on any of the foregoing and all other amounts owed to us or our Affiliates which are then unpaid.

18.2 **Discontinue Use of Marks and Confidential Information**. Upon the termination or expiration (without renewal) of this Agreement, you will:

(a) not directly or indirectly at any time or in any manner use any Improvement, Mark, any colorable imitation or other indicia of a PODS® Facility;

(b) take such action as may be required to cancel all fictitious or assumed name registrations relating to your use of any Mark;

(c) notify the telephone company and all telephone directory publishers of the termination or expiration of your right to use any telephone number and any regular, classified or other telephone directory listings associated with any Mark and to authorize transfer of the number to us or at our direction;

(d) if we do not exercise our right to purchase the Franchised Business, promptly remove from the Facilities, and discontinue using for any purpose, all signs, fixtures, furniture, décor items, advertising materials, forms and other materials and supplies which display any of the Marks or any distinctive features, images, or designs associated with PODS® Facilities and, at your expense, make such alterations as may be necessary to distinguish the Facilities and Premises so clearly from its former appearance as a PODS® Facility and from other PODS® Facilities as to prevent any possibility of confusion by the public;

(e) immediately cease to use all Confidential Information and return to us all copies of the Manual and any other confidential materials which have been loaned to you; and

(f) within 30 days after the effective date of termination or expiration, furnish us evidence satisfactory to us of your compliance with the foregoing obligations.

18.3 **Post-Term Covenants**. For a period of 2 years, starting on the effective date of termination, transfer, sale or expiration (without renewal) of this Agreement, neither you nor any of your Owners may directly or indirectly (such as through his, her or their Immediate Families or an Affiliate) own a legal or beneficial interest in, or become employed by or render services or give advice to: (a) any Competitive Business operating or providing services: (i) in the Protected Area or within 50 miles of its boundaries; (ii) in the protected area or within 50 miles of its boundaries, that we have granted to any other franchisee; (iii) within 50 miles of the boundaries of any PODS® Facility owned and operated by us or our Affiliates; or (b) any entity which grants franchises, licenses or other interests to others to operate any Competitive Business that is offering them for operation in the Protected Area or within 50 miles of the Protected Area or the Protected Area we have designated for us or our Affiliates or another franchisee.

You and each of your Owners expressly acknowledge the possession of skills and abilities of a general nature and the opportunity for exploiting such skills in other ways, so that enforcement of the covenants made in this Section will not deprive any of you of your personal goodwill or ability to earn a living. If you or any of your Owners fail or refuse to abide by any of the foregoing covenants, and we obtain enforcement in a judicial or arbitration proceeding, the obligations under the breached covenant will continue in effect for a period of time ending two (2) years after the date such person commences compliance with the order enforcing the covenant.

18.4 **Option to Purchase Business Assets**. Upon termination or expiration (without renewal) of this Agreement, we have the right, exercisable by giving notice thereof ("**Appraisal Notice**") within 10 days after the date of such termination or expiration, to require a determination of the "Fair Market Value" (as defined below) of all the tangible assets of the Franchised Business, including Containers, Lifts, trucks,

inventories of non-perishable products, materials, supplies, furniture, equipment, signs, and any and all leasehold improvements, fixtures, building and land, but excluding any cash and short-term investments and any items not meeting our specifications for PODS® Facilities (the "**Business Assets**"). Upon such notice, you may not sell or remove any of the tangible assets of the Franchised Business from the Facility and must give us, our designated agents and the "Appraiser" (as defined below) full access to the Franchised Business and all of your books and records at any time during customary Franchised Business hours in order to conduct inventories and determine the purchase price for the Business Assets.

The Fair Market Value shall be determined by good faith negotiations between you and us to establish the amount which an arm's length purchaser would be willing to pay for the Business Assets, assuming that the Business Assets would be used for the operation of a PODS® Facility under a valid Franchise Agreement reflecting the then-current (or if we are not offering franchises at that time, then the most recent) standard terms upon which we offer franchises for PODS® Facilities, less the cost of any required remodeling in the event that it is reasonably determined that remodeling is required. Under no circumstances will any value be attributed to any goodwill associated with any Mark. If you and we are unable to agree on the Fair Market Value of the Business Assets within 15 days after the Appraisal Notice, then Fair Market Value will be determined by a member of a nationally recognized accounting firm (other than a firm which conducts audits of your or our financial statements) selected by us who has experience in the valuation of similar franchised businesses (the "**Appraiser**"). We will notify you of the identity of the Appraiser, who will make his determination and submit a written report ("**Appraisal Report**") to you and us as soon as practicable, but in no event more than 60 days after his appointment. Each party may submit in writing to the Appraiser its judgment of Fair Market Value (together with its reasons therefore); however, the Appraiser shall not be limited to these submissions and may make such independent investigations as he reasonably determines to be necessary.

We have the option, exercisable by delivering notice thereof within 30 days after submission of the Appraisal Report (or the date that an agreement is reached, if the parties agree to the Fair Market Value), to purchase the Purchased Assets at the Fair Market Value. We shall have the unrestricted right to assign this option to purchase separate and apart from the remainder of this Agreement.

If we exercise our option to purchase, 100% of the purchase price for the Business Assets will be paid in cash at the closing, which will occur at the place, time and date we designate, but not later than 60 days after the exercise of our option to purchase the Business Assets. At the closing, we will be entitled to all warranties, title insurance policies and other closing documents and post-closing indemnifications as we reasonably require, including: (a) instruments transferring good and merchantable title to the Business Assets, free and clear of all liens, encumbrances, and liabilities, to us or our designee, with all sales and other transfer taxes paid by you; and (b) an assignment of all leases of tangible assets used in the operation of the Franchised Business, including land, building and/or equipment (or if an assignment is prohibited, a sublease to us or our designee for the full remaining term and on the same terms and conditions as your lease, including renewal and/or purchase options), provided, however, that if any of your Owners or Affiliates directly or indirectly owns the land, building and/or equipment of the Franchised Business, you will, at our option, cause such Owner or Affiliate to grant to us a lease at reasonable and customary rental rates and other terms prevailing in the community where the Franchised Business is located. Any dispute concerning the rental rates and terms of such lease shall be resolved by the Appraiser.

If you cannot deliver clear title to all of the assets, or if there are other unresolved issues, the closing of the sale may, at our option, be accomplished through an escrow on such terms and conditions as we deem appropriate, including the making of payments, to be deducted from the purchase price, directly to third parties in order to obtain clear title to any of the Business Assets. Further, you and we shall comply with any applicable Bulk Sales provisions of the Uniform Commercial Code as enacted in the state where the Premises are located and all applicable state and local sales and income tax notification and/or escrow

procedures. We have the right to set off against and reduce the purchase price by any and all amounts owed by you or any of your Owners or Affiliates to us or any of our Affiliates.

Upon delivery of the Appraisal Notice and pending (1) determination of Fair Market Value, (2) our option period, and (3) the closing of the purchase, we may authorize continued temporary operation of the Franchised Business pursuant to the terms of this Agreement, subject to the supervision and control of one or more of our appointed managers.

18.5 **Option to Acquire Lifts and Containers**. Notwithstanding any of the foregoing, upon termination or expiration (without renewal) of this Agreement, we have the right, exercisable by giving notice to you (the "Option Notice") within 30 days after the date of such termination or expiration, to acquire any or all of the Lifts and/or Containers you are utilizing in the Franchised Business. If you purchased the Lifts, we will have the right to buy them at book value as of the date we exercise such option. If we buy Containers, the price will also be their book value. Book value will mean the price you paid for them less all depreciation you have taken on such Lifts or Containers for federal income tax purposes.

Furthermore, notwithstanding the provisions of this Section, you shall have the right to sell any and all of the Lifts and Containers to another PODS® franchise in good standing as long as you and the other PODS® franchisee obtain our approval in advance. Such approval will not be unreasonably withheld. The acquiring PODS® Franchisee must submit to us in advance such documents as we may require, listing the Serial Number of the Lift(s) that they have acquired or intend to acquire from you, and a statement that gives us the right to purchase the Lifts from them under the conditions and on the terms of this Section.

18.6 **Asset Purchase Option**. You grant us the option to purchase all of the assets of your Franchised Business or all of its ownership interest held by Owners (at our option and which we may assign to an Affiliate) any time after the 60th month following the Contract Date on the following terms and conditions:

(a) **Option Period**: Unless otherwise provided for in the Agreement we may exercise our option to acquire your Franchised Business at any time after 60 months following the Contract Date.

(b) **Exercise**: To exercise our option, we must give you written notice (the "Acquisition Notice") of our intention to do so. The Acquisition Notice must be sent to you at least 60 days prior to the anticipated closing date.

(c) **Purchase Price**: The parties will work together to determine the valuation to set the purchase price. The parties will utilize good faith and commercially reasonable efforts to determine said valuation. The purchase price will be determined at least 10 days prior to closing and will be equal to a six (6) times multiple of Normalized EBITDA

(d) **Normalized EBITDA**: Normalized EBITDA is defined as follows: EBITDA as calculated in accordance with generally accepted accounting principles, for the trailing 12-month period prior to the month in which the Acquisition Notice is delivered. EBITDA means earnings before interest, taxes, depreciation, and amortization. It will be normalized for the following 5 items:

(i) Related party transactions as defined by generally accepted accounting principles to be restated at current arms-length market rates;

(ii) Excess or below market owners' compensation to be normalized to expected ongoing management expenses based on the then-current compensation of our managers managing businesses of comparable sales levels;

(iii) All other lease obligations will be treated in accordance with generally accepted accounting principles; and

(iv) Revenue and expenses will be adjusted to eliminate isolated and nonrecurring operational events (e.g., capital sales of equipment); and to include amounts that were not paid due to deferred maintenance of Facilities and equipment (to include amounts needed to be spent to bring such items up to our standards and specifications); advertising expenses less than required under this Agreement.

(e) **Net Proceeds**: Net Proceeds to you will be:

(i) Purchase Price,

(1) Plus or minus net working capital (current assets less current liabilities as defined by generally accepted accounting principles) acquired by us.

(2) Less all other debt obligations, liabilities, and contingent liabilities of the Franchised Business as defined by generally accepted accounting principles, which are assumed in writing by us.

(3) Plus unsettled distributions from Interfranchise Transactions in which you participated that are owed to you by us as of the closing date of the acquisition.

(4) Plus distributions from the PODS CPP loss pool recoveries that have been received by us in the normal course of business which remain unpaid as of the closing date of the acquisition.

Prior to closing, you shall payoff and provide us with evidence to show satisfaction of all debts, acceptable to us, for all liabilities of the Franchised Business we do not agree to assume in writing.

(f) **Releases**: We will provide a release of liability to you for all future liabilities of the Franchised Business. You will not be relieved of any undisclosed or unassumed liabilities prior to closing and for the final settlement of all claims or contingencies at the time of closing.

(g) **CPA**: In case of any disagreement on any of the calculations or determinations of EBITDA, the determination by a nationally recognized independent certified public accountant selected by us will be final and conclusive. All fees associated with the engagement of the independent certified public accountant shall be equally borne by you and us.

(h) **APA/Representations and Warranties**: The terms and conditions of the purchase of your Franchised Business will be governed by the asset purchase agreement, the form of which is attached as Exhibit "I" (the "**APA**"), which you must sign at the closing. We will be entitled to all customary representations and warranties in such form and content as we reasonably require to ensure among other things that the assets are in good operating condition, that we get full

and complete title to all of the assets or ownership interests we purchase, and that there are no liabilities being transferred to us unless we expressly agree to assume them.

(i) **Cooperation**: You must cooperate with us in preparing for the sale of your Franchised Business if we exercise our option and proceed to closing of the purchase within 60 days of the Acquisition Notice unless we decide to extend the closing date. We shall have the right to conduct due diligence investigations regarding the business and operations of the Franchised Business, and you will provide us and our accountants, lawyers and other agents reasonable access to your books and records, files, documents and facilities, and make available, subject to reasonable conditions regarding dates, times and locations, appropriate employees, consultants, accountants, legal counsel and other agents or representatives in order to permit us to complete our due diligence review. Moreover, you must cooperate with us by timely furnishing us with the necessary information to accurately calculate the purchase price. Based upon our due diligence review, we may elect, in our sole discretion, to revoke the Acquisition Notice by providing you written notice of such revocation.

(j) **Continuing Obligations**: All obligations and covenants under this Agreement which expressly or by their nature survive the expiration or termination of this Agreement shall continue in full force and effect until they are satisfied in full or by their nature expire.

19. RELATIONSHIP OF THE PARTIES

19.1 Independent Contractors.

(a) Neither this Agreement nor the dealings of the parties pursuant to this Agreement shall create any fiduciary relationship or any other relationship of trust or confidence between the parties hereto. You and we are and shall be independent contractors.

(b) Notwithstanding anything in this Agreement to the contrary, the parties expressly agree that this Agreement contains an express covenant of good faith and fair dealing between the parties and that said covenant applies to the performance and enforcement of the terms of this Agreement. As used herein the term "good faith" means honesty in fact in the conduct of the parties hereto and the transactions performed pursuant to the terms of this Agreement. Further, the parties agree that the good faith to be exhibited by them in connection herewith shall be the faithfulness to the agreed purpose between the parties and which is consistent with the justified expectations of the other party. This express covenant of good faith and fair dealing shall be in addition to the covenant of good faith and fair dealing, which the parties acknowledge and agree is implied in every contract by applicable law.

(c) Nothing contained in this Agreement, or arising from the conduct of the parties hereunder, is intended to make either party a general or special agent, joint venturer, partner or employee of the other for any purpose whatsoever. You must conspicuously identify yourself in all dealings with customers, lessors, contractors, suppliers, public officials, employees and others as the owner of the Franchised Business and must place such other notices of independent ownership on such forms, business cards, stationery, advertising and other materials as we may require from time to time.

(d) You must pay all wages, commissions, fringe benefits, worker's compensation premiums and payroll taxes (and other withholdings required by law) due for your employees. These employees will be your employees and not ours. You must ensure that a sufficient number of trained employees are available to meet the operational standards and requirements of your

Franchised Business at all times. We do not control the day-to-day activities of your employees or the manner in which they perform their assigned tasks. We also do not control the hiring or firing of your employees.

(e) You may not make any express or implied agreements, warranties, guarantees or representations or incur any debt in our name or on our behalf or represent that the relationship of the parties hereto is anything other than that of independent contractors. We will not be obligated by or have any liability under any agreements made by you with any third party or for any representations made by you to any third party. We will not be obligated for any damages to any person or property arising directly or indirectly out of the operation of the Franchised Business.

19.2 **Indemnification**. We and you shall indemnify, defend and hold harmless the other party, its Affiliates, shareholders, directors, officers, employees, agents, successors and assigns from and against, and reimburse them for, any claim, liability, obligation, cost and expenses, including attorneys' fees, actual and consequential damages, penalty, taxes or judgment asserted against, imposed on or incurred by any of the foregoing indemnified parties arising directly or indirectly from this Agreement or the development or operation of your Franchised Business resulting from any acts or omissions of the indemnifying party or their officers, agents, servants, employees, contractors and representatives. We and you shall at the respective party's own cost and expense defend any and all suits or actions arising directly or indirectly from this Agreement, the development or operation of the Franchised Business, which may be bought against the other party or in which the other party may be impleaded with others upon any such aforementioned matter or claim. This indemnity shall survive the expiration or earlier termination of this Agreement. Notwithstanding the provisions of this Section, neither you nor we shall indemnify the other party for the other party's own acts or omissions. We have the right to defend and/or settle any such matter arising under this indemnification provision in such manner we deem appropriate, without your consent. In no event shall we be liable to you pursuant to this indemnification provision for any matter not directly related to the Franchise granted by this Agreement. This Section shall continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.

19.3 **Taxes**. We will have no liability for any sales, use, service, occupation, excise, gross receipts, income, property or other taxes, whether levied upon the Franchised Business, your property or upon us, in connection with sales made or business conducted by you (except any taxes we are required by law to collect from you). Payment of all such taxes shall be your responsibility. In the event of a bona fide dispute as to your liability for taxes, you may contest your liability in accordance with applicable law. In no event, however, will you permit a tax sale, seizure, or attachment to occur against the Franchised Business or any of its assets.

20. DISPUTE RESOLUTION

20.1 **Negotiation and Mediation**. Except with respect to termination of this Agreement in accordance with its terms and pursuit of injunction relief, the parties will first attempt in good faith to resolve promptly by negotiation and, if necessary, mediate any controversy or claim arising out of or relating to this Agreement. The disputing party must give the other party written notice of the dispute. Within 20 days after receipt of this notice, the receiving party must submit to the other a written response. The notice and response must include a statement of each party's position and a summary of the evidence and arguments supporting its position. The parties will meet at a mutually acceptable time at our headquarters within 30 days of the date of the notice of dispute to attempt to resolve the dispute. You or your Operating Partner(s) will be represented by any person that you authorize to settle the dispute. We will be represented by a person authorized to settle the dispute.

20.2 **Mediation**. If the controversy or claim has not been resolved within 30 days of the notice of dispute, or if the party receiving the notice will not meet within the 30 days, the disputing party may initiate a 1-day mediation of the controversy or claim. Mediation will be conducted at our headquarters within 15 days thereafter (or at such other time as may be agreed to) and will be administered through the Center for Public Resources ("CPR") in accordance with its Procedures for Resolution of Franchise Disputes. If CPR is unavailable, we will select a comparable organization to conduct the mediation proceeding. Participation in mediation will be mandatory for both parties. The mediator will assist the parties in evaluating the dispute. The mediator may not make a decision that is binding on any party, unless that party has so agreed in writing.

All information received by a mediator while serving in that capacity must be kept confidential. Accordingly, the parties agree not to serve the mediator with any subpoena or discovery request (or otherwise compel the mediator's attendance or testimony) in connection with any arbitration or litigation between the parties. Each party agrees to maintain the confidentiality of all communications relating to mediation, and not to use it for any purpose other than settlement of the dispute. Each party must bear its own costs of complying with this Section and must share equally the costs of any mediator. If in relation to a controversy or claim, a party breaches any provision of this Section, the other party need not comply with this Section with respect to that controversy or claim. If the parties agree on a settlement through negotiation or mediation and a dispute later arises with respect to any of the matters covered by the settlement, the parties agree to submit such dispute, prior to instituting any adversarial proceeding, to mediation in accordance with this Section. Nothing contained in this Section, nor our participation in any negotiation or mediation process, shall constitute a waiver of our right to terminate this Agreement at any time in accordance with its terms or in accordance with applicable law.

21. MISCELLANEOUS

21.1 **Severability and Substitution of Provisions**. Every part of this Agreement is severable. If for any reason any part of this Agreement is held to be invalid, that determination will not impair any other part, or the rest, of this Agreement. If any part of this Agreement that competitive activity is deemed unenforceable by virtue of its scope in terms of geographical area, type of business activity prohibited and/or length of time, but could be rendered enforceable by reducing any part or all of it, you and we agree that it will be enforced to the fullest extent permissible under applicable law and public policy. If any applicable law requires a greater prior notice of the termination of or refusal to enter into a successor franchise than is required hereunder, a different standard of "good cause", or the taking of some other action not required hereunder, the prior notice, "good cause" standard and/or other action required by such law shall be substituted for the comparable provisions hereof. If any part of this Agreement or any specification, standard or operating procedure prescribed by us is invalid or unenforceable under applicable law, we may modify such invalid or unenforceable provision, specification, standard or operating procedure to the extent required to make it valid and enforceable.

21.2 **Waiver of Obligations**. We and you may by written instrument unilaterally waive or reduce any obligation of the other under this Agreement. Any waiver granted by us shall be without prejudice to any other rights we may have, will be subject to continuing review by us and may be revoked, in our sole discretion, at any time and for any reason, effective upon delivery to you of 10 days' prior notice. You and we shall not be deemed to have waived any right reserved by this Agreement by virtue of any custom or practice of the parties at variance with it; any failure, refusal or neglect by you or us to exercise any right under this Agreement (except as otherwise provided in this Agreement) or to insist upon exact compliance by the other with its obligations hereunder; any waiver, forbearance, delay, failure or omission by us to exercise any right, whether of the same, similar or different nature, with respect to other PODS® Facilities; or the acceptance by us of any payments due from you after any breach of this Agreement.

21.3 **Exercise of Rights**. Our rights hereunder are cumulative and no exercise or enforcement by us of any right or remedy hereunder shall preclude the exercise or enforcement by us of any other right or remedy hereunder which we are entitled to enforce by law or in equity. If you commit any act of default under this Agreement for which we exercise our right to terminate this Agreement, you shall pay to us the actual and consequential damages we incur as a result of the premature termination of this Agreement. You acknowledge and agree that the proximate cause of such damages sustained by us is your act of default and not our exercise of our right to terminate. Notwithstanding the foregoing, and except as otherwise prohibited or limited by applicable law, any failure, neglect, or delay by you to assert any breach or violation of any legal or equitable right arising from or in connection with this Agreement shall constitute a waiver of such right and shall preclude the exercise or enforcement of any legal or equitable remedy arising from such right, unless written notice specifying such breach or violation is provided to us within 12 months after the later of: (a) the date of such breach or violation; or (b) the date of discovery of the facts (or the date the facts could have been discovered, using reasonable diligence) giving rise to such breach or violation. We may from time to time, agree to consent to excuse you from complying with one or more of the provisions of this Agreement. Such consent shall only be valid if given in writing and may be withdrawn at any time. We agree that you shall not be penalized in any way for not complying with the specifically excused provisions during this period, but you shall immediately conform to such provisions once the consent has been withdrawn.

21.4 **Injunctive Relief**. Notwithstanding anything else in this Agreement, we may seek to obtain in any court of competent jurisdiction any injunctive relief including temporary restraining orders and injunctions (preliminary or permanent), against conduct or threatened conduct for which no adequate remedy at law may be available or which may cause us irreparable harm. We may have such injunctive relief, without bond (or if such bond is required then it is not to exceed $10,000), but upon due notice, in addition to such further and other relief as may be available at equity or law, and your sole remedy in the event of the entry of such injunction, shall be its dissolution, if warranted, upon hearing duly had (all claims for damages by reason of the wrongful issuance of any such injunction being expressly waived). You and each of your Owners acknowledge that any violation of this Agreement would result in irreparable injury to us for which no adequate remedy at law may be available. Accordingly, you and each of your Owners consent to the issuance of an injunction prohibiting any conduct in violation of this Agreement and agrees that the existence of any claim you or any of your Owners may have against us, whether or not arising from this Agreement, shall not constitute a defense to the enforcement of any provision of this Agreement.

21.5 **Costs of Enforcement**. The prevailing party in any judicial, arbitration, or appellate proceeding between you and us shall be entitled to reimbursement of all of its attorneys' fees and related costs and/or expenses of any nature incurred in any way (including, without limitation, the following: reasonable accounting fees, paralegal fees, expert witness fees and costs, travel time and expenses of experts, travel time and expenses of attorneys, travel time and expenses of witnesses, mediation fees and expenses, arbitration fees and expenses, deposition transcript costs, court report fees and costs, videographer fees and costs, charges incurred for special magistrates, any electronic discovery expenses, cost of privilege review of documents including electronically stored information, telephone conference charges, all photocopy costs and charges, color copy costs, all fees and costs of litigation and e-discovery support vendors, hosting fees and charges for storage of electronic data, postage charges, court filing fees, parking expenses, PACER charges, Westlaw fees and charges, allocable salary or hourly costs of in-house counsel and employee time related to any proceeding) from the non-prevailing party. In addition, and without limitation of the foregoing, the prevailing party in any judicial, arbitration or appellate proceeding shall also be entitled to recover attorneys' fees and associated costs litigating entitlement to and amount of attorneys' fees and costs.

21.6 **Governing Law**. This Agreement shall be construed under the laws of the State of Florida, provided the foregoing shall not constitute a waiver of any of your rights under any applicable franchise

law of another state that has independent jurisdiction over this Agreement. Otherwise, in the event of any conflict of law, Florida law will prevail, without regard to its conflict of law principles. However, if any provision of this Agreement would not be enforceable under Florida law, and if the Facility is located outside of Florida and such provision would be enforceable under the laws of the state in which the Facility is located, then such provision shall be construed under the laws of that state. Nothing in this Section is intended to subject this Agreement or the parties' relationship to any franchise or similar law, rule or regulation of the State of Florida to which they otherwise would not be subject under the jurisdiction or coverage of such laws.

21.7 **Jurisdiction and Venue**. You and we irrevocably consent and submit to the mandatory jurisdiction and venue of any state or federal court of competent jurisdiction located in the geographic area in which we have our principal place of business located at the time of the commencement of the litigation proceedings. You irrevocably waive any objection to the jurisdiction and venue of such courts. The exclusive choice of jurisdiction, however, does not preclude either your or our bringing any action to enforce any judgment in any other jurisdiction or in any other appropriate jurisdiction to confirm or enforce any arbitration award or judicial order.

21.8 **Successors and Assigns**. This Agreement is binding on the parties hereto and their respective executors, administrators, heirs, assigns and successors in interest. This Agreement is fully transferable by us, whether by operation of law or otherwise, and shall inure to the benefit of any transferee or other legal successor to our interests herein.

21.9 **Limitations on Legal Actions**. Except with respect to obligations regarding use of the Marks, Patents and Improvements and the Confidential Information, we and you (and our and your owners) each waive, to the fullest extent permitted by law, any right to, or claim for, any consequential, punitive or exemplary damages against the other, for any claim directly or indirectly arising from or relating to this Agreement. You agree that, for our franchise system to function properly, we should not be burdened with the costs of litigating system-wide disputes. Accordingly, any disagreement between you (and your Owners) and us shall be considered unique as to its facts and shall not be brought as a class action, and you (and each of your Owners) waive any right to proceed against us or any of our Affiliates, officers, directors, employees, agents, successors and assigns by way of class action. In any legal action between the parties, the court shall not be precluded from making its own independent determination of the issues in question, notwithstanding the similarity of issues in any other legal action involving us and any other franchisee, and each party waives the right to claim that a prior disposition of the same or similar issues preclude such independent determination.

21.10 **Waiver of Jury Trial**. The parties agree that any legal action in connection with this Agreement shall be tried to the court sitting without a jury, and all parties hereto waive any right to have any action tried by jury.

21.11 **Construction**. The language of this Agreement shall be construed according to its fair meaning and not strictly against any party. This Agreement, all exhibits to this Agreement and all ancillary agreements executed contemporaneously with this Agreement constitute the entire agreement between the parties with reference to the subject matter of this Agreement and supersede any and all prior negotiations, understandings, representations and agreements; provided, however, that nothing in this or any related agreement is intended to disclaim the representations we made in the Franchise Disclosure Document that we furnished to you. Nothing in this Agreement shall be deemed to confer any rights or remedies on any person or legal entity not a party hereto. This Agreement shall not be modified except by written agreement signed by both parties. The headings of sections are for convenience only and do not limit or construe their contents. The word "**including**" shall be construed to include the words "**without limitation**." The term "**Franchisee**" or "**you**" is applicable to one or more persons, a corporation, limited liability company or a

partnership and its owners, as the case may be. If two or more persons are at any time Franchisees hereunder, whether as partners, joint venturers or otherwise, their obligations and liabilities to us shall be joint and several. This Agreement may be executed in multiple copies, each of which shall be deemed an original. Time is of the essence in this Agreement.

21.12 **Approvals and Consents**. Whenever this Agreement requires the approval or consent of either party, the other party shall make written request for it, and such approval or consent shall be obtained in writing; provided however, unless specified otherwise in this Agreement, such party shall not unreasonably delay, withhold or deny approval or consent.

21.13 **Late Payment Charge**. Notwithstanding any other provision contained herein, you acknowledge that any default in the payment of any amount payable to us hereunder will result in loss and additional expense to us in handling such delinquent payments and meeting our other financial obligations, and because such loss and additional expense is extremely difficult and impractical to ascertain, you agree that in the event any payment payable to us hereunder is not paid within 30 days after the date due, you will pay a late charge of 5% of the amount of the overdue payment as a reasonable estimate of such loss and expenses, unless applicable law requires a lesser charge, in which event the maximum rate permitted by such law may be charged by us. The 30-day grace period set forth in this Section shall not extend the time for payment or the period for curing any default or constitute a waiver of such default or otherwise limit our right to pursue any other remedies to which we are entitled in law, equity or pursuant to this Agreement.

21.14 **Notices and Payments**. All notices, requests and reports permitted or required to be delivered by this Agreement shall be deemed delivered: (a) at the time delivered by hand to the recipient party (or to an officer, director or partner of the recipient party); (b) on the same day of the transmission by facsimile, telegraph or other reasonably reliable electronic communication system with confirmation of receipt; (c) 1 business day after being placed in the hands of a commercial courier service for guaranteed overnight delivery; or (d) 5 business days after placement in the United States Mail by Registered or Certified Mail, Return Receipt Requested, postage prepaid and addressed to the party to be notified at its most current principal Franchised Business address of which the notifying party has been notified in writing. All payments and reports required by this Agreement shall be sent to us at the address identified in this Agreement unless and until a different address has been designated by written notice. No restrictive endorsement on any check or in any letter or other communication accompanying any payment shall bind us, and our acceptance of any such payment shall not constitute an accord and satisfaction.

21.15 **Receipt of Franchise Disclosure Document**. You acknowledge having received a complete copy of our Franchise Disclosure Document required by the Federal Trade Commission's Franchise Trade Regulation Rule (16 C.F.R. Part 436) within the time period required by applicable law.

21.16 **Force Majeure**. Neither of the parties will be liable for loss or damage or deemed to be in breach of this Agreement if failure to perform obligations results from:

(a) Compliance with any law, ruling, order, regulation, requirement or instruction of any federal, state or municipal government or an department or agency thereof;

(b) Acts of God, war or terror;

(c) (c) Acts or omissions of a similar event or cause, including pandemics or epidemics; or

(d) (d) Any such delay as may be reasonable.

However, such delays or events do not excuse payments of amounts owed at any time.

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement on the day and year first above written. This Agreement will not be binding on the parties until it has been fully signed and delivered by both parties.

PODS ENTERPRISES, LLC
a Florida limited liability company

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

_____
a(n) _____

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

EXHIBIT A

TO THE FRANCHISE AGREEMENT BETWEEN

PODS ENTERPRISES, LLC AND

_____

DATED _____

PRINCIPAL OWNERS STATEMENT

This form must be completed by the Franchisee ("**I**," "**me**," or "**my**") if I have multiple owners or if I, or my Franchised Business, is owned by a business organization (such as a corporation, partnership or limited liability company). Franchisor is relying on the truth and accuracy of this form in awarding the Franchise to me.

1. **Form of Owner**. My official name is _____. I am a (check one):

General Partnership	☐
Corporation	☐
Limited Partnership	☐
Limited Liability Company	☐
Other	☐
Specify:	_____

2. **Business Entity.** I was incorporated or formed on _____, under the laws of the State of _____. I have not conducted business under any name other than my corporate name. The following is a list of all persons who have management rights and powers (e.g., officers, managers, partners, etc.) and their positions are listed below:

Name of Person	**Position(s) Held**
_____	_____
_____	_____

3. **Operating Partner**. I designate _____ as my Operating Partner or General Manager subject to your approval.

4. **Owners**. The following list includes the full name and mailing address of each person who is one my owners and fully describes the nature of each owner's interest. Attach additional sheets if necessary.

Owners Name and Address	**Description of Interest**
_____	_____

5. **Governing Documents**. Attached are copies of the documents and contracts governing the ownership, management and other significant aspects of the business organization (e.g., articles of incorporation or organization, partnership or shareholder agreements, etc.).

This Statement of Principal Owners is current and complete as of _____.

OWNERS:

_____
_____, individually

_____
_____, individually

_____
a(n) _____

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

EXHIBIT B

TO THE FRANCHISE AGREEMENT BETWEEN

PODS ENTERPRISES, LLC AND

_____

DATED _____

Territory: A territory consists of approximately 400,000 population. Franchise fees are based upon a Protected Area consisting of one Territory. All figures are based pro rata per territory. Multiple or partial territories must reflect the multiples pro rata and all requirements per territory.

Protected Area: Protected Areas may include multiple Territories.

All provisions of the Franchise Disclosure Document and Franchise Agreements incorporate one (1) "Territory" based on a population of 400,000. When a Franchisee purchases more or less than one "Territory," all terms and conditions to their agreements are to be calculated using the 400,000 population "Territory" as a multiple or such portion or fraction as the case may be, other than terms that vary based on other considerations (like Royalties and Net Sales). Examples: If a Franchisee purchases a Territory with a population of 1.2 million, then all terms and conditions are applied times three. If a Franchisee purchases a Territory with a population of 200,000, then all terms and conditions are applied times 1/2.

The Protected Area is bounded and described by the following exhibits:

Exhibit B1, which itemizes the zip codes for your Protected Area

Exhibit B2, which illustrates through a map your Protected Area

The Protected Area comprises ____ Territory(ies).

PODS ENTERPRISES, LLC a Florida limited liability company	_____ a(n) _____
By:_____ Name:_____ Title:_____ Date:_____	By:_____ Name:_____ Title:_____ Date:_____

EXHIBIT B-1

EXHIBIT B-2

EXHIBIT C

LEASE PROVISIONS

Any lease or sublease executed by you for the Facilities shall contain the following provisions or an addenda thereto.

ADDENDUM TO LEASE

This addendum is executed as of _____, by and between _____ ("**Franchisee**") and _____ ("**Landlord**") for the facility located at _____ _____ (the "**Facility**").

WHEREAS, Franchisee has executed a Franchise Agreement with PODS Enterprises, LLC ("**Franchisor**"), and as a requirement thereof the lease ("**Lease**") for the Facility at which the franchise business is to be located must contain certain provisions; and

WHEREAS, Landlord and Franchisee agree that the terms contained herein shall supersede any terms to the contrary set forth in the Lease;

NOW THEREFORE, in consideration of mutual covenants set forth herein, Landlord and Franchisee hereby agree as follows:

1. Landlord shall provide written notice to Franchisor and Franchisee of any default under the Lease. Landlord shall not terminate the Lease without giving Franchisor and Franchisee at least 10 days prior written notice of and an opportunity to cure any monetary default under the Lease and at least 30 days prior written notice of and an opportunity to cure any nonmonetary default under the Lease.

2. Franchisor, or an affiliate owned or controlled by Franchisor ("Affiliate"), shall have the right, but not the obligation, upon giving written notice of its election to Franchisee and Landlord, to succeed to Franchisee's rights under the Lease (including any extensions and renewals thereof) prior to any early termination of the Lease by Landlord.

3. Franchisor shall have the right to enter upon and inspect the Facility during business hours upon reasonable notice to the parties to this addendum.

4. Landlord acknowledges and agrees that as a result of and in connection with Franchisee's relationship with Franchisor (together with its affiliates and its subsidiaries), Franchisee will have from time to time in its custody, control or possession portable storage containers owned by Franchisor but supplied to Franchisee for its use ("**Franchisor Containers**"). Under the terms of these arrangements, title to all Franchisor Containers remain with Franchisor while in Franchisee's custody, control or possession. As such, Landlord agrees and acknowledges it does not and shall not at any time have any landlord's lien, rights of levy or distraint, claim, security interest or other interest in or with respect to any of the personal property of Franchisor, including, without limitation, the Franchisor Containers, whether as security for rent or other obligations owed by Franchisee to Landlord, or otherwise.

5. Franchisee may assign to Franchisor all of Franchisee's rights under the Lease upon any termination of the Franchise Agreement without Landlord's consent, but no such assignment shall be effective unless and until Franchisor accepts such assignment in writing and notifies Landlord thereof. Franchisor may assign any of its rights under this addendum to Affiliate.

6. The Lease may not be amended in any manner that detracts from Franchisor's rights under this addendum without Franchisor's prior written consent. Landlord and Franchisee acknowledge that Franchisor is deemed to be a third party beneficiary to this addendum.

7. Franchisee and Landlord acknowledge and agree that Franchisor shall have no liability or obligation whatsoever under the Lease unless and until Franchisor assumes the Lease in writing, and in such an event Franchisor shall be liable only for obligations under the Lease thereafter accruing. Notwithstanding the foregoing, Landlord shall retain any and all rights it may have against Franchisee.

8. Copies of any and all notices required or permitted hereby or by the Lease shall also be sent to Franchisor at 5585 Rio Vista Drive, Clearwater, Florida 33760 Attn: Director of Franchising (with a copy to Franchisor's Senior Vice President, General Counsel) or sent to such other persons or addresses as Franchisor shall specify by written notice to Landlord from time to time.

9. Franchisor must approve any lease for the location of Franchisee's business. Accordingly, this Lease is contingent upon the full execution of this Addendum.

Agreed and Consented To:

LANDLORD:	**FRANCHISEE:**
_____	_____
a(n) _____	a(n) _____
By:_____	By:_____
Name:_____	Name:_____
Title:_____	Title:_____
Date:_____	Date:_____

EXHIBIT D
CONTAINER AND LIFT PURCHASING TERMS AND CONDITIONS

STANDARD TERMS AND CONDITIONS FOR PURCHASE OF CONTAINERS AND LIFTS BY FRANCHISEES FROM PODS ENTERPRISES, LLC

This exhibit is part of the Franchise Agreement dated _____ between you and us, and includes all terms as defined in the Franchise Agreement. **PODS ENTERPRISES, LLC** ("**we**," "**us**" or "**our**" in this Exhibit D) will sell Containers and Lifts to the Franchisee ("**you**" or "**your**") on the following standard terms and conditions:

1. **Availability**: Our obligation to sell you Containers and Lifts is limited to sale of our standard models. We may, in our sole discretion, accept orders which require specifications different from our standard specifications, provided that the price of any such Containers and Lifts will be subject to negotiation. We may require that orders be placed with certain minimum or maximum numbers of Containers and Lifts; be placed at certain times to minimize disruption due to seasonality; and/or be specified in certain minimum lots (like in multiples of 5).

2. **Pricing**: We will periodically publish a list of our prices per Container and Lifts (the "**Price List**"). The price for Containers will be an amount equal to our cost (including allocation of overhead and indirect costs) plus $500 (per Container purchased). The purchase price for the Lifts will be an amount equal to our cost plus no more than $15,000 for the Lift purchased. Such fixed dollar projection of $500 and $15,000 for the Containers and Lifts, respectively, are subject to changes in the Index. We will determine our cost per Container or per Lift based upon our cost studies for the fully loaded cost to manufacture each Container or Lift, including overhead and subject to Index adjustment. In determining our costs (including allocation of overhead and indirect costs), we will use estimates based upon generally accepted full absorption costs accounting theory applied on a basis consistent with prior years. We may have our independent auditors issue an opinion regarding such costs on an annual basis. As long as our costs and expenses of having them do so does not otherwise increase the charges they impose on us for otherwise auditing our books, records and financial statements and they do not impose a separate charge for doing so. We may change the Price List, delivery and pre-ordering terms with 15 days' notice. If we receive an order during the effective dates of a Price List, we will honor the price schedule then in effect, but your order must be properly completed and you must pay the remaining balance, take possession of the Containers and/or Lifts and remove them from our property within 10 days from the date we notify you of completion.

You are responsible for paying all handling, shipping, transportation and insurance costs for delivery of the Containers and Lifts to your site. The price payable will be F.O.B. our manufacturing plant. All freight arrangements and charges, including loading and unloading, are your sole responsibility.

3. **Resale**: You must not engage in any wholesale business involving Containers and Lifts.

4. **Warranties**: We undertake no obligation regarding, and do not offer any warranty to you, whether express or implied, including any implied warranty of merchantability or fitness for a particular purpose, as to Containers and Lifts that we sell you. Other than a 90-day parts and labor warranty, the Containers and Lifts are sold on an "as is" basis, and you bear the entire risk as to the quality of the Containers and Lifts. We have no liability with respect to the Containers and Lifts under this Agreement for consequential, exemplary or incidental damages or lost profits, even if we have been advised of the

possibility of such damages. In no case will our liability exceed the cost of the Containers and Lifts on which a claim for damages is based.

5. **Shipment and Allocation**: To place an order for Containers and Lifts, you must notify us in writing. No orders will be effective unless we have communicated acceptance to you in writing or have commenced shipment to you. We make no representations to you regarding the time of shipments of the Containers and Lifts to you from the time we accept your order. You recognize that timing can vary based on a multitude of factors, many of which are beyond our control. You also understand and acknowledge that because we may have numerous orders, we have the right, in our sole discretion, to allocate orders for the Containers and Lifts among purchasers as we see fit, and to allocate shipping costs when we ship multiple products. We will allocate and credit shipping costs among purchasers as we reasonably determine.

6. **Inspection and Acceptance**: You must inspect the Containers and Lifts immediately when you receive them and promptly notify us in writing of any defects. The Containers and Lifts will be deemed accepted by you if we have not received any claim of defect from you within 5 business days.

7. **Risk of Loss**: Risk of loss, casualty or damage to the Containers and Lifts passes to you as soon as we deliver them to the carrier for shipment. We will not be liable, or under any obligation to you whatsoever, for failure to deliver under, or for delay in making delivery pursuant to, any purchase orders from you that we have accepted, if such failure or delay results from causes not directly attributable to, or controlled by, us.

8. **Terms of Payment**: Payment in full for the Containers and Lifts is due at the time that the order is placed. Payment for containers must be paid 50% at the time the order is placed and the balance upon delivery. If, for any reason, we allow you to pay for them on other terms, if you don't pay when due, then we may exercise one or more of the following remedies:

(a) We may instruct the hauler to return the Lifts and/or Containers to the point of loading, with all hauling costs, including loading and unloading, to be your responsibility;

(b) We may terminate this contract and the termination will be effective upon mailing of a notice of termination to you;

(c) We may refuse to accept orders for any more Lifts and/or Containers from you and/or delay production of any orders which have been accepted until payment in full of all sums due and owing to us; and/or

(d) We may offset any sums we may owe you against sums due and owing to us by you, and this remedy will be in addition to, and not exclusive of, any remedies we may have under relevant law.

9. **Terms of Delivery**: You will either pick up Lifts and/or Containers from our manufacturing plant with adequate and legal equipment and all necessary permits, or make arrangements with our independent hauler to do the same. Risk of loss will pass from us to you when the Lifts and/or Containers are picked up at the manufacturing plant.

10. **Schedule**: You acknowledge that the production capacity of our manufacturing plant(s) is limited and that we may produce Lifts and/or Containers for numerous other parties. In order to minimize costs and provide for maximum efficiency in the use of our limited facilities, we reserve the right to schedule the fabrication of accepted orders. We will give you an estimated fabrication date, if requested, at the time the order is accepted. We will not be bound by such estimated fabrication dates, nor will we be liable for any loss, costs or damage occasioned by a failure to meet any such fabrication dates. We further reserve the right to delay or reschedule any orders which specify fabrication dates, special handling, or are at variance with our standard manufacturing requirements, procedures, specifications or prior commitments. You may give estimated fabrication dates or estimated completion dates to your customers but you may not guarantee such dates.

11. **Site Access and Site Work**: You will be responsible for and guarantee that an acceptable access is provided for delivery of Lifts and/or Containers to the premises upon which it is to be placed and that all necessary on-site construction is completed in a workmanlike manner, and in accordance with all minimum standards established by applicable laws and regulations and by our installation guidelines. We will not be responsible to you for any loss and/or damage caused by or to Lifts and/or Containers or damages to Lifts and/or Containers which occur as a result of vandalism, exposure to weather, fire, theft, and any such other acts.

Intending to be bound, the Franchisee signs below:

FRANCHISEE

_____

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

EXHIBIT E

LIST OF OPENING ITEMS

1. We will provide you general guidance in selecting sites for Facilities.

2. Up to two weeks of training for you in franchise operations at our offices, and two to three days of training in truck and Lift operations for your drivers and Warehouse personnel at your Facility.

3. The Manual containing detailed information on the operation of the franchise and the specific tasks performed by various members of your staff:

4. A computer with printer, scanner and modem configured to run franchise software.

5. The Software required to interface with the Franchisor's call center and providing scheduling, invoicing and accounts receivable functions.

6. Project management services including a list of tasks and a timeline for establishing your franchise.

7. Up to three days of pre-opening assistance.

8. Assistance in setting up your relationship with approved suppliers.

9. Review, advise and suggestions about your grand opening advertising and promotional program which must receive our approval.

10. Standard television and Yellow Page advertisements that you can use for grand opening and continuing advertisement purposes.

EXHIBIT F

SCHEDULE OF BILLING SERVICES

Services To Franchisees

The Billing Services to be provided a Franchisee include the following:

(1) Ensure that all invoicing is completed for all orders.

(2) Mail all checks to corporate lock box and deposited on behalf to Franchisee

(3) Post all cash receipts to the customers' account.

(4) Make contact with customer to notify them of past due situation.

(5) Mail certified letters for notice of default and auction.

(6) Place ad in local newspaper for auction announcement.

(7) Coordinate with local management as to lock out and auction logistics.

(8) Produce current aging of accounts receivable.

(9) Research any payments received through the lockbox without a remittance and post payment to the proper account or return check to customer.

(10) Make copies of all checks.

(11) The above procedures may be revised from time to time to comply with local laws and practices.

(12) In addition to the Billing Services Fees, all direct out of pocket expenses such as the financial institution fees and other incidental costs relating to billing and collections will be billed to the Franchisee. All Billing and Collection services will be invoiced on a monthly basis. Any amounts collected by Corporate will be released twice monthly to the Franchisee.

(13) Transfer uncollectible accounts to a collection agency, if authorized.

EXHIBIT G

SCHEDULE OF CREDIT CARD PROCESSING SERVICES

Services To Franchisees

The Credit Card Processing Services to be provided a Franchisee include the following:

(a) Submission of all credit card transactions to appropriate credit card processor for settlement.

(b) Automatic posting of all credit card receipts to the customers' account.

(c) Ensure reporting is available for daily credit card transactions including credit card declines.

(i) Bank processing fees will be billed directly to the Franchisee by the processing bank.

(ii) The above procedures may be revised from time to time to comply with local laws and practices. Additionally, we reserve the right to review and change the Credit Cards we have selected to accept.

EXHIBIT H

Sales and Marketing Program
Master Participation Agreement

The Sales and Marketing Committee ("SMC") participated in the development of the FY20 Sales and Marketing Program ("SMP") and have approved this Participation Agreement ("Participation Agreement"), including the planned expenditures for FY20 (January 1, 2021 – December 31, 2021). The SMP has formerly been referred to as the National Advertising Cooperative or NAC program.

A. REVENUE METHODOLOGY

1. Participating Franchisees will be assessed a percentage of their total revenues (i.e. the same "Net Sales" as defined in the PODS franchise agreements used in calculating royalties and Marketing and Advertising Fund ("MAF") contributions) as the basis for generating funds for the SMP.

2. The SMP contributions, in addition to MAF contributions, will be utilized to fund the marketing initiatives as identified by the SMC and PODS' Marketing department.

B. FUNDING MECHANISMS

1. MAF Funds. MAF funds will be generated from franchisees based on the terms of the respective franchise agreements. PODS Corp Ops markets and Inter-Franchise division will participate at the same 2% contribution rate.

2. SMP Funds. SMP funds will be generated based on a contribution of 3.875% of Net Sales payable by participating Franchisees and Corp. Ops locations.

3. Ancillary Revenues. Ancillary revenues generated from marketing activities (e.g. customer list sales) may be added to fund initiatives as identified by the SMC and PODS' Marketing department.

C. APPROPRIATE USES OF FUNDS

1. MAF. MAF contributions will be primarily used to fund the marketing initiatives outlined below, in addition to other initiatives as identified in conjunction with the SMC.

- Phone lines and telephone related expenses
- PODS Marketing Department expense (salaries, benefits, travel, etc.)
- PODS Partnership Department expense (salaries, benefits, travel, etc.)
- Partnership programs
- Research
- Agency fees
- Creative development and production
- Commercial marketing programs
- Marketing automation tools

- Email marketing platform
- Social media

2. SMP. SMP contributions will only be used to fund the following marketing initiatives. The actual amounts designated for each tactic will be determined by the SMC and PODS after SMP participation levels have been confirmed.

- National TV (and related fees)
- National branded and non-branded SEM (and related fees)
- National online video (and related fees)
- National online display (and related fees)
- National social media (and related fees)
- SEO (and related fees)
- Email Retargeting (and related fees)
- Website development and maintenance (and related fees)

Related fees are defined as costs associated with the media being purchased such as agency planning/buying fees, commissions, tapes, placement, ad serving fees, or talent fees along with agency/third party fees for SEO, Email retargeting and Website development.

Markets that are not able to spend the total allotment for SEM in their market efficiently will have their market's funds reallocated into another appropriate program as agreed upon by both the franchisee and PODS.

Any other use of SMP funds will require advance written approval from the SMC and PODS. PODS' Marketing and Sales team will provide periodic updates on the marketing program expenditures to the Sales and Marketing Committee members.

3. Inappropriate Uses of Funds. SMP funds will not be used to pay for any other purposes than outlined above, unless agreed upon in advance and in writing by the SMC.

4. Commissions and Referral Fees. To ensure that MAF and SMP contributions are used on behalf of the entire PODS Enterprise and SMP participants as appropriate, Sales Commissions and Referral Fees for National Accounts and other programs that benefit a specific franchise market will be paid by the individual franchise that receives the benefits. The SMC has worked collaboratively with PODS and franchisees to improve the visibility and accountability of the sales commission program. The foundation of the commission program lies in:

- Accurate and transparent reporting.
- Best efforts of achieving mutually profitable commercial sales.
- Sales Commissions paid by the benefitting locations based on the gross revenue (net of discounts) from new business generated by the Commercial Sales Team.
- A timely review process for any challenges of paid Sales Commission.

"Referral Fees" – amounts paid to third parties in connection with the promotion of PODS' products and services to its employees, clients and customers.

"Sales Commissions" – amounts paid to PODS' Commercial Sales Team members (or an eligible franchisee as set forth below) in connection with business generation.

Program Details

- **Commissions/Referral Fees**. Sales Commissions and Referral Fees are made on both Local and IF business.
    - **Sales Commissions** for the PODS Commercial Sales Team member assigned to the account will be billed to the benefitting location at a rate not to exceed 1.85% on gross revenue (net of discounts).
    - **Local Partnership Referral Fees** are paid to the partnership account(s) with associated Referral Fees typically at an average rate of 3 to 5% and will be billed back to the benefitting location at the same rates. In no case will the partnership Referral Fee for a particular program be greater than 5% without prior approval by SVP Sales, Revenue Management and the SMC Chair.
    - **IF Sales Commissions and Partnership Referral Fees**
        - The same billing methods used for local Sales Commissions/partnership Referral Fees will apply to IF accounts; however, they will be split 1/3 to the origination, 1/3 to the destination, and 1/3 to PODS.
        - Sales Commissions are paid on gross revenue (net of discounts).
        - Note: Revenue Management currently takes Sales Commissions on IF business into account when developing their quotes.

- **Oversight on Discounting and Gross Margins**
    - Quoting and discounting will be controlled by the Revenue Management Team.
    - Maximum discounts will be 15 percent off of local pricing, without approval from the SVP Sales and the locations affected.
    - There will be a 'floor' sales price on all new business that takes into account both any commission and any discount so that every operation involved in the transaction makes a reasonable margin.

- **Tracking of sales and commissions/referral fees**
    - Sales Commissions and Referral Fees will be tracked by dedicated promo codes/Corporate ID and through the customer relationship management platform.

- **Billings** will be done on a quarterly basis and invoiced as soon as reasonably practicable.

- **New Business**:
    - New business must be identified by the assigned sales rep in the customer relationship management platform.

- Any commercial business that comes through a lead source via Web, TV, trade show or any marketing source that is given to a sales person as a qualified lead and requires sales involvement will be commissionable.
- New business must have a dedicated promo code/Corporate ID to qualify as a commissionable account.

- **National Account Definition**: Regional & national companies that work within multiple markets, as well as local driven projects for the benefit of such companies (e.g. local one off remodeling projects with a start date and end date).

- **Test Programs**: Commercial sales and national pilot run programs that are conducted solely in corporate owned markets are excluded from the terms above.

- **Commissions to Referring Franchisees:**
  - Franchises will earn a 1.85% commission on commercial business that they bring to the Enterprise in a national capacity. Accounts will be assigned a dedicated promo code and will be required to follow standard order process through PODS commercial call sales group. The minimum threshold for any commission to be earned will be $10,000 in gross revenue (net of discounts).

- **Review Process**
  - If someone disputes a Sales Commission it will be quickly reviewed by the VP of Sales and the respective location.
  - If a quick resolution cannot be made, the question will be escalated to the SVP of Sales and the SMC Chair.

- **Sales Commission Report** will be generated and distributed on a quarterly basis.

D. FRANCHISEE IMPACT

1. Local Advertising Requirement Waiver. While participating in the SMP, PODS will waive the Franchisee's (a) compliance with local marketing and advertising spending obligations as set forth in the applicable franchise agreement and (b) participation in any regional or local cooperative, but only for the Term of this Participation Agreement. In the event that this Participation Agreement is terminated for any reason during the Term, this provision will no longer apply and the particular franchise agreement's terms will become immediately applicable.

2. Additional Benefits of Participation. Franchisees participating in the SMP will be permitted to annualize their minimum royalty obligations as opposed to calculating it monthly. In the event that this Participation Agreement is terminated for whatever reason during the Term, these benefits will expire and the particular franchise agreement's terms will become immediately applicable.

E. CO-OP PROGRAM

1. SMP Co-op Program. Franchisees and Corp Ops locations participating in the SMP, that are in good standing, will be eligible to receive funds for local marketing and advertising initiatives from the Co-op Program. The maximum amount of Co-op funds available for each individual franchisee is detailed in the Co-op attachment.

2. Uses of Co-op funds. Funds are to be used to supplement advertising and marketing efforts in local markets at a 50% reimbursement. Approved uses of Co-op funds include: Search Engine Marketing managed by corporate, TV, Radio, Outdoor, Direct Mail and Print Advertising. The approved categories will be reviewed and updated from time to time by the SMC and PODS. Franchisees with multiple markets will be allowed to combine their Co-op funds for use in any of their markets.

3. Approval. All marketing initiatives must be pre-approved, in writing, by PODS to qualify for Co-op funding. Plans must be received a minimum of one (1) month in advance to ensure adequate time for approvals. Minimum reach and frequency levels will be required. Media buyers and/or other professionals are encouraged to be used for placement and creative support, but are not mandatory.

4. Reimbursement. Franchisees eligible for Co-op funds will be required to submit officers' certificates and other documentation of purchases prior to redeeming Co-op funds.

5. Estimated Amount of Funds. PODS commits to making an incremental $900,000 of funding available to support a co-op program. Co-op funds will be based on the percentage of revenues contributed to the MAF in the year immediately preceding the Term by the franchisee or Corp Ops location on a market by market basis. The total pool of Co-op funds for FY20 is $900,000.

6. Marketing Expenditure Reporting. To better assist the enterprise, the SMC and PODS would like the ability to track all marketing efforts and initiatives as to their effectiveness. As a condition of receiving Co-op funds, each market will be required to submit their total marketing expenditures regardless of whether or not they were eligible for Co-op matching. The SMC will routinely share best practices garnered from markets that are effectively leveraging their marketing and advertising spend.

7. Unused funds. Any unused funds will be reallocated into existing programs of the SMP either in the current year or the following year.

F. GOVERNANCE

1. Yearly Revenue Based Percentage Fee. The SMC will meet on or before November 15th, 2021 to review the Marketing Plan and Budget and determine the marketing needs of the enterprise for the upcoming fiscal year (i.e. 2021). Based upon the marketing needs for the next fiscal year, the SMC will determine the appropriate contribution level percentage for the upcoming year. This recommendation will be communicated to the rest of the Franchisee base no later than December 1st, 2021.

2. **Sales and Marketing Committee Responsibilities.** The franchise members of the SMC will be comprised of members representing a cross section of sizes and geographies. There will be only one franchisee representative from any one location or ownership group. Current franchisee members are:
    - Jeff Bowen – Chairman
    - Mike Greene

- Mike Breaux

Members of the SMC are required, as in the past, to actively participate in discussing and collectively making decisions in conjunction with PODS on substantive marketing programs. The SMC will also assume primary responsibility of the following actions:

- Selection of participating members or solicitation of volunteers to be on the committee
- Participation in twice monthly and ad hoc conference calls and meetings as needed
- Participation in the annual meeting on behalf of franchisees
- Socialization among the franchisee base on decisions recommended by the SMC

3. Franchisor Responsibilities and Transparency. PODS will assume responsibility for the following actions:

- Facilitate the yearly meeting and present the Marketing Plan, Budget and a funding level recommendation
- Hold twice monthly and ad hoc conference calls and meetings as required
- Provide regular updates on initiatives and expenditures

4. Non-participating Franchisees. It is the hope that all franchisees will participate in the SMP program. In the event a franchisee does not agree to participate, for any reason, then:

- Franchisee will not be eligible to participate in the Matching Co-op Program
- Franchisee may be eliminated from Programs funded by the SMP, specifically TV, SEM, YP and Online advertising and will be required to pay for talent fees in their respective markets
- The applicable marketing terms and requirements, as set forth in the franchisee's respective franchise agreement, will continue to be in full force and effect.

G. PARTICIPATION

1. **Term.** The undersigned franchisee will participate in the SMP effective January 1, 2021 through December 31, 2021 (the "Term") at a rate of 3.875% for the SMP.

2. **Minimum Levels of Participation; Termination of SMP.** To ensure the efficacy of the SMP program, and the implementation of the minimum Marketing Initiatives, a minimum level of participation is required by franchisees and Corp Ops markets. In the event the SMP FY20 program does not achieve a level of participation to generate the minimum requirement of contributions, which will be determined by PODS no later than 5 days prior to the commencement of the Term then this Participation Agreement will immediately terminate. Moreover, if the SMP is terminated during the term of the Agreement due to a material breach of the agreement by either party that is not timely cured or the inability of the SMC and PODS to agree upon the allocation of the spending of funds for the activities set forth in C.2 above, the local minimum marketing and advertising obligations as set forth in the franchisees' respective franchise agreements will then apply.

3. **Deadline to Participate.** Franchisees will need to sign and return this agreement to PODS Corporate by December 31, 2020.

IN WITNESS WHEREOF, the parties hereto have caused this Master Participation Agreement to be duly executed as of the date last signed below.

PODS Enterprises, LLC
A Florida limited liability company

By: _____
/s/ Susan Jacobs
Title: Chief Marketing Officer
Date: _____

Franchisee:
Market(s)/Number(s): _____
Signed: _____
Name: _____
Date: _____

Second Addendum to the Sales and Marketing Program
Master Participation Agreement
Between PODS Enterprises, LLC and
Certain Franchisees

This Second Addendum to the FY23 Sales and Marketing Program Master Participation Agreement is made effective as of January 1, 2025, by and between PODS Enterprises, LLC ("PODS") and the Participating Franchisee indicated below ("Franchisee").

WHEREAS, PODS and certain of its franchisees entered into a Participation Agreement for the FY23 Sales and Marketing Program (the "'23 Participation Agreement");

WHEREAS, for FY24 PODS and certain of its franchisees modified the contribution amounts and obligations of the '23 Participation Agreement as provided for in that certain Addendum to the '23 Participation Agreement;

WHEREAS, for FY25 PODS has proposed further modifying the contribution amounts of the '23 Participation Agreement as provided for herein.

NOW, THEREFORE, in consideration of the agreements, covenants and undertakings hereinafter set forth, PODS and Franchisee agree as follows:

1. Capitalized terms not otherwise defined herein have the meanings as defined in the '23 Participation Agreement, as amended.

2. B.2. "**SMP Funds"** is hereby amended to change the contribution amount to 2.0% of Net Sales.

3. The last paragraph of C.2., is amended and restated as follows:

"Any other use of SMP funds will require advance written approval from the SMC and PODS. PODS' Marketing and Sales team will provide periodic updates (no less than quarterly) on the marketing program expenditures to the SMC. In the event the expenditures on national marketing initiatives are less than the **2.0%** contribution amount paid by participating Franchisees and Corp. Ops locations of PODS, the excess will be returned to the contributing market, pro rata, and added to the amount required to be spent locally under Section D.1.

4. D.1. **"Local Advertising Requirement Waiver."** is hereby deleted in its entirety and replaced with the following:

Local Advertising Requirement Waiver. While participating in the SMP, the Franchisee shall also be required to spend locally no less than **3.0%** of Net Sales (plus any additional amount not otherwise contributed to, or that may be returned from, the SMP fund) on approved advertising and promotional activities within its market, it being the intent of the parties that a total of 5% of Net Sales must be spent on advertising by the Franchisee either locally or through SMP contributions. "Approved advertising and promotional activities" shall include expenses to unaffiliated third parties for direct mail, television, radio, search engine optimization (SEO), e-commerce (provided the expenses are readily identifiable (e.g. pay per

click charges)), billboards, tradeshows, and sponsorships. Except as provided in the foregoing, PODS will waive the Franchisee's (a) compliance with local marketing and advertising spending obligations as set forth in the applicable franchise agreement and (b) participation in any regional or local cooperative, but only for the Term of this Participation Agreement. In the event that this Participation Agreement is terminated for any reason during the Term, this entire provision will no longer apply and the particular franchise agreement's terms regarding local advertising will become immediately applicable.

5. Paragraph F.1. "**Term"** is hereby amended to change the dates to January 1, 2025 through December 31, 2025.

6. Except as amended by this Second Addendum, the '23 Participation Agreement, as amended, is in all other respects enforceable in accordance with its terms.

IN WITNESS WHEREOF, the parties hereto have caused this Second Addendum to be duly executed as of the date last signed below.

PODS Enterprises, LLC
A Florida limited liability company

By: _____
/s/ Susan Jacobs
Title: Chief Marketing Officer
Date: _____

Franchisee:
Market(s)/Number(s): _____
Signed: _____
Name: _____
Date: _____

Third Addendum to the Sales and Marketing Program
Master Participation Agreement
Between PODS Enterprises, LLC and
Certain Franchisees

This Third Addendum to the FY23 Sales and Marketing Program Master Participation Agreement is made effective as of January 1, 2026, by and between PODS Enterprises, LLC ("PODS") and the Participating Franchisee indicated below ("Franchisee").

WHEREAS, PODS and certain of its franchisees entered into a Participation Agreement for the FY23 Sales and Marketing Program (the "'23 Participation Agreement");

WHEREAS, for FY24 PODS and certain of its franchisees modified the contribution amounts and obligations of the '23 Participation Agreement as provided for in that certain Addendum to the '23 Participation Agreement;

WHEREAS, for FY25 PODS further modified the contribution amounts of the '23 Participation Agreement as provided for in the Second Addendum to the '23 Participation Agreement.

WHEREAS, for FY26 PODS has proposed maintaining the contribution amounts of the Second Addendum to the '23 Participation Agreement.

NOW, THEREFORE, in consideration of the agreements, covenants and undertakings hereinafter set forth, PODS and Franchisee agree as follows:

1. Capitalized terms not otherwise defined herein have the meanings as defined in the '23 Participation Agreement, as amended.

2. Paragraph F.1. "**Term"** is hereby amended to change the dates to January 1, 2026 through December 31, 2026.

3. Except as amended by this Second Addendum, the '23 Participation Agreement, as amended, is in all other respects enforceable in accordance with its terms.

IN WITNESS WHEREOF, the parties hereto have caused this Second Addendum to be duly executed as of the date last signed below.

PODS Enterprises, LLC
A Florida limited liability company

By:_____
/s/ Susan Jacobs
Title: Chief Marketing Officer
Date:_____

Franchisee:
Market(s)/Number(s):_____
Signed:_____
Name:_____
Date:_____

EXHIBIT I

FORM OF PODS® ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (the "**Agreement**"), is made and entered into as of _____ (the "**Effective Date**"), by and among _____, a(n) [_____] ("**Seller**"), _____ ("**Owners**") and **PODS ENTERPRISES, LLC**, a Florida limited liability company ("**Purchaser**").

W I T N E S S E T H:

WHEREAS, Seller owns and operates a PODS® portable moving and storage franchises in the surrounding areas of _____ (the "**Business**") under a Franchise Agreement dated _____, as amended, between Seller and Purchaser (the "**Franchise Agreement**"); and

WHEREAS, Seller, Owners, and Purchaser desire to enter into this Agreement pursuant to which Seller will sell to Purchaser, and Purchaser will purchase from Seller, certain of the assets and liabilities of Seller used in the operation of the Business in accordance with the terms of this Agreement.

NOW, THEREFORE, in consideration of the premises and the mutual promises and agreements contained herein, the parties, intending to be legally bound, hereby agree as follows:

ARTICLE 1

Purchase and Sale

1.1 Agreement to Purchase and Sell. Subject to the terms and conditions of this Agreement, Seller will grant, sell, assign, transfer and deliver to Purchaser, and Purchaser will purchase, pay for and acquire from Seller, all rights, title and interest of Seller in and to all of the assets and properties of Seller used in connection with the Business, whether real, personal or mixed, tangible or intangible, wherever located, as the same shall exist on the Effective Date, except those assets of Seller that are specifically excluded pursuant to Section 1.2 (collectively, the "**Purchased Assets**"). Without limiting the generality of the foregoing, the Purchased Assets shall include the following:

(a) all tangible personal property such as PODS brand containers, machinery, equipment, inventory, tools, supplies, leasehold improvements, construction in progress, furniture, fixtures and other fixed assets, computer equipment, software, telephone systems, and signage owned or leased by Seller and used in connection with the Business, including, but not limited to, those items listed on Schedule 1.1(a) (the "**Tangible Personal Property**");

(b) All accounts receivable, and other receivables or amounts of any kind related to the Business that are payable or due Seller;

(c) the owned fleet vehicles of Seller listed on Schedule 1.1(c) (the "**Fleet Vehicles**");

(d) all of the interest of and the rights and benefits accruing to Seller as lessee under the leases covering any vehicles, machinery, equipment, tools, furniture, fixtures and other fixed assets listed on Schedule 1.1(d) (the "**Vehicle and Equipment Leases**");

(e) all of Seller's rights and interests in the Leased Property and the Leases (as defined in Section 3.11) listed on Schedule 1.1(e);

(f) all of the interests, rights and benefits accruing to Seller under any contract used in connection with the Business, including, without limitation, any franchise contracts, purchase contracts, customer account contracts, service agreements and pre-paid advertising made by Seller in the ordinary course of business and all other agreements listed on Schedule 1.1(f) to which Seller is a party or by which it is bound (the "**Assumed Contracts**");

(g) all of Seller's interest, if any, in and to the goodwill and other intangible rights associated with the Business, including (i) Seller's right to use the name "PODS®" or "Portable On Demand Storage", (ii) all of Seller's rights and interests in the domain name "pods.com" and the website address "www.pods.com" and any website or domain registration used in connection with the Business and (iii) all software licenses relating to software used with the Business, including the data in the software programs;

(h) all prepaid and deferred items of Seller, including without limitation, prepaid rentals, insurance, taxes and unbilled charges and deposits relating to the operations of Seller;

(i) all insurance benefits, including rights and proceeds, arising from or relating to the Purchased Assets or the Assumed Liabilities prior to the Effective Date;

(j) all claims of Seller against third parties, whether choate or inchoate, known or unknown, contingent or non-contingent and all other choses in action, causes of action and other rights of every kind of Seller arising out of the Business; and

(k) copies of all operating data and records of Seller, including without limitation, customer accounts, service lists, training materials, video tapes, and telephone numbers used in connection with the Business.

1.2 Excluded Assets. Notwithstanding anything to the contrary set forth in Section 1.1, the Purchased Assets shall exclude the following assets of Seller (collectively, the "**Excluded Assets**"): (a) the Purchase Price (as defined in Section 2.1) and other rights that accrue to Seller under this Agreement; (b) the company records of Seller; (c) Seller's financial, tax and accounting records; (d) all cash and cash equivalents and investments, whether short-term or long-term, of Seller, including without limitation, certificates of deposit, treasury bills and securities; (e) all contracts, licenses, and permits other than the Assumed Contracts, (f) all liability or other policies of insurance maintained by or on behalf of Seller and the rights thereunder and all rights under self-insurance programs; and (g) all assets and properties of Seller not used in connection with the Business.

1.3 Assumed Liabilities. As partial consideration for the purchase of the Purchased Assets, as of the Effective Date, the Purchaser shall assume, pay, perform and discharge when due any and all obligations and liabilities of the Business accrued or incurred after the Effective Date or otherwise specifically assumed by Purchaser as listed on Schedule 1.3 (collectively the "**Assumed Liabilities**"). Except for the Assumed Liabilities, Purchaser assumes no liabilities, obligations or duties of Seller or any affiliate or predecessor of Seller, and Purchaser shall not be liable for, and Purchaser does not assume or agree hereunder to pay, perform, or discharge, any debt, claim, lien, obligation, contract, agreement, lease obligation, tax, or liability, known or unknown, contingent or otherwise, relating to the Business, or the Purchased Assets, or of Seller, of any kind or nature whatsoever. Seller shall remain solely liable for, and shall timely discharge all of its debts, claims, liens, obligations, contracts, agreements, taxes, and liabilities of every kind and nature incurred in connection with or related to its ownership of the Purchased Assets or the operation of the Business prior to the Effective Date and not specifically assumed by Purchaser under this Section 1.3, which shall be referred to as an "**Excluded Liability**".

1.4 Assignment of Contracts. Notwithstanding anything in this Agreement to the contrary, this Agreement shall not constitute an assignment of any claim, contract, license, franchise, lease, commitment, sales order, sales contract, supply contract, service agreement, purchase order or purchase commitment if an attempted assignment thereof, without the consent of a third party thereto, would constitute a breach thereof or in any way materially and adversely affect the rights of Purchaser thereunder. If such consent is not obtained, or if any attempt at an assignment thereof would be ineffective or would affect the rights of Seller thereunder so that Purchaser would not in fact receive all such rights, Seller shall use commercially reasonable efforts to cooperate with Purchaser to the extent necessary to provide Purchaser the benefits under such claim, contract, license, franchise, lease, commitment, sales order, sales contract, supply contract, service agreement, purchase order or purchase commitment, including, at the sole expense of Purchaser, enforcement for the benefit of Purchaser of any and all rights against a third party thereto arising out of the breach or cancellation by such third party or otherwise.

ARTICLE 2

Purchase Price

2.1 Purchase Price. The consideration for the Purchased Assets shall be _____ and 00/100 U.S. Dollars ($_____) (the "**Purchase Price**"), subject to the adjustments set forth herein, and will be paid in cash by a wire transfer.

2.2 Adjustments to Purchase Price. The Purchase Price shall be offset by (i) the dollar amount of any royalties, fees, commissions, and other payments accrued, owing and unpaid to Purchaser by Seller and (ii) the amount of debt being paid off by Purchaser on behalf of Seller, if any.

2.3 Allocation of Purchase Price and Assumed Liabilities. The parties hereto agree to allocate the Purchase Price and Assumed Liabilities as set forth on Schedule 2.3. Such agreed allocation is intended to comply with the requirements of Section 1060 of the Internal Revenue Code of 1986, as amended (the "**Code**"), and shall be binding on Seller and Purchaser and their respective affiliates for all purposes (including without limitation, financial accounting purposes, financial and regulatory reporting purposes and tax purposes). Neither of the parties or their affiliates shall take for tax purposes any position in any tax return, audit, report, form, declaration or questionnaire that is inconsistent with such allocation. Seller and Purchaser shall report the allocation on Internal Revenue Service Form 8594 in a manner consistent with the allocation provided on Schedule 2.3. Seller and Purchaser shall promptly advise each other regarding the existence of any tax audit, controversy or litigation related to such allocation

2.4 Transfer Taxes. All use, value added, gross receipts, excise, registration, stamp duty, sales, transfer or other similar taxes or governmental fees (the "**Transfer Taxes**") imposed, levied or payable by reason of the signing of this Agreement and by reason of the transfer of assets and assumption of liabilities contemplated hereby shall be paid by Purchaser.

ARTICLE 3

Representations and Warranties of Seller

Seller hereby represents and warrants to Purchaser as of the date of this Agreement as follows:

3.1 Organization. Seller is a [corporation][limited liability company], duly organized, validly existing and in good standing under the laws of the State of [_____] and has all requisite power and authority (organizational and other) to own, lease and operate its properties and to carry on the Business as now being conducted. Seller does not transact business in any other state.

3.2 Authorization. Seller has the full power and authority to execute and deliver this Agreement and any other certificate, agreement, document or other instrument to be executed and delivered by Seller in connection with the transactions contemplated hereby (collectively, the "**Ancillary Documents**") and to perform all of the obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby. The execution and delivery of this Agreement and the Ancillary Documents by Seller, and the performance by Seller, of the obligations hereunder and thereunder and the consummation of the transactions provided for herein and therein have been duly and validly authorized, and the execution, delivery and performance of this Agreement and the Ancillary Documents by Seller and the consummation of the transactions contemplated hereby and thereby have been approved by all necessary company or other action on the part of Seller. This Agreement has been, and the Ancillary Documents will be, duly executed and delivered by Seller and, do or will, as the case may be, constitute the valid and binding obligations of Seller enforceable against Seller in accordance with their respective terms, except as may be limited by applicable bankruptcy, insolvency, reorganization or other laws of general applicable relating to or affecting the enforcement of creditors' rights generally.

3.3 Absence of Restrictions and Conflicts. The execution, delivery and performance of this Agreement and the Ancillary Documents by Seller, the consummation of the transactions contemplated by this Agreement and the Ancillary Documents by Seller and the fulfillment of and compliance with the terms and conditions of this Agreement and the Ancillary Documents do not or will not in any way (as the case may be), with the passing of time or the giving of notice or both, violate or conflict with, constitute a breach of or default under, result in the loss of any benefit under, or permit the acceleration of any obligation under (a) any term or provision of the articles or certificate of formation or other governance documents of Seller, (b) any Assumed Liabilities or any other contract or agreement of Seller, (c) any judgment, decree or order of any court or governmental authority or agency to which Seller is a party or by which Seller or any of its respective properties or assets is bound or (d) any statute, law, rule or regulation applicable to Seller. No consent of, or a notice to, a third party is required for the Seller's assignment of any Purchased Assets or Assumed Liabilities to Purchaser pursuant to this Agreement, and no consent, approval, order or authorization of, or registration, declaration or filing with, any governmental agency or public or regulatory unit, agency, body or authority with respect to Seller is required in connection with the execution, delivery or performance of this Agreement or the Ancillary Documents by Seller or the consummation of the transactions contemplated by this Agreement or the Ancillary Documents by Seller except (a) where the failure to obtain any such consent, approval or action, to make any such filing or to give any such notice could not reasonably be expected to adversely affect the ability of Seller to consummate the transaction contemplated by this Agreement and the Ancillary Documents or to perform Seller's obligations hereunder, and (b) those as would be required solely as a result of the identity or the legal or regulatory status of Purchaser.

3.4 Title to Purchased Assets. Seller is conveying to Purchaser good and marketable title to the Purchased Assets free and clear of all liens, pledges, security interests, charges, claims, restrictions and encumbrances of any nature whatsoever (the "**Liens**"). No person other than Seller owns or has any interest in any equipment, inventory, or other tangible assets or properties which comprise the Purchased Assets. There are no existing agreements, options, commitments or rights with or to any person to acquire any of the Purchased Assets, or any right or interest therein.

3.5 Condition of Purchased Assets. The Fleet Vehicles and Tangible Personal Property (i) are in good operating condition, free from material defects, and are usable in the regular and ordinary course of business, in all instances with normal wear and tear excepted, (ii) to the Knowledge of Seller, conform to all applicable laws, ordinances, codes, rules and regulations applicable thereto, and (ii) are in the possession or control of Seller.

3.6 Legal Proceedings. There are no suits, actions, claims, proceedings (legal, administrative, or otherwise), orders or investigations pending or threatened against, relating to or involving Seller, the Business or the Purchased Assets, and to the Knowledge of Seller there is no basis for any of the foregoing. Seller is not subject to any judgment, decree, injunction, or order of any court or any governmental authority.

3.7 Compliance with Law. Seller has all authorizations, approvals, licenses, permits and orders of and from all governmental and regulatory officers and bodies necessary to carry on the Business as it is currently being conducted, to own or hold under lease the properties and assets it owns or holds under lease and to perform all of its obligations under the agreements to which it is a party (collectively, the "**Licenses and Permits**"), except where such failure to obtain or maintain any Licenses or Permits would not have a Material Adverse Effect. Seller is (and has been since its formation) in compliance with all applicable laws, rules, regulations and administrative orders (including, without limitation, laws relating to the renting of storage containers) of any state or municipality or of any subdivision thereof to which the Business is subject, except where such failure to comply would not have a Material Adverse Effect.

3.8 Real Property.

(a) There is no existing condition, or pending or threatened action or proceeding, which could adversely affect Purchaser's use or occupancy of the real property leased by Seller and used in connection with the Business (the "**Leased Property**"). Seller has received no written notice that any structure or improvement planned for or existing on the Leased Property violates any applicable law or regulation. Seller has a valid and enforceable right to use and occupy the Leased Property pursuant to the terms of the leases, licenses or similar agreements therefor (the "**Leases**"). The Leases are currently in full force and effect with respect to Seller, and Seller has received no notice of default as to any of the Leases and is not in breach or default under any Lease and no event has occurred or circumstance exists which, with the delivery of notice, the passage of time or both, would constitute such a breach or default, or permit the termination, modification or acceleration of rent under such Lease. Seller's right to quiet enjoyment of the Leased Property has not been disturbed, and to the Knowledge of Seller, there are no disputes with respect to the Leases.

(b) With respect to the Leased Property, the current use and occupancy and the operation of the Business as currently conducted thereon does not violate in any material respect any applicable building, zoning, subdivision, health and safety, environmental and other land use laws.

3.9 Tax Returns; Taxes. All federal, state and local tax returns required to be filed with respect to Seller or its respective income, properties, franchises or operations (the "**Tax Returns**") have been timely filed, each such Tax Return has been prepared in compliance with all applicable laws and regulations, and all such Tax Returns are true and accurate in all respects. All federal, state or local taxes of Seller (the "**Taxes**") due and payable by or with respect to Seller and Seller's business have been paid. Seller has withheld and paid all Taxes required to have been withheld and paid in connection with amounts paid or owing to any employee, independent contractor, creditor, member, or other third party. With respect to each taxable period of Seller: (i) no material deficiency or proposed adjustment which has not been settled or otherwise resolved for any amount of Taxes has been asserted or assessed by any taxing authority against Seller; (ii) Seller has not consented to extend the time in which any Taxes may be assessed or collected by any taxing authority; (iii) there is no action, suit, taxing authority proceeding, or audit or claim for refund now in progress, pending or, to the Knowledge of Seller, threatened against or with respect to Seller regarding Taxes; and (iv) Seller has received no notice of any liens for Taxes (other than for current Taxes not yet due and payable) upon the Purchased Assets

3.10 Books and Records. The written books of account and financial records of Seller, which have been made available to Purchaser are complete and accurate in all material respects.

3.11 Operation of Business. Upon the transfer by Seller to Purchaser of the Purchased Assets pursuant to this Agreement, Purchaser shall have all of the assets necessary to operate the Business in substantially the manner that the Business has been operated by Seller prior to the Effective Date.

3.12 Disclosure. Seller has no material liabilities or obligations affecting the Purchased Assets or the Business that could reasonably be expected to subject the Purchaser to successor liability, whether accrued, absolute, contingent or otherwise. No statement or information made or furnished by Seller to Purchaser contained in this Agreement or the various Schedules attached hereto and the other information and statements referred to herein or previously made or furnished by Seller to Purchaser or its representatives in connection with their due diligence review of the financial performance and quality of earnings of Seller, contains or shall contain any untrue statement of material fact or omits or shall omit any material fact necessary to make the information contained therein not misleading. Seller does not have any Knowledge of any fact that may materially adversely affect the Purchased Assets, Business, property, financial condition or results of operation of Seller that has not been set forth in this Agreement.

For purposes of this Agreement, the phrase "**Material Adverse Effect**" shall mean any event or circumstance that has or will have, or could reasonably be expected to have, a material adverse effect on the business, financial condition or results of operations of the Business; provided, however, that none of the following shall be deemed to constitute, and none of the following shall be taken into account in determining whether there has been, a Material Adverse Effect: any adverse change, event, development, or effect (whether short-term or long-term) arising from or relating to (i) general business or economic conditions, (ii) national or international political or social conditions, including the engagement by the United States in hostilities, whether or not pursuant to the declaration of a national emergency or war, or the occurrence of any military or terroristic attack upon the United States, or any of its territories, possessions, or diplomatic or consular offices or upon any military installation, equipment or personnel of the United States, (iii) financial, banking, or securities markets, or (iv) changes in laws, rules, regulations, orders, or similar directives issued by any governmental authority prior to the Effective Date that generally does not affect the industry in which the Business operates. The phrase "**Knowledge of Seller**" (and similar phrases) shall mean the actual knowledge of the [_____], which phrase shall impute the knowledge of what a prudent business person should have known in like or similar circumstances after conducting a reasonable investigation.

ARTICLE 4

Covenants

4.1 Public Announcements. None of the parties to this Agreement shall make any publicity release or announcement concerning this Agreement or the transactions contemplated by this Agreement without the prior approval of the other party; provided, however that the parties may disclose the details of this transaction to the extent required to comply with applicable law and any disclosure obligations of such party thereunder.

4.2 Employees. As of the Effective Date, Seller shall have terminated all of the employees of the Business. Seller acknowledges that Purchaser shall have no obligation to hire, offer employment or provide severance payments or other benefits to any employee of Seller. Any obligations to or benefits for employees or former employees of Seller arising as a result of employment by Seller shall be the sole responsibility of Seller and Seller shall pay all amounts owed to such terminated employees, including

without limitation accrued salary, sick pay, vacation pay, accrued benefits and other compensation accrued to the date of termination in accordance with the terms of Seller's obligations, if any, to such employees.

4.3 Expenses. Each party shall pay its own fees, costs and expenses incurred in connection with this Agreement and the Ancillary Documents and the transactions contemplated hereby and thereby, including but not limited to, the fees, costs and expenses of its financial advisors, accountants and attorneys.

4.4 Release of Liens. Seller shall cause all Liens on the Purchased Assets to be released and Seller shall deliver to Purchaser satisfactory evidence that all such Liens have been released.

4.5 Post-Closing Covenants. In case at any time after the Effective Date any further action is necessary to carry out the purposes of this Agreement and the Ancillary Documents, each of the parties will take such further action (including the execution and delivery of such further instruments and documents) as the other party may reasonably request, all at the sole cost and expense of the requesting party (unless the requesting party is entitled to indemnification therefor under this Agreement). Following the sale, Seller shall provide Purchaser the right to operate any licensed vehicles transferred to Purchaser under this Agreement using the license plates and operating under the vehicle registrations of Seller for a period not to exceed sixty (60) days. Seller shall not terminate any registrations or remove any license plates relating to such licensed vehicles until the earlier of (i) sixty (60) days following the Effective Date or (ii) Purchaser transferring registrations into the name of Purchaser (or its affiliate) and acquiring new license plates registered to Purchaser (or its affiliate).

4.6 Bulk Transfer Laws. The parties hereby waive compliance with the provisions of any bulk sales, bulk transfer or similar laws of any jurisdiction that may otherwise be applicable with respect to the sale of any or all of the Purchased Assets to Purchaser; provided, however, it being understood that any liabilities arising out of the failure of Seller to comply with the requirements and provisions of any bulk sales, bulk transfer or similar laws of any jurisdiction shall be treated as an Excluded Liability and Seller agrees (a) to pay and discharge when due or to contest or litigate all claims of creditors which are asserted against Purchaser or the Purchased Assets by reason of such noncompliance; (b) to indemnify, defend and hold harmless Purchaser from and against any and all claims in the manner provided in Article 6; and (c) to take promptly all necessary action to remove any lien or encumbrance which is placed on the Purchased Assets by reason of such noncompliance.

4.7 Access; Maintenance of Records. Seller and Purchaser will afford the other party, its counsel and its accountants, during normal business hours, upon prior written notice specifying the nature of the inquiry and the information sought, reasonable access to the books, records and other data relating to the Purchased Assets in its possession with respect to periods prior to the Effective Date and the right to make copies and extracts therefrom, to the extent that such access may be reasonably required by the requesting party in connection with (i) the preparation of Tax Returns, (ii) the determination or enforcement of rights and obligations of any party under this Agreement, (iii) compliance with the requirements of any governmental authority, and (iv) in connection with any actual or threatened action or proceeding. Further, Seller and Purchaser agree for a period extending three (3) years after the Effective Date not to destroy or otherwise dispose of any such books, records and other data unless such party shall first offer in writing to surrender such books, records and other data to the other party and such other party shall not agree in writing to take possession thereof during the ten (10) business day period after such offer is made.

ARTICLE 5

Closing

5.1 Documents Delivered by Seller. All of the covenants and obligations that Purchaser is required to perform or to comply with pursuant to this Agreement is subject to Seller delivering to Purchaser each of the following (any of which may be waived by Purchaser, in whole or in part, in writing):

(a) an executed Bill of Sale and Assignment and Assumption Agreement in the form of Annex A;

(b) an executed assignment of the Leases;

(c) instruments of assignment, certificates of title and other conveyance documents, dated the Effective Date, transferring to Purchaser all of Seller's right, title and interest in and to the Purchased Assets as reasonably requested by Purchaser, together with possession of the Purchased Assets;

(d) a certificate dated as of the Effective Date and executed by a duly authorized officer or manager of Seller certifying as to the authority required in connection with the execution, delivery or performance of the Agreement; and

(e) all consents, approvals, orders or authorizations of, or registrations, declarations or filings with, any governmental agency or public or regulatory unit, agency, body or authority required in connection with the execution, delivery or performance of the Agreement; and

5.2 Documents to be Delivered by Purchaser. All of the covenants and obligations that Seller is required to perform or to comply with pursuant to this Agreement is subject to Purchaser delivering to Seller each of the following (any of which may be waived by Purchaser, in whole or in part, in writing):

(a) the Purchase Price;

(b) an executed Bill of Sale and Assignment and Assumption Agreement;

(c) copies of executed assignment of the Leases; and

(d) all other documents required to be entered into or delivered by Purchaser pursuant to this Agreement or reasonably requested by Seller to consummate the transactions contemplated by this Agreement.

ARTICLE 6

Indemnification

6.1 Indemnification and Payment of Damages by Seller and Owners.

Seller and Owners, jointly and severally, will indemnify, defend, and hold harmless Purchaser, and its respective members, officers, and directors (collectively, the "**Indemnified Purchasers**") for, and will pay to the Indemnified Purchasers the amount of, any actual loss, liability, claim, damage, expense (including reasonable costs of investigation and defense and reasonable attorneys' fees), whether or not involving a third-party claim (collectively, the "**Damages**"), arising from:

(a) any inaccuracy of any representation or warranty, or breach of any covenant or obligation, made by Seller in this Agreement, the Schedules and the Ancillary Documents;

(b) any act which is in any way related to the conduct of the Business prior to the Effective Date (other than relating to Assumed Liabilities as listed on Schedule 1.3); or

(c) the Excluded Liabilities.

6.2 Indemnification and Payment of damages by Purchaser.

Purchaser will indemnify, defend, and hold harmless Seller and Owners (collectively, the "**Indemnified Sellers**"), and will pay to Indemnified Sellers the amount of any Damages arising from:

(a) any breach of any covenant or obligation, made by Purchaser in this Agreement, the Schedules and the Ancillary Documents,

(b) any act or omission which is in any way related to the conduct of the Business from and after the Effective Date;

(c) the Assumed Liabilities; or

(d) any claims arising from Purchaser's operation of licensed vehicles using the license plates or vehicle registrations of Seller as contemplated under Section 4.5.

6.3 Procedure for Indemnification.

(a) Third-Party Claims. Promptly after receipt from any third party of any demand, claim or circumstance that would give rise to a claim or the commencement (or threatened commencement) of any action, proceeding or investigation (an "**Asserted Liability**") that may result in Damages for which indemnification may be sought hereunder, the party seeking indemnification pursuant to Article 6 (the "**Indemnitee**") shall give written notice thereof (the "**Claims Notice**") to the party obligated to provide indemnification pursuant to Article 6 (the "**Indemnifying Party**"), provided, however, that a failure to give such notice shall not prejudice the Indemnitee's right to indemnification hereunder except any only to the extent that the Indemnifying Party is actually and materially harmed thereby.

The Indemnifying Party may elect to compromise or defend, at its own expense and by its own counsel, any Asserted Liability. If the Indemnifying Party elects to compromise or defend such Asserted Liability, it shall, within fifteen (15) days following its receipt of the Claims Notice (or sooner, if the nature of the Asserted Liability so requires according to its terms as asserted by the third-party) notify the Indemnitee of its intent to do so, and the Indemnitee shall cooperate, at the expense of the Indemnifying Party, in the compromise of, or defense against, such Asserted Liability. If the Indemnifying Party controls the compromise or defense of an Asserted Liability, the Indemnifying Party shall obtain the prior written consent of the Indemnitee (such consent not to be unreasonably withheld) before entering into any settlement of an Asserted Liability if, pursuant to or as a result of such settlement, injunctive or other equitable relief will be imposed against the Indemnitee or if such settlement does not expressly and unconditionally release the Indemnitee from all losses and obligations with respect to such claim.

If the Indemnifying Party elects not to pay, compromise, or defend the Asserted Liability, fails to notify the Indemnitee of its election as herein provided, or contests its obligation to provide

indemnification under this Agreement, the Indemnitee may pay, compromise or defend such Asserted Liability with all reasonable costs and expenses borne by the Indemnifying Party as Damages. Notwithstanding the foregoing, the Indemnitee may not settle or compromise any claim without the consent of the Indemnifying Party, provided, however, that such consent to settlement or compromise shall not be unreasonably withheld; further, provided, that no such consent shall be required if at any time after giving the Claims Notice Seller elects not to pay, compromise, or defend the Asserted Liability and the failure to settle or compromise a claim could result in a lien being placed on the Purchased Assets. In any event, the Indemnitee and the Indemnifying Party may participate, at their own expense, in the defense of such Asserted Liability.

(b) Non-Third Party Claims. In the event that Purchaser or Seller asserts the existence of a claim giving rise to Damages (but excluding claims resulting from the assertion of liability by third parties), Indemnitee shall give written notice, within twenty (20) days after becoming aware of such claim, to the Indemnifying Party. Such written notice shall state that it is being given pursuant to this Section 6.3(b), specify the nature and amount of the claim asserted and shall indicate the estimated amount, if reasonably practicable, of the Damages that have been or may be deemed sustained by the Indemnitee. If Indemnifying Party, within ten (10) business days after its receipt of such notice by Indemnitee, shall not give written notice to Indemnitee announcing its intent to contest such assertion of Indemnitee, such assertion shall be deemed accepted and the amount of such claim shall be deemed a valid claim. In the event, however, that Indemnifying Party contests the assertion of a claim by giving such written notice to Indemnitee within said period, then the parties shall act in good faith to reach agreement regarding such claim. In the event that litigation shall arise with respect to any such claim, the prevailing party shall be entitled to reimbursement of reasonable costs and expenses incurred in connection with such litigation, including reasonable attorney's fees, if the parties hereto, cannot reach agreement.

6.4 Survival. The representations, warranties, covenants, and obligations of Seller and Purchaser in this Agreement and the Ancillary Documents, will survive the purchase and sale --

(a) indefinitely with respect to matters covered by Sections 3.1 (Organization), 3.2 (Authorization), and 3.4 (Title to the Purchased Assets);

(b) until the expiration of the applicable statute of limitations with respect to Sections 3.6 (Legal Proceedings), 3.7 (Compliance with Law), and 3.9 (Tax Returns; Taxes); and

(c) for a period of eighteen months (18) with respect to all other matters that are subject to indemnification hereunder.

The survival period set forth in this Section 6.4 shall be tolled for any potential claims which are asserted in a writing received by the Indemnifying Party in compliance with the notice requirements in Section 6.3 herein prior to expiration of the foregoing survival periods and shall not apply in the event of fraud by the indemnifying party.

6.5 Limit on Indemnification. Seller's liability and obligation with respect to Damages under Article 6 is subject to a maximum aggregate amount equal to fifteen percent (15%) of the Purchase Price (the "**Indemnification Cap**").

6.6 Indemnification Baskets.

(a) Notwithstanding anything to the contrary contained in this Agreement, except as set forth in (b) below, Seller shall not be required to indemnify any Indemnified Purchaser until the

Indemnified Purchasers have incurred (collectively) Damages in excess of [one half of one percent of the Purchase Price] ($_____) (the "Indemnification Basket"), at which point Seller shall be required to indemnify the Indemnified Purchasers for all Damages under Article 6 in excess of the Indemnification Basket (subject to the "Indemnification Cap").

(b) With respect to any Damages that Purchaser may incur arising from any inaccuracy of the representations set forth in Section 6.4(a) and (b) above, fraud or breach of a knowledge-based representation, from a breach of the covenant or obligation contained in Sections 4.6, or from an Excluded Liability, Seller shall be required to indemnify the Indemnified Purchasers for the entire amount of all Damages (subject to the Indemnification Cap).

6.7 Damages Computation. Notwithstanding the inclusion of a materiality qualification in the relevant provisions of this Agreement, for those matters subject to the Indemnification Basket a determination of whether an Indemnified Party is entitled to indemnification under this Article 6 shall be made, determined and calculated without regard to any materiality qualification (i.e., read as if the terms "material", "materiality" or "material adverse effect" were not contained therein) set forth in the relevant, representation, warranty, covenant or agreement in the event there are multiple inaccuracies or breaches such that the amount of Damages may be aggregated under this Article 6.

ARTICLE 7

Miscellaneous

7.1 Entire Agreement. This Agreement (including the Ancillary Documents) and the documents executed pursuant hereto supersede all negotiations, agreements and understandings among the parties with respect to the subject matter hereof and constitutes the entire agreement among the parties hereto. Annex I hereto lists all of the Exhibits and Schedules to this Agreement, which are hereby incorporated herein by this reference.

7.2 Modification. The parties hereto may, by mutual written consent, amend, modify or supplement this Agreement in such manner as may be agreed upon by them in writing at any time.

7.3 Notices. All notices, communications and deliveries hereunder shall be made in writing signed by or on behalf of the party making the same and shall be delivered personally or sent by registered or certified mail (return receipt requested) or by any national overnight courier service (with postage and other fees prepaid) as follows:

To Purchaser:

PODS Enterprises, LLC
13535 Feather Sound Drive, 4th Floor
Clearwater, Florida 33762
Attn: General Counsel
Telephone: (727) 538.6385
Facsimile: (727) 532.2610

To Seller:

_____
_____
_____
Attn:
Telephone: ( )

or to such other representative or at such other address of a party as such party hereto may furnish to the other parties in writing.

7.4 Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon the parties hereto and, in the case of Purchaser and Seller, their successors and permitted assigns, or in the case of Owners, their personal representatives and permitted assigns.

7.5 Waiver of Conditions. Any party may, at its option, waive in writing any or all of the conditions herein contained to which its obligations hereunder are subject. No waiver of any provision of this Agreement, however, shall constitute a waiver of any other provision (whether or not similar), nor shall such waiver constitute a continuing waiver unless otherwise expressly provided.

7.6 Third Party Beneficiary. Nothing expressed or implied in this Agreement is intended, or shall be construed, to confer upon or give any person or entity other than the parties hereto and their respective successors, assigns, or representatives, as applicable, any rights or remedies under or by reason of this Agreement.

7.7 Severability. It is the desire and intent of the parties hereto that the provisions of this Agreement be enforced to the fullest extent permissible under the laws and public policies applied in each jurisdiction in which enforcement is sought. Accordingly, if any particular provision of this Agreement shall be adjudicated by a court of competent jurisdiction to be invalid, prohibited or unenforceable for any reason, such provision, as to such jurisdiction, shall be ineffective, without invalidating the remaining provisions of this Agreement or affecting the validity or enforceability of this Agreement or affecting the validity or enforceability of such provision in any other jurisdiction. Notwithstanding the foregoing, if such provision could be more narrowly drawn so as not to be invalid, prohibited or unenforceable in such jurisdiction, it shall, as to such jurisdiction, be so narrowly drawn, without invalidating the remaining provisions of this Agreement or affecting the validity or enforceability of such provision in any other jurisdiction.

7.8 Headings. The section and other headings contained in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of any provisions of this Agreement.

7.9 Counterparts; Facsimiles. This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original but all of which together shall constitute one and the same instrument. The parties agree to recognize facsimile or PDF versions of executed signature pages of this Agreement as having the same force and effect as originally executed signature pages until such time as all parties have received executed originals of this Agreement.

7.10 Governing Law and Choice of Forum. This Agreement will be governed by and construed in accordance with the laws of the State of Florida without regard to conflict of laws principles without regard to conflict of laws principles. Each party hereby submits itself for the sole purpose of this Agreement and any controversy arising hereunder to the exclusive jurisdiction of the federal or state courts located in Hillsborough County, Florida, and any courts of appeal therefrom, and waives any objection (on the

grounds of lack of jurisdiction, or forum non-conveniens or otherwise) to the exercise of such jurisdiction over it by any such courts.

7.11 Assignments. Neither party may assign any of their rights or delegate any of their obligations under this Agreement or any related agreement without the prior written consent of the other party.

7.12 Equitable Remedies. The parties agree that the Purchased Assets constitute unique property and that there is no adequate remedy at law for the damage which any party might sustain for failure of the other parties to consummate the transactions contemplated by this Agreement, and accordingly, each party shall be entitled, at its option, to the remedy of specific performance to enforce the consummation of the transactions described in this Agreement.

7.13 Construction. The provisions of this Agreement shall be construed according to their fair meaning and neither for nor against any party hereto irrespective of which party caused such provisions to be drafted. Each of the parties acknowledges that it has been represented by an attorney in connection with the preparation and execution of this Agreement.

7.14 Time of Essence. With regard to all dates and time periods set forth or referred to in this Agreement, time is of the essence. Unless otherwise specified, in computing any period of time described herein, the day of the act, event, notice, or default after which the designated period of time begins to run is not to be included and the last day of the period so computed is to be included, unless such last day is a Saturday, Sunday or legal holiday for national banks in the county where the Business is located, in which event the period shall run until the end of the next day which is neither a Saturday, Sunday, or legal holiday. The last day of any period of time described herein shall be deemed to end at 5:00 p.m. (measured by the time of the county in which the Business is located).

7.15 Confidentiality. This Agreement, the terms of the transactions contemplated hereby and any confidential information heretofore or hereafter disclosed or obtained in connection with this Agreement concerning the business operations, affairs or financial condition of the parties hereto shall be kept confidential, except to the extent it is or hereafter becomes lawfully obtainable from other sources not under obligations of confidentiality or to the extent that such duty as to confidentiality is waived in writing by the party to whom the confidential information relates or to the extent either party is by law required to disclose or divulge such confidential information, or, with respect to Purchaser, to the extent Purchaser discloses any terms hereof to its lenders or is necessary to operate the business after the acquisition.

7.16 Attorneys' Fees. In the event any party hereto institutes an action or other proceeding to enforce any rights arising under this Agreement, the party prevailing in such action or other proceeding shall be paid all reasonable costs and attorneys' fees by the other party, such fees to be set by the court and not by a jury and to be included in any judgment entered in such proceeding.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed, as of the date first above written.

SELLER:

_____

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

OWNERS:

_____
Print Name:_____
Date:_____

_____
Print Name:_____
Date:_____

PURCHASER:

PODS ENTERPRISES, LLC

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

ANNEX A

FORM OF PODS® BILL OF SALE
AND ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS BILL OF SALE AND ASSIGNMENT AND ASSUMPTION AGREEMENT ("**Agreement**") is entered into and effective as of _____ ("**Effective Date**"), pursuant to that certain Asset Purchase Agreement dated _____ (the "**APA**"), by and among **_____**, a [_____] ("**Seller**"), _____ ("**Owners**") and **PODS ENTERPRISES, LLC**, a Florida limited liability company ("**Purchaser**"). Capitalized terms used, but not otherwise defined, herein shall have the meanings set forth in the APA.

For good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereby agree as follows:

1. TRANSFER OF ASSETS. Seller hereby grant, sell, transfer, convey, assign, deliver and confirm unto Purchaser and its successors and assigns, free and clear of all Liens, all of Seller's rights, title and interest in and to the Purchased Assets. The Purchased Assets include, but are not limited to, the Fleet Vehicles set forth immediately below.

Year and Make	**VIN Number**	**Location**

2. ASSIGNMENT. Effective as of the Effective Date, Assignor hereby transfers and assigns to Assignee all of Assignor's right, title, benefit, privileges and interest in and to, and all of Assignor's obligations and liabilities in connection with each of Assumed Contracts (collectively, the "**Assignment**").

3. ASSUMPTION. From and after the Effective Date, Assignee hereby accepts the Assignment and hereby assumes and unconditionally agrees to observe and perform all of the duties, obligations, terms, provisions and covenants, and to pay and discharge all of the liabilities, of Assignor to be observed, performed, paid or discharged accruing from and after the Effective Date in connection with the Assumed Contracts.

4. COUNTERPARTS; FACSIMILES. This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original but all of which together shall constitute one and the same instrument. Seller and Purchaser agree to recognize electronic, PDF, or facsimile versions of executed signature pages of this Agreement as having the same force and effect as originally executed signature pages.

5. FURTHER ASSURANCES. Seller covenants and agrees to warrant and defend the sale, transfer, assignment, conveyance, grant and delivery of the Purchased Assets hereby made against all persons whomsoever, to take all steps reasonably necessary to establish the record of Purchaser's title to the Purchased Assets and, at the request of Purchaser, to execute and deliver further instruments of transfer and assignment and take such other action as Purchaser may reasonably request to transfer and assign to and vest in Purchaser the Purchased Assets, all at the sole cost and expense of Seller.

6. APPLICABLE LAW. This Agreement shall be governed by, and shall be construed and enforced in accordance with, the laws of the State of Florida, without regard to its conflicts of law provisions.
THIS AGREEMENT IS SUBJECT TO THE PROVISIONS, LIMITATIONS AND REMEDIES CONTAINED IN THE APA AND ITS SOLE EFFECT IS TO ACCOMPLISH THE TRANSFERS PROVIDED IN THE APA, AND EXCEPT AS EXPRESSLY PROVIDED IN PARAGRAPH 5 DOES NOT, NOR SHALL IT BE DEEMED TO, SUPERSEDE, SUPPLANT, EXTINGUISH, MERGE OR EXPAND ANY OF THE REPRESENTATIONS, WARRANTIES, INDEMNITIES OR LIMITATIONS CONTAINED IN THE APA OR CREATE ANY LIABILITIES OR OBLIGATIONS SEPARATE FROM OR IN ADDITION TO THE APA.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed, effective as of the date first above written.

SELLER:

By:_____
Name:_____
Title:_____

PURCHASER:

By:_____
Name:_____
Title:_____

EXHIBIT C
FINANCIAL STATEMENTS

Consolidated Financial Statements
and Report of Independent Auditors

APLPD Holdco III, LLC and Subsidiaries

December 31, 2025 and 2024

APLPD Holdco III, LLC and Subsidiaries

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of APLPD Holdco III, LLC

Opinion

We have audited the consolidated financial statements of APLPD Holdco III, LLC and subsidiaries (the "Company"), which comprise the consolidated balance sheets as of December 31, 2025 and 2024, and the related consolidated statements of comprehensive loss, member's deficit, and cash flows for the years then ended, and the related notes to the consolidated financial statements (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of 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 for one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 GAAS, 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.

Deloitte & Touche LLP

April 23, 2026

Consolidated Balance Sheets

(in thousands, except for unit amount)

	December 31, 2025	2024
Assets		
Current assets:		
Cash and cash equivalents	**$ 150,278**	$ 21,930
Due from financial institutions	**3,899**	6,441
Accounts receivable, net of allowance for credit losses of $2,679 and $6,907, respectively	**11,980**	13,624
Inventory	**62,237**	75,523
Prepaid expenses and other current assets	**59,060**	55,087
Total current assets	**287,454**	172,605
Containers, net of accumulated depreciation	**387,952**	390,652
Property and equipment, net of accumulated depreciation	**132,527**	149,156
Other assets:		
Deposits	**9,307**	9,444
Goodwill, net	**113,817**	141,920
Intangibles, net	**582,155**	601,145
Deferred tax asset	**-**	3,193
Operating lease right-of-use assets	**488,493**	519,692
Other noncurrent assets	**74,384**	63,281
Total other assets	**1,268,156**	1,338,675
Total assets	**$ 2,076,089**	$ 2,051,088
Liabilities and member's deficit		
Current liabilities:		
Accounts payable	**$ 34,220**	$ 15,170
Due to franchisees	**4,875**	4,982
Deferred revenue	**19,865**	22,524
Accrued expenses	**40,665**	73,259
Current portion of operating lease liabilities	**102,749**	97,086
Current portion of long-term debt, notes payable, and finance lease obligations	**22,891**	21,982
Total current liabilities	**225,265**	235,003
Long-term debt, notes payable, and finance lease obligations, net of current portion	**1,402,354**	1,419,087
Operating lease liabilities, net of current portion	**435,909**	466,977
Deferred tax liability	**115,438**	133,008
Other liabilities	**49,221**	39,655
Total liabilities	**2,228,187**	2,293,730
Commitments and contingencies (Note 10)		
Member's deficit:		
Member's deficit, 1 unit authorized, issued and outstanding	**-**	-
Capital contributions	**144,500**	-
Noncontrolling interests	**(28)**	7
Accumulated other comprehensive loss	**(344)**	(750)
Accumulated deficit	**(296,226)**	(241,899)
Total member's deficit	**(152,098)**	(242,642)
Total liabilities and member's deficit	**$ 2,076,089**	$ 2,051,088

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statements of Comprehensive Loss

(in thousands)

	Years Ended December 31, 2025	2024
Revenues:		
Rental, delivery, and transportation	**$ 1,054,176**	$ 1,026,124
Services to franchises	**4,033**	4,231
Sales of containers, lifts, and parts to franchises	**1,512**	1,453
Other	**1,881**	2,096
Total revenues	**1,061,602**	1,033,904
Cost of revenues (exclusive of depreciation and amortization shown separately below)	**615,207**	605,176
Operating expenses:		
Selling, general, and administrative expenses	**287,435**	282,916
Depreciation and amortization	**111,573**	171,064
Impairment of long-lived assets	**3,660**	5,398
Loss on disposition of assets	**3,670**	2,284
(Gain) loss on foreign currency translation	**(152)**	293
Total operating expenses	**406,186**	461,955
Income (loss) from operations	**40,209**	(33,227)
Other expense/(income):		
Interest expense, net	**108,472**	129,494
Other (income) expense	**(112)**	197
Total other expense	**108,360**	129,691
Loss before income taxes	**(68,151)**	(162,918)
Income tax benefit	**(13,992)**	(27,593)
Net loss	**(54,159)**	(135,325)
Less: (Loss) income attributable to noncontrolling interests	**(35)**	54
Net loss attributable to APLPD Holdco III, LLC	**(54,124)**	(135,379)
Other comprehensive income (loss) before taxes:		
Unearned foreign currency translation income (loss)	**406**	(834)
Total other comprehensive income (loss)	**406**	(834)
Total comprehensive loss	**(53,753)**	(136,159)
Less: Comprehensive (loss) income attributable to noncontrolling interests	**(35)**	54
Comprehensive loss attributable to APLPD Holdco III, LLC	**$ (53,718)**	$ (136,213)

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statements of Member's Deficit

Years Ended December 31, 2025 and 2024

(in thousands, except for unit amount)

	Member's Capital						
	Units	Amount	Capital Contributions	Non-Controlling Interest	Accumulated Other Comprehensive Income (loss)	Accumulated Deficit	Total Member's Deficit
Balance at December 31, 2023	1	$ -	$ -	$ (47)	$ 84	$ (105,529)	$ (105,492)
Distributions to members	-	-	-	-	-	(870)	(870)
Expenses paid on behalf of parent	-	-	-	-	-	(121)	(121)
Comprehensive loss:							
Unearned foreign currency translation	-	-	-	-	(834)	-	(834)
Net income (loss)	-	-	-	54	-	(135,379)	(135,325)
Balance at December 31, 2024	1	$ -	$ -	$ 7	$ (750)	$ (241,899)	$ (242,642)
Capital contributions	-	-	144,500			-	144,500
Expenses paid on behalf of parent	-	-	-	-	-	(203)	(203)
Comprehensive loss:							
Unearned foreign currency translation	-	-	-	-	406	-	406
Net loss	-	-	-	(35)	-	(54,124)	(54,159)
Balance at December 31, 2025	1	$ -	$ 144,500	$ (28)	$ (344)	$ (296,226)	$ (152,098)

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statements of Cash Flows

(in thousands)

	Years Ended December 31, 2025	2024
Operating activities		
Net loss	**$ (54,159)**	$ (135,325)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	**101,373**	161,668
Finance lease amortization	**10,200**	9,396
Non-cash lease expense - operating leases	**99,444**	96,435
Provision for credit losses	**1,837**	(394)
Amortization of deferred loan costs and original issue discount	**3,562**	3,448
Impairment of long-lived assets	**3,660**	5,398
Deferred income taxes	**(17,608)**	(31,356)
Loss on disposition of assets	**3,670**	591
Loss on sale-leaseback	**-**	1,693
Stock-based compensation fair value adjustment	**367**	(7,534)
(Gain) loss on foreign currency translation	**(152)**	293
Changes in assets and liabilities, net of acquired amounts:		
Accounts receivable	**(95)**	(810)
Inventory	**(2,705)**	(3,897)
Prepaid expenses and other current assets	**(1,360)**	(228)
Cloud computing asset	**(25,960)**	(26,639)
Deposits and other noncurrent assets	**17,967**	21,322
Accounts payable	**18,959**	(3,353)
Due to franchises	**(242)**	245
Deferred revenue	**(2,603)**	(787)
Accrued expenses and other noncurrent liabilities	**(26,639)**	14,886
Operating lease liabilities	**(97,886)**	(91,270)
Net cash provided by operating activities	**31,630**	13,782
Investing activities		
Purchase of property and equipment and containers	**(21,091)**	(22,137)
Proceeds from disposition of property and equipment	**1,106**	1,571
Proceeds from sale-leaseback	**-**	25,625
Net cash (used in) provided by investing activities	**(19,985)**	5,059
Financing activities		
Debt issuance costs	**(184)**	-
Proceeds from revolving line of credit	**30,000**	59,000
Payments on revolving line of credit	**(30,000)**	(59,000)
Principal payments on long-term debt	**(14,589)**	(14,589)
Principal payments on finance lease obligations	**(12,222)**	(11,122)
Proceeds from capital contributions	**144,500**	-
Distributions to members	**-**	(870)
Expenses paid on behalf of parent	**(203)**	(121)
Net cash provided by (used in) financing activities	**117,302**	(26,702)
Effect of exchange rate changes on cash and cash equivalents	**(599)**	1,044
Net increase (decrease) in cash and cash equivalents	**128,348**	(6,817)
Cash and cash equivalents at beginning of period	**21,930**	28,747
Cash and cash equivalents at end of period	**$ 150,278**	$ 21,930

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statements of Cash Flows - Continued

(in thousands)

	Years Ended December 31, 2025	2024
Supplemental disclosures of cash flow information		
Cash paid for interest	**$ 131,507**	$ 109,409
Cash paid for income taxes	**$ 3,602**	$ 11,182
Cash received for income taxes	**$ 5,596**	$ 474
Supplemental disclosures of noncash financing and investing activities		
Non-cash transfer of inventory to containers	**$ 17,323**	$ 20,679
Equipment financed through finance leases and note payable	**$ 7,406**	$ 670
Capital purchases not yet paid	**$ 26**	$ 52

The accompanying notes are an integral part of these consolidated financial statements.

Notes to Consolidated Financial Statements

Note 1 - Organization

APLPD Holdco III, LLC (the "Company") was established as a Delaware limited liability company in January 2015. The Company's primary business is that of a holding company. The Company's operating entity is PODS Enterprises, LLC ("PODS").

PODS rents containers to the public to be used as an alternative means of storage rental space to the mini-storage market or as an alternative means for customers to conduct physical moves of household or business contents. PODS generally provides short-term rentals on a monthly basis for customer moves or for storage either on the customer site or in the Company's warehouses. PODS provides pickup and delivery services for the storage units. In addition, the Company offers unit and content damage waiver programs to its customers. PODS also franchises its business model throughout the United States, Canada, United Kingdom, and Australia. The Company receives royalty and other revenue from its franchisees by providing sale of containers and container parts, sale of lifts, rental of containers, accounting services, customer support and marketing services. As of December 31, 2025 and 2024, 143 markets were open and operating, of which 122 were Company-owned and operated, and 21 were franchisee-owned and operated. During 2025 the Company decided to exit the Australia markets and began the process of winding down operations in Australia.

Note 2 - Summary of Significant Accounting Policies

Basis of Presentation and Principles of Consolidation

These consolidated financial statements present, in accordance with accounting principles generally accepted in the United States of America ("GAAP"), the Company's financial position as of December 31, 2025 and 2024, and results of operations and cash flows for the years ended December 31, 2025 and 2024. All intercompany balances and transactions have been eliminated.

Use of Estimates

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ from those estimates. In evaluating the fair market value of intangible assets, management is required to make significant estimates and assumptions in projecting future cash flows, and changes in facts and circumstances could result in material changes in the estimates.

Revenues

The Company accounts for revenue earned from renting portable storage units in accordance with the Accounting Standards Codification ("ASC") lease accounting guidance ("Topic 842"). All other revenue is accounted for under the Revenue from Contracts with Customers guidance ("Topic 606").

Revenues from local and long distance moving and storage rental agreements have multiple performance obligations, including rentals of portable storage units and moving supplies, delivery and pickup services, sale of moving supplies, and damage waiver plans. For contracts with multiple performance obligations, the Company allocates the contract transaction price to each performance obligation using the contractually stated price as the standalone selling price of each distinct promise in the contract. The prices are determined using methods and assumptions developed consistently across similar customers and markets.

The Company enters into contracts with customers to rent portable storage units based on a monthly rate. Revenues from the rental of portable storage units are recognized ratably over the rental period, in accordance with lease accounting guidance. Revenues from the sale of moving supplies are recognized at a point in time in accordance with revenue recognition guidance. Revenues from content damage waiver programs are recognized ratably over the

Notes to Consolidated Financial Statements - Continued

rental period in accordance with revenue recognition guidance. Deferred revenue represents amounts billed and collected for rental periods that extend beyond the consolidated balance sheet date as well as amounts billed and collected for transportation between locations and for deliveries or pickups that have not been earned. Transportation revenues for delivery services and pickups are recognized over time as the container is in transit in accordance with revenue recognition guidance.

The Company is a franchisor and as such operates under franchise agreements. The Company provides franchisees with (i) a franchise agreement, which includes a non-exclusive right to use our intellectual property; (ii) pre-opening services, such as training and opening assistance; and (iii) ongoing services, such as providing operations manuals and providing a sales and service center for customers. The services the Company provides under franchise agreements are highly interrelated and dependent upon the franchise agreement, and the Company concluded these services are not distinct from each other and represent inputs to a single, combined offering. Consequently, the Company bundles the franchise agreement performance obligation and promises to provide services into a single performance obligation under Topic 606, which the Company satisfies by providing a right to use our intellectual property over the term of each franchise agreement. In addition to revenues recognized for franchise rights and royalties, franchise revenues also consist of performance obligations for sales of containers and parts, customer support and billing and collection services.

Royalties earned by the Company represent sales-based royalties that are related entirely to the Company's performance obligation under the franchise agreement and are recognized as franchise sales occur. Additionally, under Topic 606, initial franchise fees are recognized as revenue on a straight-line basis over the term of the respective agreement. Royalties and fees for billing services provided by the Company to the franchisees are recognized in or over the period to which they relate in accordance with revenue recognition guidance. Revenues related to the sales of portable storage units and lifts to franchisees are recorded upon shipment of the equipment to the franchisee in accordance with revenue recognition guidance.

All revenues are presented net of taxes collected from customers and franchisees that are to be remitted to governmental authorities.

The Company is determined to be the principal in all transactions, with the exception of Content Protection Option ("CPO") sales from the third party franchisee to the customer. CPO covers liability assumed by the Company for damage to the customer's contents within the container resulting from certain perils. Thus, revenue earned related to CPO sales from the third party franchisee to the customer is recorded on a net basis in accordance with Topic 606.

In considering the level at which the Company should disaggregate revenues, management considered the timing of transfer of control of goods or services. For the periods ended December 31, 2025 and 2024, the Company recognized $1,055.1 million and $1,026.8 million in revenue from contracts with customers over-time as control transferred, respectively. For the periods ended December 31, 2025 and 2024, the Company also recognized $6.5 million and $7.0 million, respectively, in revenue from contracts with customers at the point-in-time control transferred.

Contract Costs

Commissions paid to sales associates upon successful execution of a customer contract qualify for capitalization pursuant to Contracts with Customers guidance ("Topic 340-40"). As a practical expedient, the Company expenses these commissions as incurred because the period of benefit, which includes the explicit contract term and anticipated renewals, is generally one year or less.

Notes to Consolidated Financial Statements - Continued

Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand, cash deposited with financial institutions, and highly liquid investments with original maturities of three months or less at the time of purchase.

Cash held in foreign financial institutions totaled $6.9 million and $3.2 million as of December 31, 2025 and 2024, respectively.

The Company maintains cash balances in financial institutions that, at times, may exceed federally insured limits. The Company has not experienced any losses related to these balances and does not believe it is exposed to significant credit risk.

Concentration of Credit Risk

Financial instruments that potentially subject the Company to significant concentrations of credit risk consist principally of cash and cash equivalents held by various financial institutions. At times, such balances may be in excess of the Federal Deposit Insurance Corporation (the "FDIC") insurance limits of $250,000 per institution. The Company has not experienced any losses related to these balances and does not believe it is exposed to significant credit risk.

Due from Financial Institutions

Amounts due from financial institutions represents receivables generated from credit card transactions.

Accounts Receivable

Accounts receivable represent amounts due from customers and franchisees for services provided or products sold. Accounts receivable are recorded at net realizable value. The Company establishes an allowance for credit losses on accounts receivable due from customers based on an analysis performed on historical aged accounts receivable, current conditions and reasonable forecasts. The Company establishes an allowance for credit losses on accounts receivable due from franchisees based on a specific credit loss analysis, current conditions and reasonable forecasts. Items that are deemed uncollectible are written off against the allowance for credit losses. The Company does not perform ongoing credit evaluations of its customers' financial position but generally requires customers to pledge the contents stored in the containers as collateral.

Inventory

Inventory consists of raw materials and containers at various stages of completion, and containers and lifts that are completed but have not been placed into service in the Company's operations or sold to a franchisee. Inventory is stated at the lower of cost or net realizable value. Cost is determined using the average cost method. The Company recognizes the cost of inbound shipping and handling as a component of containers inventory.

Prepaid and Other Current Assets

The Company has receivables and prepaid expenses primarily related to the content damage waiver program, rent, taxes, IT software licenses and insurance. See Note 5.

Containers

The Company maintains a fleet of containers that are rented or available to rent to customers and periodically reviews and adjusts, as appropriate, the estimated useful lives for the purpose of recording depreciation expense.

Notes to Consolidated Financial Statements - Continued

Property and Equipment

Property and equipment is stated at cost and depreciated using the straight-line method over the estimated useful lives of the depreciable assets. Leasehold improvements are amortized over the shorter of their estimated useful lives or the remaining lease term. Refer to Note 6 for the range of estimated useful lives by asset class. Amortization of assets under finance lease obligations is included in depreciation and amortization in the accompanying consolidated statements of comprehensive loss. For tax purposes, the equipment and leasehold improvements are depreciated using accelerated methods of depreciation.

The Company continues to evaluate these depreciation policies and depreciable lives as more information becomes available from its own historical experience and other comparable sources.

Repairs and Maintenance

Repairs and maintenance are charged directly to expense as incurred, and primarily include repairs related to containers and other property and equipment.

Internal-Use Software

The Company capitalizes direct costs of materials and services used in the development of internal-use software. Software placed in service is amortized on a straight-line basis over a period of three years and is reported as a component of property and equipment, net.

Cloud Computing Arrangements

The Company incurs costs to implement cloud computing arrangements that are hosted by third party vendors. Implementation costs associated with cloud computing arrangements are capitalized when incurred during the application development phase. Amortization is calculated on a straight-line basis over the contractual term of the cloud computing arrangement and is recorded in selling, general and administrative expenses in the consolidated statements of comprehensive loss. Capitalized amounts related to such arrangements are recorded within prepaid expenses and other current assets and other non-current assets in the accompanying consolidated balance sheets.

Deferred Financing Costs

The Company recognizes deferred financing costs as a direct reduction from the carrying amount of debt. Deferred financing costs are amortized as interest expense over the life of the related debt using the effective interest method. Deferred financing cost amounts are disclosed in Note 11.

Auto Liability

PODS is required by applicable laws and regulations to maintain insurance against legal liability for bodily injury, death, or property damage to third parties arising from the operation of our vehicles. Currently, the Company has automobile liability exposures in the United States and Canada and accrues liabilities. Reserve requirements are based on actuarial evaluations of historical accident claim experience and trends, as well as future projections of ultimate losses, expenses, and administrative costs. The adequacy of the liability is regularly monitored based on evolving accident claim history and insurance related state legislation changes. Actual claims payouts could differ from those estimates, and those differences, if any, will be recognized when known in the accompanying consolidated statements of comprehensive loss.

Accruals for auto liabilities were $24.6 million and $26.3 million at December 31, 2025 and 2024, respectively. The short-term portions of the accruals are included in accrued expenses in the accompanying consolidated balance sheets in the amounts of $6.2 million and $15.9 million at December 31, 2025 and 2024, respectively. The long-

Notes to Consolidated Financial Statements - Continued

term portions of the accruals are included in other liabilities in the accompanying consolidated balance sheets in the amounts of $18.4 million and $10.4 million at December 31, 2025 and 2024, respectively.

The Company recorded receivables related to expected auto insurance recoveries in the amount of $5.6 million and $6.7 million at December 31, 2025 and 2024, respectively. The short-term portions of the receivables are included in prepaid expenses and other current assets in the accompanying consolidated balance sheets in the amount of $1.1 million and $5.3 million at December 31, 2025 and 2024, respectively. The long-term portions of the receivables are included in other noncurrent assets in the accompanying consolidated balance sheets in the amount of $4.5 million and $1.4 million at December 31, 2025 and 2024, respectively.

Workers' Compensation

The Company accrues liabilities that include estimated future payouts of known claims and estimated incurred but not reported claims. The actuarial estimate of claims includes an estimate of the timing of future payments for both asserted claims and unknown claims. Payment patterns are not fixed or determinable with certainty. Allowance for self-insured claims is based on estimates, and while management believes the provision for losses is adequate, the ultimate liability may be in excess of, or less than, the amounts recorded. Actual claims payouts could differ from those estimates, and those differences, if any, will be recognized when known in the accompanying consolidated statements of comprehensive loss.

Accruals for workers' compensation liabilities were $9.4 million and $8.2 million at December 31, 2025 and 2024, respectively. The short-term portions of the accruals are included in accrued expenses in the accompanying consolidated balance sheets in the amounts of $3.9 million and $3.4 million at December 31, 2025 and 2024, respectively. The long-term portions of the accruals are included in other liabilities in the accompanying consolidated balance sheets in the amounts of $5.5 million and $4.8 million at December 31, 2025 and 2024, respectively.

The Company recorded receivables related to expected workers' compensation insurance recoveries in the amount of $2.2 million and $1.1 million at December 31, 2025 and 2024, respectively. The short-term portions of the receivables are included in prepaid expenses and other current assets in the accompanying consolidated balance sheets in the amount of $0.8 million and $0.4 million at December 31, 2025 and 2024, respectively. The long-term portions of the receivables are included in other noncurrent assets in the accompanying consolidated balance sheets in the amount of $1.4 million and $0.7 million at December 31, 2025 and 2024, respectively.

Advertising

The Company utilizes various advertising funds to administer its advertising programs along with direct advertising for corporate markets. Under the Company's franchise agreements, each franchise must contribute a percentage of revenues to a marketing and advertising fund and spend an additional amount on local advertising, either directly or through participation in an advertising cooperative overseen by the Company. A portion of the franchisee advertising contributions to the national cooperative is used to purchase advertising on national cable and broadcast networks and other national media and sponsorship opportunities. The Company exercises significant influence over the nature, timing and extent of how the funds are spent.

The Company includes its various advertising funds in its consolidated financial statements on a gross basis, whereby contributions from franchisees are recorded as revenues in the consolidated statements of comprehensive loss as services to franchises. Franchise contributions to the advertising funds totaled $0.9 million and $1.0 million for the years ended December 31, 2025 and 2024, respectively. Charges incurred are recorded as advertising expense and are recorded in the consolidated statements of comprehensive loss as selling, general and administrative expenses.

The Company expenses the costs of advertising as incurred. Advertising expense was $72.6 million and $74.4 million for the years ended December 31, 2025 and 2024, respectively.

Notes to Consolidated Financial Statements - Continued

Impairment of Long-Lived Assets

The Company reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of long-lived assets to future undiscounted net cash flows expected to be generated, based on management estimates. Estimates made by management are subject to change and include future growth assumptions, operating and capital expenditure requirements, asset useful lives, and other factors. Changes in these assumptions could materially impact the results of the impairment test. If such assets are considered to be impaired, the impairment recognized is the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or fair value less cost to sell, and depreciation is no longer recorded. Management has recorded an impairment loss related to its right-of-use assets in the amount of $3.7 million and $5.4 million, as of December 31, 2025 and 2024, respectively.

The Company evaluates right-of-use assets for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. During the years ended 2025 and 2024, the Company identified indicators of impairment related to several subleased assets due to declining cash flows.

The Company performed recoverability tests and determined that the carrying values of the right-of-use assets exceeded their estimated undiscounted future cash flows. As a result, the Company recognized impairment charges of $3.7 million and $5.2 million, for the years ended December 31, 2025 and 2024, respectively, which were measured as the difference between the carrying amount and the assets' fair values, determined using the market price per square foot of the recent sublease transactions. The impairment charges are included in Impairment of long-lived assets in the consolidated statements of comprehensive loss.

Management continues to monitor leased assets for potential further impairment and will take appropriate action if necessary.

Fair Value of Financial Instruments

The Company applies fair value accounting guidelines for all financial assets and liabilities and non-financial assets and liabilities that are recognized or disclosed at fair value in the consolidated financial statements on a recurring basis (at least annually). Under these guidelines, fair value is defined as the price that would be received for the sale of an asset or paid to transfer a liability (i.e., an exit price) in an orderly transaction between market participants at the measurement date. The guidance establishes a three-tier fair value hierarchy which prioritizes the inputs used in measuring fair value as follows:

Level 1: Quoted prices in active markets for identical assets or liabilities;

Level 2: Observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets or liabilities in active markets or quoted prices for identical assets or liabilities in inactive markets;

Level 3: Unobservable inputs that are supported by little, infrequent, or no market activity and reflect the Company's own assumptions about inputs used in pricing the asset or liability.

The fair value hierarchy also requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

As of December 31, 2025 and 2024, the Company's financial instruments included cash and cash equivalents, amounts due from financial institutions, accounts receivable, and accounts payable. The carrying amounts for these financial instruments approximate their fair value due to their short-term nature. Additional financial instruments

Notes to Consolidated Financial Statements - Continued

include long-term debt that approximates fair value due to its variable interest rates and lease obligations with interest rates that approximate market rates.

Stock-Based Compensation

The Company has awarded share-based compensation under the APLPD Holdco Inc. 2015 Equity Plan (the "2015 Plan") as an incentive for certain employees and directors to contribute to the Company's long-term success. Under the 2015 Plan three option classes were available: (1) Time-Based; (2) Performance-Based; and (3) Top-Up. Time-Based options vest over the requisite service period. Performance-Based options vest upon the achievement of certain operational performance targets, as defined, and assuming continuing service by the employee or director. Accordingly, compensation expense is only recognized if it is considered probable that these targets will be met within the given year. Top-Up options contain a condition, which makes vesting of all Top-Up options contingent on the achievement of an internal rate of return on investment, as defined, by the earlier of (a) a Change in Control, as defined; or (b) December 31, 2019.

In addition, effective on October 22, 2019 (the "Effective Date"), the Company established the APLPD Holdco, Inc. 2020 Equity Plan (the "2020 Plan"), which replaces the 2015 Plan for awards granted on or after this date. Awards may not be granted under the 2015 Plan beginning on the Effective Date, but any prior awards under this plan remain outstanding and subject to the corresponding terms. The 2020 Plan provides for the issuance of Time-Based and Performance-Based options.

The Company recognizes share-based compensation expense for all options granted, which is based on the fair value of the options on the date of grant. Determining the appropriate fair value model and calculating the fair value of share-based compensation awards requires the input of subjective assumptions, including the expected life of the options and the Company's common stock price volatility, risk free interest rate and dividend rate. The Company used the Black-Scholes-Merton option pricing model to estimate the fair value of Time-Based and Performance-Based stock options. Top-Up stock options are valued using a method derived from the Black-Scholes-Merton model, as these options are path-dependent and the valuation technique must incorporate the possibility that the Top-Up condition is not met. The assumptions used in calculating the fair value of stock options represent management's best estimates, but these estimates involve inherent uncertainties and the application of judgment. As a result, if factors change and the Company deems it necessary to use different assumptions, stock compensation expense could be materially different from what has been recorded in the current period. The Company elected to incorporate the effect of forfeitures in expense in the year in which they occur. In addition, for options with graded vesting and different exercise prices for each vesting tranche, the Company elected to value each tranche separately and recognize total compensation cost on a straight-line basis over the service period.

During 2025 and 2024, the Company issued stock options under the 2020 Plan from the Time-Based and Performance-Based classes. Share-based compensation expense related to Time-Based awards is recognized ratably on a straight-line basis over the expected vesting period and adjusted for fair-value changes on an annual basis, assuming continuing service by the option holder. Share-based compensation expense related to Performance-Based awards is recognized ratably on a straight-line basis over the expected service period, assuming continuing service by the option holder.

The Company accounts for the fair market value of stock options using the liability method of accounting. The Company measures its liability awards based on the award's fair value remeasured at each reporting date until the date of settlement. Compensation cost for each period until settlement is based on the fair value change (or a portion of the change, depending on the percentage of the requisite service that has been rendered at the reporting date). Changes in the fair value of a liability that occur after the end of the requisite service period are compensation cost in the period in which the change occurs. Any difference between the amount for which a liability award is settled and its fair value at the settlement date is an adjustment of compensation cost in the period of settlement.

Notes to Consolidated Financial Statements - Continued

Foreign Currency Translation and Transactions

The Company has operating subsidiaries in Canada, the United Kingdom, and Australia, whose functional currencies are the Canadian dollar, British pound, and Australian dollar, respectively. Gains and losses on transactions denominated in currencies other than the functional currency are included in determining net income for the period.

The assets and liabilities of the foreign subsidiaries are translated at the exchange rate on the balance sheet date. Income statement items are translated at the average rate prevailing during the period. The resulting translation adjustment is recorded as a component of accumulated other comprehensive (loss) income and is included in member's deficit.

Goodwill and Other Intangible Assets

The Company adopted ASU No. 2014-02, *Intangibles - Goodwill and Other (Topic 350): Accounting for Goodwill,* during the period from February 3, 2015 through December 31, 2015. The Company elected to amortize goodwill over an estimated 10 year life. The Company is comprised of one reporting unit. Therefore, all of the goodwill has been allocated to that reporting unit.

The Company utilized the simplified impairment model to goodwill as of December 31, 2025 and 2024, which indicated no triggering events.

Trade Name

The Company's trade name has an indefinite life and is not amortized but is reviewed for impairment annually or more frequently when facts and circumstances indicate that the carrying value of the Company's trade name may not be recoverable. The Company may elect to perform a qualitative assessment that considers economic, industry and company-specific factors as part of its annual test. If, after completing this assessment, it is determined that it is more likely than not that the fair value of the trade name is less than its carrying value a quantitative test is performed.

Quantitative testing requires a comparison of the fair value of the trade name to its carrying value. If the carrying value of the trade name exceeds the calculated fair value, the trade name is considered impaired to the extent that the carrying value exceeds the fair value. The Company performed a qualitative impairment test as of December 31, 2025 and 2024 on its trade name, which indicated no impairment.

Amortization of Intangibles

Definite-lived intangible assets are amortized using the straight-line method over the estimated useful lives of the assets.

Leases

The Company determines if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use ("ROU") assets, current portion of operating lease liabilities, and operating lease liabilities, net of current portion in our accompanying consolidated balance sheets. Finance leases are included in property and equipment, net of accumulated depreciation, current portion of long-term debt, notes payable, and finance lease obligations, and long-term debt, notes payable, and finance lease obligations, net of current portion in the accompanying consolidated balance sheets.

ROU assets represent a right to use an underlying asset for the lease term, and lease liabilities represent an obligation to make lease payments arising from the lease. As most of the Company's leases do not provide an implicit rate, an incremental borrowing rate is used based on the estimated rate of interest for collateralized borrowings over a similar term of the lease payments at commencement date. Operating lease ROU assets are based on the measurement of the lease liability and also include any lease payments made prior to or on lease commencement

Notes to Consolidated Financial Statements - Continued

and exclude lease incentives and initial direct costs incurred, as applicable. The operating lease ROU asset also includes any lease payments made and excludes lease incentives. Lease terms may include options to extend or terminate the lease when it is reasonably certain the option will be exercised. Lease costs for the Company's operating leases are recognized on a straight-line basis over the reasonably assured lease term.

The Company has lease agreements with lease and non-lease components, which are generally accounted for separately. For embedded lease arrangements, such as advertising, freight carriers, and office equipment, the lease and non-lease components are accounted for as a single lease component.

The Company has various equipment leases with residual value guarantees. The terms and conditions of these guarantees vary and may require the Company to:

- Enter into a new lease agreement for the covered units;
- Purchase the equipment at the guaranteed residual value; or
- Remit deficiencies to the lessor if net sales proceeds do not cover the guaranteed residual value.

The Company recognizes a ROU asset and lease liability in its accompanying consolidated balance sheets for leases with a term greater than twelve months. Options to extend or terminate a lease are included in the Company's ROU asset and lease liability when it is reasonably certain that such options will be exercised. The Company does not recognize ROU assets or lease liabilities for short-term leases (i.e., those with a term of twelve months or less) and recognizes operating lease expense on a straight-line basis over the lease term, as applicable.

To determine the present value of its lease payments, the Company utilizes the interest rate implicit in the lease agreement. If the implicit interest rate was not provided in the lease agreement, the Company utilizes the Company's collateralized incremental borrowing rate available at the individual lease commencement date.

Common area charges, real estate taxes and insurance associated with real estate leases are based on market rates, accounted for separately and expensed in the period incurred. Equipment lessors may provide fuel for equipment, which is billed separately and expensed by the Company in the period incurred. Common area charges, real estate taxes, insurance and fuel are considered non-lease components and not included in the ROU asset and lease liability.

The Company enters into certain agreements as a lessor under which it rents portable storage units to customers. As a lessor, if any of the following criteria are met, the Company classifies the lease as a direct financing or sales-type lease:

- The lease transfers ownership of the underlying asset to the lessee by the end of the lease term;
- The lease grants the lessee an option to purchase the underlying asset that the Company is reasonably certain to exercise;
- The lease term is for 75% or more of the remaining economic life of the underlying asset, unless the commencement date falls within the last 25% of the economic life of the underlying asset;
- The present value of the sum of the lease payments equals or exceeds 90% of the fair value of the underlying asset; or
- The underlying asset is of such a specialized nature that it is expected to have no alternative use to the lessor at the end of the lease term.

Leases that do not meet any of the above criteria are accounted for as operating leases.

Notes to Consolidated Financial Statements - Continued

The Company's operating leases for portable storage rentals to customers have rental periods that are typically short term (less than a year), and rental charges are based on a fixed monthly rate. Lease terms are typically one month, and the customer has the ability to extend the term at the standard monthly rental rates. In connection with the portable storage rentals, the Company offers value-added services, which are deemed non-lease components, such as delivery services and damage waiver plans. The total transaction price is allocated to the lease and non-lease components based on the stand-alone selling prices in accordance with Topic 606. The Company mitigates residual value risk of its revenue earning portable storage units by repairing the containers as needed to maintain the condition of its units, and through periodic reviews of the estimated useful lives and residual values.

Sale-Leaseback Arrangements

We assess each of our sale-leaseback arrangements to determine whether a sale has occurred under ASC 606, *Revenue from Contracts with Customers*, as well as assess whether the classification of the lease and/or the payment terms preclude sale accounting under ASC 842, *Leases*. These assessments involve a determination of whether control of the underlying property has been transferred to the buyer. If we determine that control of the underlying property has been transferred to the buyer, we account for the arrangement as a sale and leaseback transaction. If we determine control of the underlying property has not been transferred to the buyer, we account for the arrangement as a financing transaction. Refer to Note 15 for the sale-leaseback transaction that took place during 2024.

The determination of the fair value of the property related to our sale-leaseback arrangements requires subjectivity and estimates, such as market price per square foot. If necessary, any gain or loss recognized on the sale and the lease-related right-of-use assets and liabilities will be adjusted for off-market terms. These off-market adjustments are based on the difference between the sale price of the property and its fair value. Where real estate valuation expertise is required, we obtain third-party opinions to determine the fair value of the underlying asset.

Income Taxes

The Company is a single member limited liability company, a disregarded entity for income tax purposes. As a result, the taxable income, or loss, which may vary substantially from income or loss reported for financial reporting purposes, is included in the federal and state tax returns of APLPD Holdco, Inc. (the "Parent"). However, as the Parent is a C Corporation and files a consolidated return that includes the Company, the Company has recorded a provision for income taxes utilizing the Separate Return method, which reflects the tax expense or benefit based on what the Company's share would have been if the Company had filed a separate tax return. The consolidated financial statements reflect the impact of income taxes for the years ended December 31, 2025 and 2024. The Company owed $8.7 million and $7.0 million to Parent for income taxes as of December 31, 2025 and 2024, respectively, which are recorded in other liabilities in the accompanying consolidated balance sheets.

Notes to Consolidated Financial Statements - Continued

Income tax expense (benefit) for the following periods consists of (in thousands):

	2025	2024
Current:		
Federal	**$ 129**	$ 7,691
State	**214**	403
Foreign	**(134)**	(171)
	209	7,923
Deferred:		
Federal	**(14,404)**	(30,782)
State	**(3,367)**	(4,374)
Foreign	**3,570**	(360)
	(14,201)	(35,516)
Total	**$ (13,992)**	$ (27,593)

Recent Accounting Pronouncements

In July 2025, the FASB issued ASU 2025-05, *Financial Instruments – Measurement of Credit Losses for Accounts Receivable and Contract Assets (ASC 326)*. The ASU provides a practical expedient and an accounting policy election related to the estimation of expected credit losses for current accounts receivable and current contract assets that arise from transactions accounted for under ASC 606. All entities may elect a practical expedient that assumes that current conditions as of the balance sheet date do not change for the remaining life of the asset. An entity other than a public business entity that elects the practical expedient is permitted to make an accounting policy election to consider collection activity after the balance sheet date when estimating expected credit losses. The guidance is effective for fiscal years beginning after December 15, 2025, with early adoption permitted. The Company is in the process of evaluating the impact of this ASU on our financial statements.

In December 2023, the FASB issued ASU 2023-09, *Income Taxes - Improvements to Income Tax Disclosures (ASC 740)*. This ASU requires entities to annually disclose specific categories in the rate reconciliation and provide additional information for reconciling items that meet a quantitative threshold. The guidance is effective for entities other than public business entities for fiscal years beginning after December 15, 2025, with early adoption permitted. The adoption of this ASU is not expected to have a material impact on the Company's financial statements.

In October 2021, the FASB issued ASU 2021-08, *Business Combinations – Accounting for Contract Assets and Contract Liabilities from Contracts with Customers (ASC 805)*. The ASU aims to improve the accounting for acquired revenue contracts with customers in a business combination related to the recognition of an acquired contract liability and payment terms and their effect on subsequent revenue recognized by the acquirer. The amendments in this Update require that an entity (acquirer) recognize and measure contract assets and contract liabilities acquired in a business combination in accordance with ASC 606. The Company adopted ASU 2021-08 effective January 1, 2024 and the adoption of this standard did not have a material impact on the Company's financial statements.

Recent accounting guidance not discussed above is not applicable, did not have, or is not expected to have a material impact on the Company's financial statements.

Notes to Consolidated Financial Statements - Continued

Note 3 – Cash and Cash Equivalents

Cash and cash equivalents at December 31 were as follows (in thousands):

	2025	2024
Cash	**$ 8,786**	$ 21,856
Cash equivalents	**141,492**	74
Total cash and cash equivalents	**$ 150,278**	$ 21,930

The components of cash and cash equivalents at December 31 were as follows (in thousands):

	2025	2024
Bank deposits	**$ 8,786**	$ 21,856
Money market funds	**$ 141,492**	$ 74
Total cash and cash equivalents	**$ 150,278**	$ 21,930

Note 4 – Inventory

The Company's inventory is summarized as follows at December 31 (in thousands):

	2025	2024
Completed containers and lifts	**$ 1,378**	$ 8,007
Raw materials	**60,859**	67,516
Total inventory	**$ 62,237**	$ 75,523

Note 5 - Prepaid Expenses and Other Current Assets

The Company's prepaid expenses and other current assets are summarized as follows at December 31 (in thousands):

	2025	2024
Short-term portion of cloud computing arrangement	**$ 19,826**	$ 21,254
Prepaid rent	**14,146**	13,787
Prepaid insurance	**7,201**	2,901
Prepaid software subscriptions	**8,701**	4,082
Receivable related to content damage waiver program	**4,818**	5,268
Receivables related to insurance	**1,856**	5,701
Prepaid income tax	**1,212**	1,155
Prepaid other	**1,300**	939
Total prepaid expenses and other current assets	**$ 59,060**	$ 55,087

Notes to Consolidated Financial Statements - Continued

Note 6 - Containers, Property, and Equipment

The Company's containers are summarized as follows at December 31 (in thousands):

	Estimated Useful Life	2025	2024
Containers	20 years	**$ 694,739**	$ 674,260
Accumulated depreciation		**(306,787)**	(283,608)
Containers, net		**$ 387,952**	$ 390,652

The Company's property and equipment is summarized as follows at December 31 (in thousands):

	Range of Estimated Useful Lives	2025	2024
Land	Indefinite	**$ 7,074**	$ 7,074
Buildings	1-40 years	**3,034**	3,034
Land Improvements	1-40 years	**418**	418
Furniture	10 years	**6,099**	5,837
Vehicles	7-10 years	**21,515**	22,798
Equipment	5-10 years	**174,548**	173,113
Leasehold improvements	3-7 years	**30,857**	27,267
Computer equipment and software	3-7 years	**30,130**	29,886
Internal-use software	3 years	**79,733**	79,471
Total property and equipment		**353,408**	348,898
Accumulated depreciation and amortization		**(220,881)**	(199,742)
Property and equipment, net		**$ 132,527**	$ 149,156

Assets carried under finance leases are included in property and equipment and are as follows at December 31 (in thousands):

	Estimated Useful Life	2025	2024
Equipment acquired under finance lease	5-7 years	**$ 53,874**	$ 49,402
Accumulated amortization, finance lease		**(28,512)**	(21,593)
Assets under lease, net		**$ 25,362**	$ 27,809

Depreciation and amortization expense related to containers, property, plant and equipment for the years ended December 31, 2025 and 2024 was approximately $54.1 million and $65.5 million, respectively. Additionally, amortization of finance leases on equipment for the years ended December 31, 2025 and 2024 was $10.2 million and $9.4 million, respectively.

Note 7 - Cloud Computing Arrangements

During the years ended December 31, 2025 and 2024, the Company's implementation costs incurred in cloud computing arrangements are related to the implementation of a pricing and order entry system and digital initiatives related to establishing a cloud infrastructure and automation.

Notes to Consolidated Financial Statements - Continued

Implementation costs incurred in cloud computing arrangements are summarized as follows at December 31 for the years indicated (in thousands):

	2025	2024
Current portion of cloud implementation costs	**$ 19,826**	$ 21,254
Long-term portion of cloud implementation costs	**110,696**	81,754
Accumulated amortization of cloud computing arrangements	**(53,255)**	(30,976)
Cloud computing arrangements, net	**$ 77,267**	$ 72,032

During the year ended December 31, 2025 and 2024, respectively, the Company recorded $22.3 million and $18.2 million in amortization expense related to the ERP system and other digital initiatives.

Note 8 - Accrued Expenses

The Company's accrued expenses are summarized as follows at December 31 (in thousands):

	2025	2024
Interest	**$ 398**	$ 19,465
Payroll and benefits	**10,724**	10,349
Sales, property, and income taxes	**3,082**	3,675
Worker's compensation	**3,871**	3,452
Auto insurance	**6,220**	15,872
Transportation	**3,049**	3,086
Professional services	**2,088**	2,151
Information technology support	**2,098**	3,469
CPO premiums payable	**1,251**	1,815
Other	**7,884**	9,925
Total accrued expenses	**$ 40,665**	$ 73,259

Notes to Consolidated Financial Statements - Continued

Note 9 - Goodwill and Intangibles

The following table details the carrying amounts of all goodwill and intangibles as of December 31, 2025 and 2024 (in thousands):

As of December 31, 2025	Amortization Period	Gross Carrying Amount	Additions	Adjustments	Accumulated Amortization	Amount December 31, 2025
Goodwill	**10 years**	**$ 830,279**	**$ -**	**$ (58)**	**$ (716,404)**	**$ 113,817**
Trade name	**Indefinite**	**$ 500,000**	**$ -**	**$ -**	**$ -**	**$ 500,000**
Franchise agreements	**14.1 years**	**14,767**	**-**	**-**	**(11,433)**	**3,334**
Non-compete agreements	**1-5 years**	**890**	**-**	**-**	**(890)**	**-**
Backlog	**.08 years**	**1,390**	**-**	**-**	**(1,390)**	**-**
Reacquired franchise agreements	**0.43-19 years**	**243,654**	**-**	**(161)**	**(164,672)**	**78,821**
Total intangibles		**$ 760,701**	**$ -**	**$ (161)**	**$ (178,385)**	**$ 582,155**

As of December 31, 2024	Amortization Period	Gross Carrying Amount	Additions	Adjustments	Accumulated Amortization	Amount December 31, 2024
Goodwill	10 years	$ 830,279	$ -	$ (246)	$ (688,113)	$ 141,920
Trade name	Indefinite	$ 500,000	$ -	$ -	$ -	$ 500,000
Franchise agreements	14.1 years	14,767	-	-	(10,385)	4,382
Non-compete agreements	1-5 years	890	-	-	(890)	-
Backlog	.08 years	1,390	-	-	(1,390)	-
Reacquired franchise agreements	0.43-19 years	243,654	-	(140)	(146,750)	96,763
Total intangibles		$ 760,701	$ -	$ (140)	$ (159,415)	$ 601,145

The remaining weighted-average amortization period of the finite-lived intangibles was approximately 6.0 years as of both December 31, 2025 and 2024. Amortization expense was $47.3 million and $105.6 million for the years ended December 31, 2025 and 2024, respectively.

Estimated amortization for goodwill and definite-lived intangibles for the next five years and thereafter is as follows (in thousands):

2026	$ 38,440
2027	35,647
2028	33,651
2029	29,972
2030	26,857
Thereafter	31,405
Total	$ 195,972

Note 10 – Commitments and Contingencies

Litigation Matters

The Company, in the ordinary course of business, is the subject of, or party to, various pending or threatened legal actions. The Company accrues liabilities associated with such actions in the period in which sufficient information to determine the likelihood and amount of the loss becomes available. The Company believes that any ultimate liability

Notes to Consolidated Financial Statements - Continued

resulting from these actions will not have a material adverse effect on its consolidated financial position or consolidated results of operations.

Commitments and Contingencies

Leasing arrangements are disclosed within Note 15 to the Consolidated Financial Statements.

Note 11 - Long-Term Debt and Finance Lease Obligations

Long-term debt and finance lease obligations are summarized as follows as of December 31 (in thousands):

	2025	2024
First Lien, interest of 7.03% at December 31, 2025 and 7.85% at December 31, 2024	**$ 1,297,918**	$ 1,310,122
First Lien Incremental, interest of 8.03% at December 31, 2025 and 8.85% at December 31, 2024	**95,437**	95,899
Finance leases, principal and interest payable in installments through 2029, interest at varying rates from 3.32% to 9.30% at December 31, 2025 and 2.46% to 7.25% at December 31, 2024	**27,197**	29,194
Equipment note, interest of 7.59% at December 31, 2025 and December 31, 2024	**8,472**	11,055
Notes payable, interest of 8.45% at December 31, 2024	**-**	34
Deferred financing costs	**(3,779)**	(5,235)
	1,425,245	1,441,069
Less: Current portion	**(24,579)**	(23,608)
Current portion of deferred financing costs	**1,688**	1,626
Due after one year	**$ 1,402,354**	$ 1,419,087

First lien is presented net of discount of $3.3 million for 2025 and $4.6 million for 2024; current portion is presented net of discount of $1.4 million for 2025 and 2024.

First lien incremental is presented net of discount of $1.6 million for 2025 and $2.1 million for 2024; current portion is presented net of discount of $0.6 million and $0.5 million for 2025 and 2024.

Annual maturities of long-term debt as of December 31, 2025, are summarized as follows (in thousands):

2026	$ 17,374
2027	17,593
2028	1,371,676
2029	-
Total	$ 1,406,643

Annual maturities of finance leases as of December 31, 2025, are summarized within Note 15.

Notes to Consolidated Financial Statements - Continued

Credit Facility

On March 31, 2021, the Company entered into the currently effective credit agreement for the first lien term loan (the 2021 Credit Facility), which was subsequently amended.

On January 27, 2023, the Company entered into the Second Amendment for the first lien term loan, which made SOFR an alternative benchmark rate and replaced LIBOR for purposes of the 2021 Credit Facility. On February 7, 2023, the Company entered into the Third Amendment for the first lien term loan, which resulted in increased borrowings of $100.0 million with existing Lenders ("incremental term loan"). The Third Amendment did not amend any other terms of the first lien term loan and did not amend the cash flows or terms of the revolving credit line. The Company completed an analysis to determine whether the amendment met the criteria to be accounted for as a modification or an extinguishment under current accounting guidance. The analysis required a comparison of debt cash flows on a lender by lender basis prior and subsequent to the amendment. The cash flow comparison was completed only for those lenders participating in the syndication both prior and subsequent to the amendment. The cash flow comparison analysis resulted in treatment of the amendment as a modification.

In connection with the Third Amendment, the Company recorded $3.0 million in lender fees during the year ended December 31, 2023. In addition, the Company recognized a loss on extinguishment and modification of debt of $0.7 million during the year ended December 31, 2023.

On December 17, 2024, the Company entered into the Fourth Amendment for the first lien term loan, which extended the revolving commitment termination date for two out of the three participating lenders to June 30, 2027. As a result of the non-extended lender, the commitment amount would have been reduced from $100.0 million to $70.0 million effective March 31, 2026.

On November 21, 2025, the Company entered into the Fifth Amendment for the first lien term loan, which terminated $20.0 million of the 2024 non-extended commitments, effective immediately, and amended the existing credit agreement to increase the 2024 extended revolving commitments by $20.0 million with a termination date of June 30, 2027. As a result of the 2024 non-extended lender, the commitment amount will be reduced from $100.0 million to $90.0 million effective March 31, 2026.

The first lien term loan of $1,301.2 million and $1,314.8 million as of December 31, 2025 and 2024, respectively, bears interest at a rate equal to an adjusted SOFR rate plus a margin of 3% per annum. Interest on the term loan at December 31, 2025 and 2024, was 7.03% and 7.85%, respectively. The incremental first lien term loan of $97.0 million and $98.0 million as of December 31, 2025 and 2024, respectively, bears interest at a rate equal to an adjusted SOFR rate plus a margin of 4% per annum. Interest on the incremental term loan at December 31, 2025 and 2024, was 8.03% and 8.85%, respectively. The first lien term loan is collateralized by a first priority lien on substantially all assets of the Company.

The revolving credit line bears interest at a rate equal to an adjusted SOFR rate plus a margin of 2.75% per annum or a base rate plus a margin of 1.75% per annum. As of December 31, 2025 and 2024, the amount outstanding on the revolving credit line was $0.0 million.

A commitment fee equal to 0.50% per annum accrues on the average daily unused amount of the commitment under the revolving credit line, and such fee is payable quarterly in arrears.

As of December 31, 2025 and 2024, the Company had letters of credit totaling $37.5 million and $28.8 million, respectively, outstanding under the revolving credit facility. At December 31, 2025 and 2024, the amount available under the revolving credit line was $62.5 million and $71.2 million, respectively.

Compliance with Debt Covenants

As of December 31, 2025, we were in compliance with the covenants contained in our various debt agreements.

Notes to Consolidated Financial Statements - Continued

Equipment Note

On October 16, 2023, the Company entered into an equipment security note to purchase equipment ("equipment note") in the amount of $13.8 million. Principal and interest payments are due in 60 equal, consecutive monthly installments through the maturity date of the note in October 2028. The note is secured by the purchased equipment as collateral and the lender has secondary priority to the lenders of the 2021 Credit Facility. As of December 31, 2025 and 2024, the note balance remaining in the amount of $8.5 million and $11.1 million bears interest of 7.59% per annum.

Interest Expense

Interest expense for the years ended December 31, 2025 and 2024 was $108.5 million and $129.5 million, respectively. The amount of interest capitalized was $1.5 million and $1.7 million for the years ended December 31, 2025 and 2024, respectively. The Company capitalizes original issue discount ("OID") associated with securing debt. OID is amortized as interest expense over the life of the related debt using the effective interest method. Amortization expense associated with deferred financing costs was $1.6 million for both years ended December 31, 2025 and 2024. Amortization expense associated with OID for the years ended December 31, 2025 and 2024 was $1.9 million and $1.8 million, respectively.

Note 12 - Member's Deficit

Interests in the Company are represented by units and are not evidenced by certificates. They entitle the holder of such units to the respective rights and benefits set out in the limited liability company agreement dated January 29, 2015, including, but not limited to, the rights to the allocations and the right to receive distributions from the Company, as defined. As of December 31, 2025, one unit is outstanding, which is fully held by a sole member of the Company. No dividends were declared on the unit during the years ended December 31, 2025 and 2024.

Note 13 - Stock Option Grants

2015 Option Plan

In 2015, the stockholders of the Parent approved the 2015 Plan, authorizing the granting of non-qualified stock options to employees and non-employee directors. A total of 4,440,622 shares of common stock have been reserved for issuance under the 2015 Plan, which includes an additional 476,736 shares available for issuance upon the achievement of the Top-Up Condition. Additionally, subject to adjustment as provided in the 2015 Plan, the maximum number of shares available for issuance pursuant to awards granted to non-employee directors of the Company or any of its subsidiaries is 150,000 shares. If an outstanding stock option expires or is forfeited, cancelled, terminated or otherwise settled without consideration, the shares subject to such stock option will be available for future stock option awards under the 2015 Plan.

The Company has granted three types of stock options under the 2015 Plan: Time-Based, Performance-Based, and Top-Up. Time-Based options vest annually, generally over a 4-year period or a 5-year period, assuming continuing service by the holder. Performance-Based options vest annually during each Performance Year (as defined in the 2015 Plan) contingent upon the achievement of a specified performance target for that year, as defined in the stock option agreement. Performance-Based options contain provisions which allow vesting of options for which the performance target is not met in any one Performance Year, provided that (a) the target is met during the subsequent year (Catch-Up Year); (b) the performance targets for both years are met on a cumulative basis; and (c) the holder continues to provide service. Top-Up options vest immediately and in full upon the achievement of the Top-Up condition, as defined above in Note 2, assuming continuing service by the holder. Failure to meet this condition would result in forfeiture of all options. Each type of stock option grant becomes exercisable generally after 5 years, based on specific conditions as defined in the 2015 Plan. A Change in Control, as defined, would accelerate vesting of unvested Time-Based and Performance-Based options as follows:

Notes to Consolidated Financial Statements - Continued

- All unvested Time-Based options will vest assuming continuing service through the date of the Change in Control.
- Unvested Performance-Based options for which the Performance Year is not complete will not vest.
- Unvested Performance-Based options for which the Performance Year is complete and the performance target is not met, and the applicable Catch-Up Year, if any, has not been completed, will vest or be forfeited at the discretion of the Board of Directors.

All unexercised options will expire on the tenth anniversary of the grant date.

A summary of option transactions during the years ended December 31, 2025 and 2024 is as follows:

	Number of Options	Weighted Average Exercise Price
Outstanding, December 31, 2023	171,876	$ 15.13
Granted	-	-
Exercised	(127,078)	12.43
Expired/cancelled	-	-
Forfeited	-	-
Outstanding, December 31, 2024	**44,798**	**$ 22.79**
Granted	**-**	**-**
Exercised	**-**	**-**
Expired/cancelled	**-**	**-**
Forfeited	**-**	**-**
Outstanding, December 31, 2025	**44,798**	**$ 22.79**

A total of 44,798 options were vested during the years ended December 31, 2025 and 2024, all of which were Time-Based options.

During the year ended December 31, 2025, share-based compensation income totaled approximately $0.1 million, consisting of approximately $0.1 million for Time-Based options. At December 31, 2025, a share-based liability related to these awards totaled approximately $0.1 million.

During the year ended December 31, 2024, share-based compensation income totaled approximately $3.3 million, consisting of approximately $1.1 million for Time-Based options; $0.9 million for Performance-Based options; and $1.3 million for Top-Up options. At December 31, 2024, a share-based liability related to these awards totaled approximately $0.1 million.

2020 Option Plan

In 2019, the stockholders of the Parent approved the 2020 Plan, authorizing the granting of non-qualified stock options to employees and non-employee directors. A total of 4,500,000 shares of common stock have been authorized for issuance under the 2020 Plan. If an outstanding stock option expires or is forfeited, cancelled, terminated or otherwise settled without consideration, the shares subject to such award will be available for future stock option awards under the 2020 Plan.

The Company has granted two types of stock options under the 2020 Plan: Time-Based and Performance-Based. Time-Based and Performance-Based options vest annually, generally over a 4-year period, assuming continuing service by the holder. Performance-Based options contain exercise prices that escalate by a fixed percentage annually over the vesting period, and vesting of those options is only conditioned on continuing service by the holder. Future Performance-based grants may contain vesting conditions based on the achievement of certain targets. Each type of stock option grant becomes exercisable generally after 4 years, based on specific conditions as defined in the

Notes to Consolidated Financial Statements - Continued

2020 Plan. All unvested Time-Based and Performance-Based options will vest on a Change of Control subject to the participant's continuous service through the date of such Change of Control. All unexercised options will expire on the seventh anniversary of the grant date.

A summary of option transactions during the years ended December 31, 2025 and 2024 is as follows:

	Number of Options	Weighted Average Exercise Price
Outstanding, December 31, 2023	1,930,969	$ 52.50
Granted	526,138	46.26
Exercised	(42,403)	52.08
Expired/cancelled	-	-
Forfeited	(196,308)	52.75
Outstanding, December 31, 2024	**2,218,396**	**$ 50.58**
Granted	**998,188**	**25.80**
Exercised	**-**	**-**
Expired/cancelled	**-**	**-**
Forfeited	**(133,334)**	**33.55**
Outstanding, December 31, 2025	**3,083,250**	**$ 43.77**

A total of 495,172 options were vested during the year ended December 31, 2025, 247,584 of which were Time-Based and 247,588 were Performance-Based. A total of 285,963 options were vested during the year ended December 31, 2024, 135,878 of which were Time-Based and 141,521 were Performance-Based.

During the year ended December 31, 2025, share-based compensation expense totaled approximately $0.4 million consisting of $0.2 million each, for Time-Based options and Performance-Based options. At December 31, 2025, a share-based liability related to these awards totaled approximately $1.6 million.

During the year ended December 31, 2024, share-based compensation income totaled approximately $8.0 million consisting of $4.6 million and $3.4 million, respectively, for Time-Based options and Performance-Based options. At December 31, 2024, a share-based liability related to these awards totaled approximately $1.2 million.

Management utilized various significant assumptions to estimate the fair value of stock options.

Management utilized Black-Scholes model to estimate the fair value of stock options at the time of the grant. Expected stock price volatility was based on consideration of indications observed from several publicly traded peer companies. The risk-free interest rate is based on a constant maturity treasury instrument whose term is consistent with the expected life of the unit. The dividend yield percentage is zero because the Company neither currently pays dividends nor intends to do so during the expected term. The expected term of the options represents the time the options are expected to be outstanding. The assumptions under the Monte Carlo model related to the profits interests units, presented on a weighted-average basis for the 2020 Plan grants, are provided below:

	Grants from December 1 through December 31, 2025
Expected life (years)	4.5
Equity volatility	32.00%
Dividend yield	-
Risk-free rate	3.91%

Notes to Consolidated Financial Statements - Continued

Note 14 - Employee Benefits

The Company has a 401(k) plan covering all employees, subject to certain eligibility requirements. Under this plan, a certain percentage of eligible employee contributions are matched. Matching contributions made by the Company are discretionary as they are not required under the plan. The Company contributed $3.4 million and $3.1 million under the plan for the years ended December 31, 2025 and 2024, respectively.

The Company maintains an executive deferred compensation plan (the "EDCP") for executive officers and other key employees ("Participant" or "Participants"). The Participant may elect to defer some of his or her compensation into the EDCP plan, not to exceed 90% of base salary, but may be up to 100% of a Participant's annual bonus.

The Company may contribute to the EDCP on behalf of Participants who did not receive the full matching contribution under the 401(k) plan. Additionally, the Company may contribute to any Participant's account with a discretionary employer contribution. The Company did not make discretionary contributions to any Participant's EDCP account during the years ended December 31, 2025 and 2024. Participants are entitled to payment of deferred amounts, employer contributions, and any related earnings as defined in the EDCP plan documents.

As of December 31, 2025 and 2024, the EDCP assets held in a trust totaled $10.9 million and $10.4 million, respectively. The related liability to the Participants totaled approximately $10.1 million and $10.2 million, respectively. The EDCP assets are subject to the claims of the Company's general creditors. The EDCP assets and the related liabilities to the Participants are classified in other assets and other liabilities, respectively, in the accompanying consolidated balance sheets.

The Company is not obligated to provide any post-retirement medical or life insurance benefits to employees.

Note 15 - Leases

Lessee

As a lessee, the Company has the following types of operating leases:

- Real estate leases for storage center warehouses and corporate offices;
- Equipment leases for trucks, forklifts, and trailers; and
- Embedded contractual lease obligations for advertising, freight carriers, IT data centers, and office equipment.

The Company's lease terms generally range from one month to fifteen years and a number of agreements contain escalation clauses, which increase the payment obligation based on a variable rate and renewal options. Payment terms are based on fixed rates explicit in the lease. The Company is charged variable mileage charges for equipment based on a fixed rate per mile whenever mileage usage exceeds contractual limits. The length of renewal and termination options vary, which may result in different payment terms.

Notes to Consolidated Financial Statements - Continued

The following table summarizes the components of lease expense recorded in the consolidated statements of comprehensive loss for the years ended December 31 (in thousands):

	2025	2024
Operating lease cost:		
Lease costs	**$ 133,558**	$ 128,948
Short-term lease costs	**1,630**	1,088
Variable lease costs	**2,274**	2,317
Total lease costs	**$ 137,462**	$ 132,353
Sublease income	**(12,969)**	(7,494)
Net lease costs	**$ 124,492**	$ 124,859
Finance lease cost:		
Amortization of right-of-use assets	**$ 10,201**	$ 9,396
Interest on lease liabilities	**2,248**	2,177
Total finance lease costs	**$ 12,449**	$ 11,573

The following table summarizes the weighted-average remaining lease term and weighted-average discount rate for the Company's leases as a lessee at December 31:

	2025		2024	
	Operating Leases	Finance Leases	Operating Leases	Finance Leases
Weighted-average remaining lease term (in years)	**6.0**	**3.2**	6.5	3.7
Weighted-average discount rate	**6.4%**	**6.9%**	6.2%	6.7%

The following table summarizes the Company's minimum fixed lease obligations under existing agreements as a lessee, excluding short-term leases, as of the period indicated (in thousands):

	December 31, 2025	
	Operating Leases	Finance Leases
2026	**$ 132,335**	$ 10,773
2027	**122,429**	9,225
2028	**101,731**	6,980
2029	**83,198**	2,376
2030	**67,911**	903
Thereafter	**150,999**	-
Total lease payments	**658,603**	**30,257**
Interest	**(119,945)**	(3,060)
Total lease liabilities	**$ 538,658**	$ 27,197

In addition to the minimum fixed lease obligations under existing agreements in the table the Company has finance leases for trucks that have not yet commenced with total lease payments of $26.9 million. These leases will commence in 2026 with a lease term of 5.5 years.

Notes to Consolidated Financial Statements - Continued

The following table includes a detail of lease assets and liabilities included in the accompanying consolidated balance sheets at December 31 (in thousands):

	2025	2024
Operating leases:		
Operating lease right-of-use assets, net of accumulated amortization	**$ 488,493**	$ 519,692
Current operating lease liability	**(102,749)**	(97,086)
Non-current operating lease liability	**(435,909)**	(466,977)
Total operating lease liabilities	**$ (538,658)**	$ (564,063)
Finance leases:		
Property and equipment, net of accumulated amortization	**$ 25,362**	$ 27,809
Current finance lease liability	**(9,258)**	(8,358)
Non-current finance lease liability	**(17,939)**	(20,836)
Total finance lease liabilities	**$ (27,197)**	$ (29,194)

Supplemental cash flow information related to leases is as follows for the years ended December 31 (in thousands):

	2025	2024
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	**131,902**	$ 123,619
Operating cash flows from finance leases	**2,248**	2,191
Financing cash flows from finance leases	**9,610**	8,728
Right-of-use assets obtained in exchange for lease obligations:		
Operating leases	**72,158**	98,139
Finance leases	**7,406**	670

Sale-Leaseback

On December 18, 2024, the Company completed a sale-leaseback transaction. Under this transaction, the Company sold real estate with a book value of $27.8 million to an unrelated third party for gross proceeds of $26.2 million, which was assessed to be at fair market value. The gross proceeds were reduced by transaction costs of $0.6 million Therefore, the net proceeds were $25.6 million. The transaction resulted in a loss of $1.7 million.

Simultaneously, the Company entered into a lease agreement for the same asset, which was classified as an operating lease. The lease has a term of 15 years and includes two 5-year renewal options. Lease payments are recorded as lease expense in the Company's financial statements. The right-of-use asset recorded for this lease was $17.6 million and the lease liability was $17.5 million.

Lessor

As disclosed in the Revenues section of Note 2, the Company accounts for revenue earned from renting portable storage units in accordance with lease accounting guidance as under such rental agreements, an identified asset is transferred to the customer and the customer has the ability to control that asset. Prior to the adoption of Topic 842, the Company accounted for such revenue under Topic 606.

Notes to Consolidated Financial Statements - Continued

The following table summarizes the amount of operating lease income (accounted for under Topic 842) and other income (accounted for under Topic 606) included in total revenues in the accompanying consolidated statements of comprehensive loss for the years ended December 31 (in thousands):

	2025	2024
Revenue accounted for under Topic 842	**$ 470,707**	$ 474,116
Revenue accounted for under Topic 606	**590,895**	559,788
Total revenues	**$ 1,061,602**	$ 1,033,904

Note 16 - Related Party Transactions

The Company maintains a service agreement with Concentrix, a related party which provides outsourced call-center and related services. The Company's former Chief Executive Officer, who served during the years ended December 31, 2025 and 2024, is a member of the Board of Directors of Concentrix. The Company entered into certain transactions in the normal course of business with Concentrix and incurred expenses of $15.1 million and $11.4 million for the years ended December 31, 2025 and 2024, respectively. These expenses are recorded in selling, general, and administrative expenses in the accompanying consolidated statements of comprehensive loss.

Note 17 - Subsequent Events

Management evaluated subsequent events through April 23, 2026, which is the date the accompanying consolidated financial statements were available to be issued. We did not identify any such events.

Consolidated Financial Statements
and Report of Independent Auditors

APLPD Holdco III, LLC and Subsidiaries

December 31, 2024 and 2023

APLPD Holdco III, LLC and Subsidiaries

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of APLPD Holdco III, LLC

Opinion

We have audited the consolidated financial statements of APLPD Holdco III, LLC and subsidiaries (the "Company"), which comprise the consolidated balance sheets as of December 31, 2024 and 2023, and the related consolidated statements of comprehensive loss, member's deficit, and cash flows for the years then ended, and the related notes to the consolidated financial statements (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of 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.

Other-Matter

The financial statements of the prior period were audited by a predecessor auditor. The type of opinion expressed by the predecessor auditor was unmodified and dated April 26, 2024.

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 for one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 GAAS, 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.

Deloitte & Touche LLP

April 23, 2025

Consolidated Balance Sheets

(in thousands, except for unit amount)

	December 31, 2024	2023
Assets		
Current assets:		
Cash and cash equivalents	**$ 21,930**	$ 28,747
Due from financial institutions	**6,441**	8,523
Accounts receivable, net of allowance for credit losses of $6,907 and $6,916, respectively	**13,624**	12,424
Inventory	**75,523**	92,482
Prepaid expenses and other current assets	**55,087**	47,204
Total current assets	**172,605**	189,380
Containers, net of accumulated depreciation	**390,652**	398,950
Property and equipment, net of accumulated depreciation	**149,156**	191,811
Other assets:		
Deposits	**9,444**	9,332
Goodwill, net	**141,920**	225,054
Intangibles, net	**601,145**	624,060
Deferred tax asset	**3,193**	3,052
Operating lease right-of-use assets	**519,692**	523,192
Other noncurrent assets	**63,281**	59,823
Total other assets	**1,338,675**	1,444,513
Total assets	**$ 2,051,088**	$ 2,224,654
Liabilities and member's deficit		
Current liabilities:		
Accounts payable	**$ 15,170**	$ 18,561
Due to franchisees	**4,982**	4,688
Deferred revenue	**22,524**	23,264
Accrued expenses	**73,259**	51,165
Current portion of operating lease liabilities	**97,086**	92,862
Current portion of long-term debt, notes payable, and finance lease obligations	**21,982**	22,097
Total current liabilities	**235,003**	212,637
Long-term debt, notes payable, and finance lease obligations, net of current portion	**1,419,087**	1,440,526
Operating lease liabilities, net of current portion	**466,977**	464,388
Deferred tax liability	**133,008**	168,154
Other liabilities	**39,655**	44,441
Total liabilities	**2,293,730**	2,330,146
Commitments and contingencies (Note 9)		
Member's deficit:		
Member's deficit, 1 unit authorized, issued and outstanding	**-**	-
Noncontrolling interests	**7**	(47)
Accumulated other comprehensive (loss) income	**(750)**	84
Accumulated deficit	**(241,899)**	(105,529)
Total member's deficit	**(242,642)**	(105,492)
Total liabilities and member's deficit	**$ 2,051,088**	$ 2,224,654

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statements of Comprehensive Loss

(in thousands)

	Years Ended December 31, 2024	2023
Revenues:		
Rental, delivery, and transportation	**$ 1,026,124**	$ 1,098,649
Services to franchises	**4,231**	4,311
Sales of containers, lifts, and parts to franchises	**1,453**	2,281
Other	**2,096**	2,160
Total revenues	**1,033,904**	1,107,401
Cost of revenues (exclusive of depreciation and amortization shown separately below)	**605,176**	608,867
Operating expenses:		
Selling, general, and administrative expenses	**282,916**	280,565
Depreciation and amortization	**171,064**	179,073
Impairment of long-lived assets	**5,398**	-
Loss (Gain) on disposition of assets	**2,284**	(408)
Loss on foreign currency translation	**293**	304
Total operating expenses	**461,955**	459,534
(Loss) Income from operations	**(33,227)**	39,000
Other expense/(income):		
Interest expense, net	**129,494**	124,048
Loss on extinguishment and modification of debt	**-**	747
Other expense (income)	**197**	(1,510)
Total other expense	**129,691**	123,285
Loss before income taxes	**(162,918)**	(84,285)
Income tax benefit	**(27,593)**	(14,662)
Net loss	**(135,325)**	(69,623)
Less: Income (loss) attributable to noncontrolling interests	**54**	(25)
Net loss attributable to APLPD Holdco III, LLC	**(135,379)**	(69,598)
Other comprehensive (loss) income before taxes:		
Unearned foreign currency translation (loss) income	**(834)**	400
Total other comprehensive loss (income)	**(834)**	400
Total comprehensive loss	**(136,159)**	(69,223)
Less: Comprehensive income (loss) attributable to noncontrolling interests	**54**	(25)
Comprehensive loss attributable to APLPD Holdco III, LLC	**$ (136,213)**	$ (69,198)

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statements of Member's Deficit

Years Ended December 31, 2024 and 2023

(in thousands, except for unit amount)

	Member's Capital		Non-Controlling	Accumulated Other Comprehensive	Accumulated	Total Member's
	Units	Amount	Interest	Income (loss)	Deficit	Deficit
Balance at December 31, 2022	1	$ -	$ (22)	$ (316)	$ (35,648)	$ (35,986)
Expenses paid on behalf of parent	-	-	-	-	(283)	(283)
Comprehensive loss:						
Unearned foreign currency translation	-	-	-	400	-	400
Net loss	-	-	(25)	-	(69,598)	(69,623)
Balance at December 31, 2023	1	$ -	$ (47)	$ 84	$ (105,529)	$ (105,492)
Distributions to members	-	-	-	-	**(870)**	**(870)**
Expenses paid on behalf of parent	-	-	-	-	**(121)**	**(121)**
Comprehensive loss:						
Unearned foreign currency translation	-	-	-	**(834)**	-	**(834)**
Net loss	-	-	**54**	-	**(135,379)**	**(135,325)**
Balance at December 31, 2024	**1**	**$ -**	**$ 7**	**$ (750)**	**$ (241,899)**	**$ (242,642)**

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statements of Cash Flows

(in thousands)

	Years Ended December 31, 2024	2023
Operating activities		
Net loss	**$ (135,325)**	$ (69,623)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	**161,668**	170,718
Finance lease amortization	**9,396**	8,355
Non-cash lease expense - operating leases	**96,435**	90,567
Provision for credit losses	**(394)**	5,557
Amortization of deferred loan costs and original issue discount	**3,448**	3,409
Loss on extinguishment and modification of debt	**-**	747
Impairment of long-lived assets	**5,398**	-
Deferred income taxes	**(31,356)**	(20,914)
Loss (gain) on disposition of assets	**591**	(408)
Loss on sale-leaseback	**1,693**	-
Stock-based compensation fair value adjustment	**(7,534)**	(4,509)
Loss on foreign currency translation	**293**	304
Changes in assets and liabilities, net of acquired amounts:		
Accounts receivable	**(810)**	(6,775)
Inventory	**(3,897)**	28,569
Prepaid expenses and other current assets	**(228)**	9
Deposits and other noncurrent assets	**(5,317)**	(6,885)
Accounts payable	**(3,353)**	1,587
Due to franchises	**245**	(359)
Deferred revenue	**(787)**	85
Accrued expenses and other noncurrent liabilities	**14,886**	(76,874)
Operating lease liabilities	**(91,270)**	(83,077)
Net cash provided by operating activities	**13,782**	40,483
Investing activities		
Purchase of property and equipment and containers	**(22,137)**	(111,043)
Proceeds from disposition of property and equipment	**1,571**	1,454
Proceeds from sale-leaseback	**25,625**	-
Net cash provided by (used in) investing activities	**5,059**	(109,589)
Financing activities		
Proceeds from debt issuance	**-**	100,000
Debt issuance discount	**-**	(3,000)
Proceeds from revolving line of credit	**59,000**	27,000
Payments on revolving line of credit	**(59,000)**	(27,000)
Proceeds from issuance of note payable	**-**	13,828
Principal payments on long-term debt	**(14,589)**	(14,589)
Principal payments on finance lease obligations	**(11,122)**	(7,918)
Distributions to members	**(870)**	-
Expenses paid on behalf of parent	**(121)**	(283)
Net cash (used in) provided by financing activities	**(26,702)**	88,038
Effect of exchange rate changes on cash and cash equivalents	**1,044**	795
Net (decrease) increase in cash and cash equivalents	**(6,817)**	19,727
Cash and cash equivalents at beginning of period	**28,747**	9,020
Cash and cash equivalents at end of period	**$ 21,930**	$ 28,747

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statements of Cash Flows - Continued

(in thousands)

	Years Ended December 31, 2024	2023
Supplemental disclosures of cash flow information		
Cash paid for interest	**$ 109,409**	$ 118,821
Cash paid for income taxes	**$ 11,182**	$ 11,519
Supplemental disclosures of noncash financing and investing activities		
Non-cash transfer of inventory to containers	**$ 20,679**	$ 39,555
Equipment financed through finance leases and note payable	**$ 670**	$ 31,792
Capital purchases not yet paid	**$ 52**	$ 1,149

The accompanying notes are an integral part of these consolidated financial statements.

Notes to Consolidated Financial Statements

Note 1 - Organization

APLPD Holdco III, LLC (the "Company") was established as a Delaware limited liability company in January 2015. The Company's primary business is that of a holding company. The Company's operating entity is PODS Enterprises, LLC ("PODS").

PODS rents containers to the public to be used as an alternative means of storage rental space to the mini-storage market or as an alternative means for customers to conduct physical moves of household or business contents. PODS generally provides short-term rentals on a monthly basis for customer moves or for storage either on the customer site or in the Company's warehouses. PODS provides pickup and delivery services for the storage units. In addition, the Company offers unit and content damage waiver programs to its customers. PODS also franchises its business model throughout the United States, Canada, United Kingdom, and Australia. In addition to royalty income, the Company receives other revenue from its franchisees by providing sale of containers and container parts, sale of lifts, rental of containers, accounting services, customer support and marketing services. As of December 31, 2024 and 2023, 143 markets were open and operating, of which 122 were Company-owned and operated, and 21 were franchisee-owned and operated.

Note 2 - Summary of Significant Accounting Policies

Basis of Presentation and Principles of Consolidation

These consolidated financial statements present, in accordance with accounting principles generally accepted in the United States of America ("GAAP"), the Company's financial position as of December 31, 2024 and 2023, and results of operations and cash flows for the years ended December 31, 2024 and 2023. All intercompany balances and transactions have been eliminated.

Use of Estimates

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ from those estimates. In evaluating the fair market value of intangible assets, management is required to make significant estimates and assumptions in projecting future cash flows, and changes in facts and circumstances could result in material changes in the estimates.

Revenues

The Company accounts for revenue earned from renting portable storage units in accordance with lease accounting guidance ("Topic 842"). All other revenue is accounted for under the Revenue from Contracts with Customers guidance ("Topic 606").

Revenues from local and long distance moving and storage rental agreements have multiple performance obligations, including rentals of portable storage units and moving supplies, delivery and pickup services, sale of moving supplies, and damage waiver plans. For contracts with multiple performance obligations, the Company allocates the contract transaction price to each performance obligation using the contractually stated price as the standalone selling price of each distinct promise in the contract. The prices are determined using methods and assumptions developed consistently across similar customers and markets.

The Company enters into contracts with customers to rent portable storage units based on a monthly rate. Revenues from the rental of portable storage units are recognized ratably over the rental period, in accordance with lease accounting guidance. Revenues from the sale of moving supplies are recognized at a point in time in accordance with revenue recognition guidance. Revenues from content damage waiver programs are recognized ratably over the rental period in accordance with revenue recognition guidance. Deferred revenue represents amounts billed and

Notes to Consolidated Financial Statements - Continued

collected for rental periods that extend beyond the consolidated balance sheet date as well as amounts billed and collected for transportation between locations and for deliveries or pickups that have not been earned. Transportation revenues for delivery services and pickups are recognized over time as the container is in transit in accordance with revenue recognition guidance.

The Company is a franchisor and as such operates under franchise agreements. The Company provides franchisees with (i) a franchise agreement, which includes a non-exclusive right to use our intellectual property; (ii) pre-opening services, such as training and opening assistance; and (iii) ongoing services, such as providing operations manuals and providing a sales and service center for customers. The services the Company provides under franchise agreements are highly interrelated and dependent upon the franchise agreement, and the Company concluded these services are not distinct from each other and represent inputs to a single, combined offering. Consequently, the Company bundles the franchise agreement performance obligation and promises to provide services into a single performance obligation under Topic 606, which the Company satisfies by providing a right to use our intellectual property over the term of each franchise agreement. In addition to revenues recognized for franchise rights and royalties, franchise revenues also consist of performance obligations for sales of containers and parts, customer support and billing and collection services.

Royalties earned by the Company represent sales-based royalties that are related entirely to the Company's performance obligation under the franchise agreement and are recognized as franchise sales occur. Additionally, under Topic 606, initial franchise fees are recognized as revenue on a straight-line basis over the term of the respective agreement. Royalties and fees for billing services provided by the Company to the franchisees are recognized in or over the period to which they relate in accordance with revenue recognition guidance. Revenues related to the sales of portable storage units and lifts to franchisees are recorded upon shipment of the equipment to the franchisee in accordance with revenue recognition guidance.

All revenues are presented net of taxes collected from customers and franchisees that are to be remitted to governmental authorities.

The Company is determined to be the principal in all transactions, with the exception of Content Protection Option ("CPO") sales from the third party franchisee to the customer. CPO covers liability assumed by the Company for damage to the customer's contents within the container resulting from certain perils. Thus, revenue earned related to CPO sales from the third party franchisee to the customer is recorded on a net basis in accordance with Topic 606.

In considering the level at which the Company should disaggregate revenues, management considered the timing of transfer of control of goods or services. For the periods ended December 31, 2024 and 2023, the Company recognized $1,026.8 million and $1,098.5 million in revenue from contracts with customers over-time as control transferred, respectively. For the periods ended December 31, 2024 and 2023, the Company also recognized $7.0 million and $8.9 million, respectively, in revenue from contracts with customers at the point-in-time control transferred.

Contract Costs

Commissions paid to sales associates upon successful execution of a customer contract qualify for capitalization pursuant to Accounting Standards Codification ("ASC") 340-40. As a practical expedient, the Company expenses these commissions as incurred because the period of benefit, which includes the explicit contract term and anticipated renewals, is generally one year or less.

Notes to Consolidated Financial Statements - Continued

Cash and Cash Equivalents

The Company considers all highly liquid investments with maturities of three months or less at time of purchase to be cash equivalents. Cash held in foreign financial institutions totaled $3.2 million and $7.8 million at December 31, 2024 and 2023, respectively.

Concentration of Credit Risk

Financial instruments that potentially subject the Company to significant concentrations of credit risk consist principally of cash and cash equivalents. The Company deposits its cash and cash equivalents in various financial institutions. At times, such balances may be in excess of the Federal Deposit Insurance Corporation (the "FDIC") insurance limits of $250,000 per institution.

Due from Financial Institutions

Due from financial institutions represents receivables generated from credit card transactions.

Accounts Receivable

Accounts receivable represent amounts due from customers and franchisees for services provided or products sold. Accounts receivable are recorded at net realizable value. The Company establishes an allowance for credit losses on accounts receivable due from customers based on an analysis performed on historical aged accounts receivable, current conditions and reasonable forecasts. The Company establishes an allowance for credit losses on accounts receivable due from franchisees based on a specific credit loss analysis, current conditions and reasonable forecasts. Items that are deemed uncollectible are written off against the allowance for credit losses. The Company does not perform ongoing credit evaluations of its customers' financial position but generally requires customers to pledge the contents stored in the containers as collateral.

Inventory

Inventory consists of raw materials and containers at various stages of completion, and containers and lifts that are completed but have not been placed into service in the Company's operations or sold to a franchisee. Inventory is stated at the lower of cost or market. Cost is determined using the average cost method. The Company recognizes the cost of inbound shipping and handling as a component of containers inventory.

Prepaid and Other Current Assets

The Company has receivables and prepaid expenses primarily related to the content damage waiver program, deposits for the purchase of new containers, prepaid rent, prepaid taxes, and prepaid insurance.

Containers

The Company maintains a fleet of containers that are rented or available to rent to customers.

The Company periodically reviews and adjusts, as appropriate, the estimated useful life of existing containers for the purposes of recording depreciation expense.

Property and Equipment

Property and equipment is stated at cost and depreciated using the straight-line method over the estimated useful lives of the depreciable assets. Leasehold improvements are amortized over the shorter of their estimated useful lives or the remaining lease term. Refer to Note 5 for the range of estimated useful lives by asset class. Amortization of assets under finance lease obligations is included in depreciation and amortization in the accompanying

Notes to Consolidated Financial Statements - Continued

consolidated statements of comprehensive loss. For tax purposes, the equipment and leasehold improvements are depreciated using accelerated methods of depreciation.

The Company continues to evaluate these depreciation policies and depreciable lives as more information becomes available from its own historical experience and other comparable sources.

Repairs and Maintenance

Repairs and maintenance are charged directly to expense as incurred, and primarily include repairs related to containers and other property and equipment.

Internal-Use Software

The Company capitalizes direct costs of materials and services used in the development of internal-use software. Software placed in service is amortized on a straight-line basis over a period of three years and is reported as a component of property and equipment, net.

Cloud Computing Arrangements

The Company incurs costs to implement cloud computing arrangements that are hosted by third party vendors. Implementation costs associated with cloud computing arrangements are capitalized when incurred during the application development phase. Amortization is calculated on a straight-line basis over the contractual term of the cloud computing arrangement. Capitalized amounts related to such arrangements are recorded within prepaid expenses and other current assets and other non-current assets in the accompanying consolidated balance sheets.

Debt Costs

The Company recognizes debt costs as a direct reduction from the carrying amount of debt. Debt costs are amortized as interest expense over the life of the related debt using the effective interest method. Debt cost amounts are disclosed in Note 10 to the Consolidated Financial Statements.

Auto Liability

PODS is required by applicable laws and regulations to maintain insurance against legal liability for bodily injury, death, or property damage to third parties arising from the operation of our vehicles. Currently, the Company has automobile liability exposures in the United States and Canada and accrues liabilities. Reserve requirements are based on actuarial evaluations of historical accident claim experience and trends, as well as future projections of ultimate losses, expenses, and administrative costs. The adequacy of the liability is regularly monitored based on evolving accident claim history and insurance related state legislation changes. Actual claims payouts could differ from those estimates, and those differences, if any, will be recognized when known in the accompanying consolidated statements of comprehensive loss.

Accruals for auto liabilities were $26.3 million and $12.4 million at December 31, 2024 and 2023, respectively. The short-term portions of the accruals are included in accrued expenses in the accompanying consolidated balance sheets in the amounts of $15.9 million and $6.2 million at December 31, 2024 and 2023, respectively. The long-term portions of the accruals are included in other liabilities in the accompanying consolidated balance sheets in the amounts of $10.4 million and $6.2 million at December 31, 2024 and 2023, respectively.

At December 31, 2024, the Company recorded a receivable related to expected auto insurance recoveries in the amount of $6.7 million. The short-term portion of the receivable is included in prepaid expenses and other current assets in the accompanying consolidated balance sheets in the amount of $5.3 million. The long-term portion of the receivable is included in other noncurrent assets in the accompanying consolidated balance sheets in the amount of $1.4 million.

Notes to Consolidated Financial Statements - Continued

Workers' Compensation

The Company accrues liabilities that include estimated future payouts of known claims and estimated incurred but not reported claims. The actuarial estimate of claims includes an estimate of the timing of future payments for both asserted claims and unknown claims. Payment patterns are not fixed or determinable with certainty. Allowance for self-insured claims is based on estimates, and while management believes the provision for losses is adequate, the ultimate liability may be in excess of, or less than, the amounts recorded. Actual claims payouts could differ from those estimates, and those differences, if any, will be recognized when known in the accompanying consolidated statements of comprehensive loss.

Accruals for workers' compensation liabilities were $8.2 million and $8.0 million at December 31, 2024 and 2023, respectively. The short-term portions of the accruals are included in accrued expenses in the accompanying consolidated balance sheets in the amounts of $3.4 million and $3.9 million at December 31, 2024 and 2023, respectively. The long-term portions of the accruals are included in other liabilities in the accompanying consolidated balance sheets in the amounts of $4.8 million and $4.1 million at December 31, 2024 and 2023, respectively.

At December 31, 2024, the Company recorded a receivable related to expected workers' compensation insurance recoveries in the amount of $1.1 million. The short-term portion of the receivable is included in prepaid expenses and other current assets in the accompanying consolidated balance sheets in the amount of $0.4 million. The long-term portion of the receivable is included in other noncurrent assets in the accompanying consolidated balance sheets in the amount of $0.7 million.

Advertising

The Company utilizes various advertising funds to administer its advertising programs along with direct advertising for corporate markets. Under the Company's franchise agreements, each franchise must contribute a percentage of revenues to a marketing and advertising fund and spend an additional amount on local advertising, either directly or through participation in an advertising cooperative overseen by the Company. A portion of the franchisee advertising contributions to the national cooperative is used to purchase advertising on national cable and broadcast networks and other national media and sponsorship opportunities. The Company exercises significant influence over the nature, timing and extent of how the funds are spent.

The Company includes its various advertising funds in its consolidated financial statements on a gross basis, whereby contributions from franchisees are recorded as revenues in the consolidated statements of comprehensive loss as services to franchises. Franchise contributions to the advertising funds totaled $1.0 million and $1.3 million for the years ended December 31, 2024 and 2023, respectively. Charges incurred are recorded as advertising expense and are recorded in the consolidated statements of comprehensive loss as selling, general and administrative expenses.

The Company expenses the costs of advertising as incurred. Advertising expense was $74.4 million and $74.6 million for the years ended December 31, 2024 and 2023, respectively.

Impairment of Long-Lived Assets

The Company reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of long-lived assets to future undiscounted net cash flows expected to be generated, based on management estimates. Estimates made by management are subject to change and include future growth assumptions, operating and capital expenditure requirements, asset useful lives, and other factors. Changes in these assumptions could materially impact the results of the impairment test. If such assets are considered to be impaired, the impairment recognized is the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or fair value less cost to sell, and depreciation is no longer recorded. Management has recorded an

Notes to Consolidated Financial Statements - Continued

impairment loss related to its right-of-use assets in the amount of $5.4 million, as of December 31, 2024, respectively.

The Company evaluates right-of-use assets for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. During the year ended 2024, the Company identified indicators of impairment related to several subleased assets due to declining cash flows.

The Company performed a recoverability test and determined that the carrying value of the right-of-use asset exceeded its estimated undiscounted future cash flows. As a result, the Company recognized an impairment charge of $5.2 million, which was measured as the difference between the carrying amount and the asset's fair value, determined using the market price per square foot of the recent sublease transaction. The impairment charge is included in "Impairment of long-lived assets" in the accompanying financial statements.

Management continues to monitor leased assets for potential further impairment and will take appropriate action if necessary.

Fair Value of Financial Instruments

The Company applies fair value accounting guidelines for all financial assets and liabilities and non-financial assets and liabilities that are recognized or disclosed at fair value in the consolidated financial statements on a recurring basis (at least annually). Under these guidelines, fair value is defined as the price that would be received for the sale of an asset or paid to transfer a liability (i.e., an exit price) in an orderly transaction between market participants at the measurement date. The guidance establishes a three-tier fair value hierarchy which prioritizes the inputs used in measuring fair value as follows:

Level 1: Quoted prices in active markets for identical assets or liabilities;

Level 2: Observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets or liabilities in active markets or quoted prices for identical assets or liabilities in inactive markets;

Level 3: Unobservable inputs that are supported by little, infrequent, or no market activity and reflect the Company's own assumptions about inputs used in pricing the asset or liability.

The fair value hierarchy also requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

As of December 31, 2024 and 2023, the Company's financial instruments included cash and cash equivalents, amounts due from financial institutions, accounts receivable, and accounts payable. The carrying amounts for these financial instruments approximate their fair value due to their short-term nature. Additional financial instruments include long-term debt that approximates fair value due to its variable interest rates and lease obligations with interest rates that approximate market rates.

Stock-Based Compensation

The Company has awarded share-based compensation under the APLPD Holdco Inc. 2015 Equity Plan (the "2015 Plan") as an incentive for certain employees and directors to contribute to the Company's long-term success. Under the 2015 Plan three option classes were available: (1) Time-Based; (2) Performance-Based; and (3) Top-Up. Time-Based options vest over the requisite service period. Performance-Based options vest upon the achievement of certain operational performance targets, as defined, and assuming continuing service by the employee or director. Accordingly, compensation expense is only recognized if it is considered probable that these targets will be met within the given year. Top-Up options contain a condition, which makes vesting of all Top-Up options contingent on the achievement of an internal rate of return on investment, as defined, by the earlier of (a) a Change in Control, as defined; or (b) December 31, 2019.

Notes to Consolidated Financial Statements - Continued

In addition, effective on October 22, 2019 (the "Effective Date"), the Company established the APLPD Holdco, Inc. 2020 Equity Plan (the "2020 Plan"), which replaces the 2015 Plan for awards granted on or after this date. Awards may not be granted under the 2015 Plan beginning on the Effective Date, but any prior awards under this plan remain outstanding and subject to the corresponding terms. The 2020 Plan provides for the issuance of Time-Based and Performance-Based options.

The Company recognizes share-based compensation expense for all options granted, which is based on the fair value of the options on the date of grant. Determining the appropriate fair value model and calculating the fair value of share-based compensation awards requires the input of subjective assumptions, including the expected life of the options and the Company's common stock price volatility, risk free interest rate and dividend rate. The Company used the Black-Scholes-Merton option pricing model to estimate the fair value of Time-Based and Performance-Based stock options. Top-Up stock options are valued using a method derived from the Black-Scholes-Merton model, as these options are path-dependent and the valuation technique must incorporate the possibility that the Top-Up condition is not met. The assumptions used in calculating the fair value of stock options represent management's best estimates, but these estimates involve inherent uncertainties and the application of judgment. As a result, if factors change and the Company deems it necessary to use different assumptions, stock compensation expense could be materially different from what has been recorded in the current period. The Company elected to incorporate the effect of forfeitures in expense in the year in which they occur. In addition, for options with graded vesting and different exercise prices for each vesting tranche, the Company elected to value each tranche separately and recognize total compensation cost on a straight-line basis over the service period.

During 2024 and 2023, the Company issued stock options under the 2020 Plan from the Time-Based and Performance-Based classes. Share-based compensation expense related to Time-Based awards is recognized ratably on a straight-line basis over the expected vesting period and adjusted for fair-value changes on an annual basis, assuming continuing service by the option holder. Share-based compensation expense related to Performance-Based awards is recognized ratably on a straight-line basis over the expected service period, assuming continuing service by the option holder.

The Company accounts for the fair market value of stock options using the liability method of accounting. The Company measures its liability awards based on the award's fair value remeasured at each reporting date until the date of settlement. Compensation cost for each period until settlement is based on the fair value change (or a portion of the change, depending on the percentage of the requisite service that has been rendered at the reporting date). Changes in the fair value of a liability that occur after the end of the requisite service period are compensation cost in the period in which the change occurs. Any difference between the amount for which a liability award is settled and its fair value at the settlement date is an adjustment of compensation cost in the period of settlement.

Foreign Currency Translation and Transactions

The Company has operating subsidiaries in Canada, the United Kingdom, and Australia, whose functional currencies are the Canadian dollar, British pound, and Australian dollar, respectively. Gains and losses on transactions denominated in currencies other than the functional currency are included in determining net income for the period.

The assets and liabilities of the foreign subsidiaries are translated at the exchange rate on the balance sheet date. Income statement items are translated at the average rate prevailing during the period. The resulting translation adjustment is recorded as a component of accumulated other comprehensive (loss) income and is included in member's deficit.

Goodwill and Other Intangible Assets

The Company adopted ASU No. 2014-02, *Intangibles - Goodwill and Other (Topic 350): Accounting for Goodwill,* during the period from February 3, 2015 through December 31, 2015. The Company elected to amortize goodwill

Notes to Consolidated Financial Statements - Continued

over an estimated 10 year life. The Company is comprised of one reporting unit. Therefore, all of the goodwill has been allocated to that reporting unit.

The Company utilized the simplified impairment model to goodwill as of December 31, 2024 and 2023, which indicated no triggering events.

Trade Name

The Company's trade name has an indefinite life and is not amortized but is reviewed for impairment annually or more frequently when facts and circumstances indicate that the carrying value of the Company's trade name may not be recoverable. The Company may elect to perform a qualitative assessment that considers economic, industry and company-specific factors as part of its annual test. If, after completing this assessment, it is determined that it is more likely than not that the fair value of the trade name is less than its carrying value a quantitative test is performed.

Quantitative testing requires a comparison of the fair value of the trade name to its carrying value. If the carrying value of the trade name exceeds the calculated fair value, the trade name is considered impaired to the extent that the carrying value exceeds the fair value. The Company performed a qualitative impairment test as of December 31, 2024 and 2023 on its trade name, which indicated no impairment.

Amortization of Intangibles

Definite-lived intangible assets are amortized using the straight-line method over the estimated useful lives of the assets.

Leases

The Company determines if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use ("ROU") assets, current portion of operating lease liabilities, and operating lease liabilities, net of current portion in our accompanying consolidated balance sheets. Finance leases are included in property and equipment, net of accumulated depreciation, current portion of long-term debt, notes payable, and finance lease obligations, and long-term debt, notes payable, and finance lease obligations, net of current portion in the accompanying consolidated balance sheets.

ROU assets represent a right to use an underlying asset for the lease term, and lease liabilities represent an obligation to make lease payments arising from the lease. As most of the Company's leases do not provide an implicit rate, an incremental borrowing rate is used based on the estimated rate of interest for collateralized borrowings over a similar term of the lease payments at commencement date. Operating lease ROU assets are based on the measurement of the lease liability and also include any lease payments made prior to or on lease commencement and exclude lease incentives and initial direct costs incurred, as applicable. The operating lease ROU asset also includes any lease payments made and excludes lease incentives. Lease terms may include options to extend or terminate the lease when it is reasonably certain the option will be exercised. Lease costs for the Company's operating leases are recognized on a straight-line basis over the reasonably assured lease term.

The Company has lease agreements with lease and non-lease components, which are generally accounted for separately. For embedded lease arrangements, such as advertising, freight carriers, and office equipment, the lease and non-lease components are accounted for as a single lease component.

The Company has various equipment leases with residual value guarantees. The terms and conditions of these guarantees vary and may require the Company to:

- Enter into a new lease agreement for the covered units;
- Purchase the equipment at the guaranteed residual value; or

Notes to Consolidated Financial Statements - Continued

- Remit deficiencies to the lessor if net sales proceeds do not cover the guaranteed residual value.

The Company recognizes a ROU asset and lease liability in its accompanying consolidated balance sheets for leases with a term greater than twelve months. Options to extend or terminate a lease are included in the Company's ROU asset and lease liability when it is reasonably certain that such options will be exercised. The Company does not recognize ROU assets or lease liabilities for short-term leases (i.e., those with a term of twelve months or less) and recognizes operating lease expense on a straight-line basis over the lease term, as applicable.

To determine the present value of its lease payments, the Company utilizes the interest rate implicit in the lease agreement. If the implicit interest rate was not provided in the lease agreement, the Company utilizes the Company's collateralized incremental borrowing rate available at the individual lease commencement date.

Common area charges, real estate taxes and insurance associated with real estate leases are based on market rates, accounted for separately and expensed in the period incurred. Equipment lessors may provide fuel for equipment, which is billed separately and expensed by the Company in the period incurred. Common area charges, real estate taxes, insurance and fuel are considered non-lease components and not included in the ROU asset and lease liability.

The Company enters into certain agreements as a lessor under which it rents portable storage units to customers. As a lessor, if any of the following criteria are met, the Company classifies the lease as a direct financing or sales-type lease:

- The lease transfers ownership of the underlying asset to the lessee by the end of the lease term;
- The lease grants the lessee an option to purchase the underlying asset that the Company is reasonably certain to exercise;
- The lease term is for 75% or more of the remaining economic life of the underlying asset, unless the commencement date falls within the last 25% of the economic life of the underlying asset;
- The present value of the sum of the lease payments equals or exceeds 90% of the fair value of the underlying asset; or
- The underlying asset is of such a specialized nature that it is expected to have no alternative use to the lessor at the end of the lease term.

Leases that do not meet any of the above criteria are accounted for as operating leases.

The Company's operating leases for portable storage rentals to customers have rental periods that are typically short term (less than a year), and rental charges are based on a fixed monthly rate. Lease terms are typically one month, and the customer has the ability to extend the term at the standard monthly rental rates. In connection with the portable storage rentals, the Company offers value-added services, which are deemed non-lease components, such as delivery services and damage waiver plans. The total transaction price is allocated to the lease and non-lease components based on the stand-alone selling prices in accordance with Topic 606. The Company mitigates residual value risk of its revenue earning portable storage units by repairing the containers as needed to maintain the condition of its units, and through periodic reviews of the estimated useful lives and residual values.

Sale-Leaseback Arrangements

We assess each of our sale-leaseback arrangements to determine whether a sale has occurred under ASC 606, *Revenue from Contracts with Customers*, as well as assess whether the classification of the lease and/or the payment terms preclude sale accounting under ASC 842, *Leases*. These assessments involve a determination of whether control of the underlying property has been transferred to the buyer. If we determine that control of the underlying property has been transferred to the buyer, we account for the arrangement as a sale and leaseback transaction. If we determine control of the underlying property has not been transferred to the buyer, we account for the

Notes to Consolidated Financial Statements - Continued

arrangement as a financing transaction. Refer to Note 14 for the sale-leaseback transaction that took place during 2024.

The determination of the fair value of the property related to our sale-leaseback arrangements requires subjectivity and estimates, such as market price per square foot. If necessary, any gain or loss recognized on the sale and the lease-related right-of-use assets and liabilities will be adjusted for off-market terms. These off-market adjustments are based on the difference between the sale price of the property and its fair value. Where real estate valuation expertise is required, we obtain third-party opinions to determine the fair value of the underlying asset.

Income Taxes

The Company is a single member limited liability company, a disregarded entity for income tax purposes. As a result, the taxable income, or loss, which may vary substantially from income or loss reported for financial reporting purposes, is included in the federal and state tax returns of APLPD Holdco, Inc. (the "Parent"). However, as the Parent is a C Corporation and files a consolidated return that includes the Company, the Company has recorded a provision for income taxes utilizing the Separate Return method, which reflects the tax expense or benefit based on what the Company's share would have been if the Company had filed a separate tax return. The consolidated financial statements reflect the impact of income taxes for the years ended December 31, 2024 and 2023. The Company owed $7.0 million and $10.0 million to Parent for income taxes as of December 31, 2024 and 2023, respectively, which are recorded in other liabilities in the accompanying consolidated balance sheets.

Income tax expense (benefit) for the following periods consists of (in thousands):

	2024	2023
Current:		
Federal	**$ 7,691**	$ 7,182
State	**403**	(766)
Foreign	**(171)**	(302)
	7,923	6,114
Deferred:		
Federal	**(30,782)**	(13,730)
State	**(4,374)**	(6,507)
Foreign	**(360)**	(539)
	(35,516)	(20,776)
Total	**$ (27,593)**	$ (14,662)

Recent Accounting Pronouncements

In June 2016, the FASB issued ASU 2016-13, *Financial Instruments—Credit Losses (ASC 326)*, which replaced the incurred loss methodology for recognizing credit losses with an expected loss methodology that is referred to as the current expected credit losses ("CECL") model. CECL requires an estimate of credit losses for the remaining estimated life of the financial asset using historical experience, current conditions, and reasonable and supportable forecasts and generally applies to financial assets measured at amortized cost, including loan receivables and held-to-maturity debt securities, and some off-balance sheet credit exposures such as unfunded commitments to extend credit. Financial assets measured at amortized cost are presented at the net amount expected to be collected by using an allowance for credit losses. The Company adopted ASU 2016-13 effective January 1, 2023 and the adoption of this standard did not have a material impact on the Company's financial statements.

In October 2021, the FASB issued ASU 2021-08, *Business Combinations – Accounting for Contract Assets and Contract Liabilities from Contracts with Customers (ASC 805)*. The ASU aims to improve the accounting for acquired revenue contracts with customers in a business combination related to the recognition of an acquired contract liability and

Notes to Consolidated Financial Statements - Continued

payment terms and their effect on subsequent revenue recognized by the acquirer. The amendments in this Update require that an entity (acquirer) recognize and measure contract assets and contract liabilities acquired in a business combination in accordance with ASC 606. The Company adopted ASU 2021-08 effective January 1, 2024 and the adoption of this standard did not have a material impact on the Company's financial statements.

Recent accounting guidance not discussed above is not applicable, did not have, or is not expected to have a material impact on the Company's financial statements.

Note 3 - Inventory

The Company's inventory is summarized as follows at December 31 (in thousands):

	2024	2023
Completed containers and lifts	**$ 8,007**	$ 28,357
Raw materials	**67,516**	64,125
Total inventory	**$ 75,523**	$ 92,482

Note 4 - Prepaid Expenses and Other Current Assets

The Company's prepaid expenses and other current assets are summarized as follows at December 31 (in thousands):

	2024	2023
Short-term portion of cloud computing arrangement	**$ 21,254**	$ 12,497
Prepaid rent	**13,787**	12,309
Prepaid insurance	**2,901**	7,447
Receivable related to content damage waiver program	**5,268**	5,998
Receivables related to insurance	**5,701**	-
Deposits for the purchase of equipment	**-**	1,963
Prepaid income tax	**1,155**	1,253
Prepaid other	**5,021**	5,737
Total prepaid expenses and other current assets	**$ 55,087**	$ 47,204

Note 5 - Containers, Property, and Equipment

The Company's containers are summarized as follows at December 31 (in thousands):

	Estimated Useful Life	2024	2023
Containers	20 years	**$ 674,260**	$ 659,369
Accumulated depreciation		**(283,608)**	(260,419)
Containers, net		**$ 390,652**	$ 398,950

Notes to Consolidated Financial Statements - Continued

The Company's property and equipment is summarized as follows at December 31 (in thousands):

	Range of Estimated Useful Lives	2024	2023
Land	Indefinite	**$ 7,074**	$ 9,177
Buildings	1-40 years	**3,034**	22,121
Land Improvements	1-40 years	**418**	418
Furniture	10 years	**5,837**	5,593
Vehicles	7-10 years	**22,798**	23,658
Equipment	5-10 years	**173,113**	171,690
Leasehold improvements	3-7 years	**27,267**	24,591
Computer equipment and software	3-7 years	**29,886**	29,199
Internal-use software	3 years	**79,471**	77,739
Internal-use software (not yet in service)		-	824
Total property and equipment		**348,898**	**365,010**
Accumulated depreciation and amortization		**(199,742)**	(173,199)
Property and equipment, net		**$ 149,156**	$ 191,811

Assets carried under finance leases are included in property and equipment and are as follows at December 31 (in thousands):

	Estimated Useful Life	2024	2023
Equipment acquired under finance lease	5-7 years	**$ 49,402**	$ 53,320
Accumulated amortization, finance lease		**(21,593)**	(16,733)
Assets under lease, net		**$ 27,809**	$ 36,587

Depreciation and amortization expense related to containers, property, plant and equipment for the years ended December 31, 2024 and 2023 was approximately $65.5 million and $65.9 million, respectively, and includes amortization of finance leases on equipment of $9.4 million and $8.4 million, respectively.

Note 6 - Cloud Computing Arrangements

During the years ended December 31, 2024 and 2023, the Company's implementation costs incurred in cloud computing arrangements are related to the implementation of pricing and order entry system and digital initiatives related to establishing a cloud infrastructure and automation.

Implementation costs incurred in CCAs are summarized as follows at December 31 for the years indicated (in thousands):

	2024	2023
Implementation costs incurred in a CCA:		
Current portion of cloud implementation costs	**$ 21,254**	$ 12,497
Long-term portion of cloud implementation costs	**81,754**	62,453
Accumulated amortization of cloud computing arrangements	**(30,976)**	(12,824)
Cloud computing arrangements, net	**$ 72,032**	$ 62,126

During the year ended December 31, 2024 and 2023, respectively, the Company recorded $18.2 million and $9.9 million in amortization expense related to the ERP system and other digital initiatives.

Notes to Consolidated Financial Statements - Continued

Note 7 - Accrued Expenses

The Company's accrued expenses are summarized as follows at December 31 (in thousands):

	2024	2023
Interest	**$ 19,465**	$ 1,186
Payroll and benefits	**10,349**	6,677
Sales, property, and income taxes	**3,675**	4,479
Worker's compensation	**3,452**	3,906
Auto insurance	**15,872**	6,184
Transportation	**3,086**	4,010
Professional services	**2,151**	4,944
CPO premiums payable	**1,815**	1,860
Other	**13,394**	17,919
Total accrued expenses	**$ 73,259**	$ 51,165

Note 8 - Goodwill and Intangibles

The following table details the carrying amounts of all goodwill and intangibles as of December 31, 2024 and 2023 (in thousands):

As of December 31, 2024	Amortization Period	Gross Carrying Amount	Additions	Adjustments	Accumulated Amortization	Amount December 31, 2024
Goodwill	**10 years**	**$ 830,279**	**$ -**	**$ (246)**	**$ (688,113)**	**$ 141,920**
Trade name	**Indefinite**	**$ 500,000**	**$ -**	**$ -**	**$ -**	**$ 500,000**
Franchise agreements	**14.1 years**	**14,767**	**-**	**-**	**(10,385)**	**4,382**
Non-compete agreements	**1-5 years**	**890**	**-**	**-**	**(890)**	**-**
Backlog	**.08 years**	**1,390**	**-**	**-**	**(1,390)**	**-**
Reacquired franchise agreements	**0.43-19 years**	**243,654**	**-**	**(140)**	**(146,750)**	**96,763**
Total intangibles		**$ 760,701**	**$ -**	**$ (140)**	**$ (159,415)**	**$ 601,145**

As of December 31, 2023	Amortization Period	Gross Carrying Amount	Additions	Adjustments	Accumulated Amortization	Amount December 31, 2023
Goodwill	10 years	$ 830,279	$ -	$ 80	$ (605,305)	$ 225,054
Trade name	Indefinite	$ 500,000	$ -	$ -	$ -	$ 500,000
Franchise agreements	14.1 years	14,767	-	-	(9,338)	5,429
Non-compete agreements	1-5 years	890	-	-	(890)	-
Backlog	.08 years	1,390	-	-	(1,390)	-
Reacquired franchise agreements	0.43-19 years	243,654	-	307	(125,330)	118,631
Total intangibles		$ 760,701	$ -	$ 307	$ (136,948)	$ 624,060

The remaining weighted-average amortization period of the finite-lived intangibles was approximately 6.0 years as of both December 31, 2024 and 2023. Amortization expense was $105.6 million and $113.1 million for the years ended December 31, 2024 and 2023, respectively.

Notes to Consolidated Financial Statements - Continued

Estimated amortization for goodwill and definite-lived intangibles for the next five years and thereafter is as follows (in thousands):

2025	$	47,259
2026		38,376
2027		35,620
2028		33,635
2029		29,957
Thereafter		58,218
Total	$	243,065

Note 9 – Commitments and Contingencies

Litigation Matters

The Company, in the ordinary course of business, is the subject of, or party to, various pending or threatened legal actions. The Company accrues liabilities associated with such actions in the period in which sufficient information to determine the likelihood and amount of the loss becomes available. The Company believes that any ultimate liability resulting from these actions will not have a material adverse effect on its consolidated financial position or consolidated results of operations.

Commitments and Contingencies

During 2023, the Company entered multiple purchase orders to acquire equipment and containers from a third-party manufacturer. As of December 31, 2024 no purchase orders remained open. As of December 31, 2023, approximately $7.9 million of the purchase orders remained open.

Leasing arrangements are disclosed within Note 14 to the Consolidated Financial Statements.

Notes to Consolidated Financial Statements - Continued

Note 10 - Long-Term Debt and Finance Lease Obligations

Long-term debt and finance lease obligations are summarized as follows as of December 31 (in thousands):

	2024	2023
First Lien, interest of 7.85% at December 31, 2024 and 8.47% at December 31, 2023	**$ 1,310,122**	$ 1,322,360
First Lien Incremental, interest of 8.85% at December 31, 2024 and 9.47% at December 31, 2023	**95,899**	96,444
Finance leases, principal and interest payable in installments through 2029, interest at varying rates from 2.46% to 7.25% at December 31, 2024 and December 31, 2023	**29,194**	37,208
Equipment note, interest of 7.59% at December 31, 2024 and December 31, 2023	**11,055**	13,449
Notes payable, interest of 8.45% and 10.20% at December 31, 2024 and December 31, 2023	**34**	37
Deferred financing costs	**(5,235)**	(6,875)
	1,441,069	1,462,623
Less: Current portion	**(23,608)**	(23,749)
Current portion of deferred financing costs	**1,626**	1,652
Due after one year	**$ 1,419,087**	$ 1,440,526

First lien is presented net of discount of $4.6 million for 2024 and $6.0 million for 2023; current portion is presented net of discount of $1.4 million for 2024 and 2023.

First lien incremental is presented net of discount of $2.1 million for 2024 and $2.6 million for 2023; current portion is presented net of discount of $0.5 million for 2024 and 2023.

Annual maturities of long-term debt as of December 31, 2024, are summarized as follows (in thousands):

2025	$ 17,171
2026	17,374
2027	17,593
2028	1,371,676
Total	$ 1,423,814

Annual maturities of finance leases as of December 31, 2024, are summarized within Note 14 to the Consolidated Financial Statements.

Credit Facility

On March 31, 2021, the Company entered into the currently effective credit agreement for the first lien term loan (the 2021 Credit Facility), which was subsequently amended.

On January 27, 2023, the Company entered into the Second Amendment for the first lien term loan, which made SOFR an alternative benchmark rate and replaced LIBOR for purposes of the 2021 Credit Facility. On February 7, 2023, the Company entered into the Third Amendment for the first lien term loan, which resulted in increased borrowings of $100.0 million with existing Lenders (“incremental term loan”). The Third Amendment did not amend

Notes to Consolidated Financial Statements - Continued

any other terms of the first lien term loan and did not amend the cash flows or terms of the revolving credit line. The Company completed an analysis to determine whether the amendment met the criteria to be accounted for as a modification or an extinguishment under current accounting guidance. The analysis required a comparison of debt cash flows on a lender by lender basis prior and subsequent to the amendment. The cash flow comparison was completed only for those lenders participating in the syndication both prior and subsequent to the amendment. The cash flow comparison analysis resulted in treatment of the amendment as a modification.

In connection with the Third Amendment, the Company recorded $3.0 million in lender fees during the year ended December 31, 2023. In addition, the Company recognized a loss on extinguishment and modification of debt of $0.7 million during the year ended December 31, 2023.

On December 17, 2024, the Company entered into the Fourth Amendment for the first lien term loan, which extended the revolving commitment termination date for two out of the three participating lenders to June 30, 2027. As a result of the non-extended lender, the commitment amount will be reduced from $100.0 million to $70.0 million effective June 30, 2026.

The first lien term loan of $1,314.8 million and $1,328.2 million as of December 31, 2024 and 2023, respectively, bears interest at a rate equal to an adjusted SOFR rate plus a margin of 3% per annum. Interest on the term loan at December 31, 2024 and 2023, was 7.85% and 8.47%, respectively. The incremental first lien term loan of $98.0 million and $99.0 million as of December 31, 2024 and 2023, respectively, bears interest at a rate equal to an adjusted SOFR rate plus a margin of 4% per annum. Interest on the incremental term loan at December 31, 2024 and 2023, was 8.85% and 9.47%, respectively. The first lien term loan is collateralized by a first priority lien on substantially all assets of the Company.

The revolving credit line bears interest at a rate equal to an adjusted SOFR rate plus a margin of 2.75% per annum or a base rate plus a margin of 1.75% per annum. As of December 31, 2024 and 2023, the amount outstanding on the revolving credit line was $0.0 million.

A commitment fee equal to 0.50% per annum accrues on the average daily unused amount of the commitment under the revolving credit line, and such fee is payable quarterly in arrears.

As of December 31, 2024 and 2023, the Company had letters of credit totaling $28.8 million and $25.2 million, respectively, outstanding under the revolving credit facility. At December 31, 2024 and 2023, the amount available under the revolving credit line was $71.2 million and $74.8 million, respectively.

Compliance with Debt Covenants

As of December 31, 2024, we were in compliance with the covenants contained in our various debt agreements.

Equipment Note

On October 16, 2023, the Company entered into an equipment security note to purchase equipment (“equipment note”) in the amount of $13.8 million. Principal and interest payments are due in 60 equal, consecutive monthly installments through the maturity date of the note in October 2028. The note is secured by the purchased equipment as collateral and the lender has secondary priority to the lenders of the 2021 Credit Facility. As of December 31, 2024 and 2023, the note balance remaining in the amount of $11.1 million and $13.4 million bears interest of 7.59% per annum.

Interest Expense

Interest expense for the years ended December 31, 2024 and 2023 was $129.5 million and $124.0 million, respectively. The amount of interest capitalized was $1.7 million and $1.8 million for the years ended December 31, 2024 and 2023, respectively. The Company capitalizes original issue discount (“OID”) associated with securing debt.

Notes to Consolidated Financial Statements - Continued

OID is amortized as interest expense over the life of the related debt using the effective interest method. Amortization expense associated with OID for the years ended December 31, 2024 and 2023 was $1.8 million. Refer to Note 2 for additional information on deferred financing costs.

Note 11 - Member's Deficit

Interests in the Company are represented by units and are not evidenced by certificates. They entitle the holder of such units to the respective rights and benefits set out in the limited liability company agreement dated January 29, 2015, including, but not limited to, the rights to the allocations and the right to receive distributions from the Company, as defined. As of December 31, 2024, one unit is outstanding, which is fully held by a sole member of the Company. No dividends were declared on the unit during the years ended December 31, 2024 and 2023.

Note 12 - Stock Option Grants

2015 Option Plan

In 2015, the stockholders of the Parent approved the 2015 Plan, authorizing the granting of non-qualified stock options to employees and non-employee directors. A total of 4,440,622 shares of common stock have been reserved for issuance under the 2015 Plan, which includes an additional 476,736 shares available for issuance upon the achievement of the Top-Up Condition. Additionally, subject to adjustment as provided in the 2015 Plan, the maximum number of shares available for issuance pursuant to awards granted to non-employee directors of the Company or any of its subsidiaries is 150,000 shares. If an outstanding stock option expires or is forfeited, cancelled, terminated or otherwise settled without consideration, the shares subject to such stock option will be available for future stock option awards under the 2015 Plan.

The Company has granted three types of stock options under the 2015 Plan: Time-Based, Performance-Based, and Top-Up. Time-Based options vest annually, generally over a 4-year period or a 5-year period, assuming continuing service by the holder. Performance-Based options vest annually during each Performance Year (as defined in the 2015 Plan) contingent upon the achievement of a specified performance target for that year, as defined in the stock option agreement. Performance-Based options contain provisions which allow vesting of options for which the performance target is not met in any one Performance Year, provided that (a) the target is met during the subsequent year (Catch-Up Year); (b) the performance targets for both years are met on a cumulative basis; and (c) the holder continues to provide service. Top-Up options vest immediately and in full upon the achievement of the Top-Up condition, as defined above in Note 2, assuming continuing service by the holder. Failure to meet this condition would result in forfeiture of all options. Each type of stock option grant becomes exercisable generally after 5 years, based on specific conditions as defined in the 2015 Plan. A Change in Control, as defined, would accelerate vesting of unvested Time-Based and Performance-Based options as follows:

- All unvested Time-Based options will vest assuming continuing service through the date of the Change in Control.
- Unvested Performance-Based options for which the Performance Year is not complete will not vest.
- Unvested Performance-Based options for which the Performance Year is complete and the performance target is not met, and the applicable Catch-Up Year, if any, has not been completed, will vest or be forfeited at the discretion of the Board of Directors.

All unexercised options will expire on the tenth anniversary of the grant date.

Notes to Consolidated Financial Statements - Continued

A summary of option transactions during the years ended December 31, 2024 and 2023 is as follows:

	Number of Options	Weighted Average Exercise Price
Outstanding, December 31, 2022	639,172	$ 11.44
Granted	-	-
Exercised	(467,296)	10.08
Expired/cancelled	-	-
Forfeited	-	-
Outstanding, December 31, 2023	**171,876**	**$ 15.13**
Granted	**-**	**-**
Exercised	**(127,078)**	**12.43**
Expired/cancelled	**-**	**-**
Forfeited	**-**	**-**
Outstanding, December 31, 2024	**44,798**	**$ 22.79**

A total of 44,798 options were vested during the year ended December 31, 2024, all of which were Time-Based options. A total of 171,876 options were vested during the year ended December 31, 2023, 77,800 of which were Time-Based options, 39,251 were Performance-Based options, and 54,825 were Top-Up options.

During the year ended December 31, 2024, share-based compensation income totaled approximately $3.3 million, consisting of approximately $1.1 million for Time-Based options; $0.9 million for Performance-Based options; and $1.3 million for Top-Up options. At December 31, 2024, a share-based liability related to these awards totaled approximately $0.1 million.

During the year ended December 31, 2023, share-based compensation income totaled approximately $1.7 million, consisting of approximately $0.3 million for Time-Based options; $1.2 million for Performance-Based options; and $0.2 million for Top-Up options. At December 31, 2023, a share-based liability related to these awards totaled approximately $3.5 million.

2020 Option Plan

In 2019, the stockholders of the Parent approved the 2020 Plan, authorizing the granting of non-qualified stock options to employees and non-employee directors. A total of 3,000,000 shares of common stock have been authorized for issuance under the 2020 Plan. If an outstanding stock option expires or is forfeited, cancelled, terminated or otherwise settled without consideration, the shares subject to such award will be available for future stock option awards under the 2020 Plan.

The Company has granted two types of stock options under the 2020 Plan: Time-Based and Performance-Based. Time-Based and Performance-Based options vest annually, generally over a 4-year period, assuming continuing service by the holder. Performance-Based options contain exercise prices that escalate by a fixed percentage annually over the vesting period, and vesting of those options is only conditioned on continuing service by the holder. Future Performance-based grants may contain vesting conditions based on the achievement of certain targets. Each type of stock option grant becomes exercisable generally after 4 years, based on specific conditions as defined in the 2020 Plan. All unvested Time-Based and Performance-Based options will vest on a Change of Control subject to the participant's continuous service through the date of such Change of Control. All unexercised options will expire on the seventh anniversary of the grant date.

Notes to Consolidated Financial Statements - Continued

A summary of option transactions during the years ended December 31, 2024 and 2023 is as follows:

	Number of Options	Weighted Average Exercise Price
Outstanding, December 31, 2022	1,856,546	$ 48.56
Granted	204,886	80.84
Exercised	(72,848)	39.53
Expired/cancelled	-	-
Forfeited	(57,615)	42.75
Outstanding, December 31, 2023	**1,930,969**	**$ 52.50**
Granted	**526,138**	**46.26**
Exercised	**(42,403)**	**52.08**
Expired/cancelled	**-**	**-**
Forfeited	**(196,308)**	**52.75**
Outstanding, December 31, 2024	**2,218,396**	**$ 50.58**

A total of 285,963 options were vested during the year ended December 31, 2024, 135,878 of which were Time-Based and 141,521 were Performance-Based. A total of 383,672 options were vested during the year ended December 31, 2023, 191,836 of which were Time-Based and 191,836 were Performance-Based.

During the year ended December 31, 2024, share-based compensation income totaled approximately $8.0 million consisting of $4.6 million and $3.4 million, respectively, for Time-Based options and Performance-Based options. At December 31, 2024, a share-based liability related to these awards totaled approximately $1.2 million.

During the year ended December 31, 2023, share-based compensation income totaled approximately $2.8 million consisting of $1.4 million and $1.4 million, respectively, for Time-Based options and Performance-Based options. At December 31, 2023, a share-based liability related to these awards totaled approximately $9.2 million.

Management utilized various significant assumptions to estimate the fair value of stock options.

Management utilized Black-Scholes model to estimate the fair value of stock options at the time of the grant. Expected stock price volatility was based on consideration of indications observed from several publicly traded peer companies. The risk-free interest rate is based on a constant maturity treasury instrument whose term is consistent with the expected life of the unit. The dividend yield percentage is zero because the Company neither currently pays dividends nor intends to do so during the expected term. The expected term of the options represents the time the options are expected to be outstanding. The assumptions under the Black-Scholes model related to the profits interests units, presented on a weighted-average basis for the 2020 Plan grants, are provided below:

	Grants from December 1 through December 31, 2024
Expected life (years)	4
Equity volatility	31.00%
Dividend yield	-
Risk-free rate	4.33%

Notes to Consolidated Financial Statements - Continued

Note 13 - Employee Benefits

The Company has a 401(k) plan covering all employees, subject to certain eligibility requirements. Under this plan, a certain percentage of eligible employee contributions are matched. Matching contributions made by the Company are discretionary as they are not required under the plan. The Company contributed $3.1 million and $3.6 million under the plan for the years ended December 31, 2024 and 2023, respectively.

The Company maintains an executive deferred compensation plan (the "EDCP") for executive officers and other key employees ("Participant" or "Participants"). The Participant may elect to defer some of his or her compensation into the EDCP plan, not to exceed 90% of base salary, but may be up to 100% of a Participant's annual bonus.

The Company may contribute to the EDCP on behalf of Participants who did not receive the full matching contribution under the 401(k) plan. Additionally, the Company may contribute to any Participant's account with a discretionary employer contribution. The Company did not make discretionary contributions to any Participant's EDCP account during the years ended December 31, 2024 and 2023. Participants are entitled to payment of deferred amounts, employer contributions, and any related earnings as defined in the EDCP plan documents.

As of December 31, 2024 and 2023, the EDCP assets held in a trust totaled $10.4 million and $10.2 million, respectively. The related liability to the Participants totaled approximately $10.2 million and $9.8 million, respectively. The EDCP assets are subject to the claims of the Company's general creditors. The EDCP assets and the related liabilities to the Participants are classified in other assets and other liabilities, respectively, in the accompanying consolidated balance sheets.

The Company is not obligated to provide any post-retirement medical or life insurance benefits to employees.

Note 14 - Leases

Lessee

As a lessee, the Company has the following types of operating leases:

- Real estate leases for storage center warehouses and corporate offices;
- Equipment leases for trucks, forklifts, and trailers; and
- Embedded contractual lease obligations for advertising, freight carriers, IT data centers, and office equipment.

The Company's lease terms generally range from one month to fifteen years and a number of agreements contain escalation clauses, which increase the payment obligation based on a variable rate and renewal options. Payment terms are based on fixed rates explicit in the lease. The Company is charged variable mileage charges for equipment based on a fixed rate per mile whenever mileage usage exceeds contractual limits. The length of renewal and termination options vary, which may result in different payment terms.

Notes to Consolidated Financial Statements - Continued

The following table summarizes the components of lease expense recorded in the consolidated statements of comprehensive loss for the years ended December 31 (in thousands):

	2024	2023
Operating lease cost:		
Lease costs	**$ 128,948**	$ 117,307
Short-term lease costs	**1,088**	1,273
Variable lease costs	**2,317**	2,115
Total lease costs	**$ 132,353**	$ 120,695
Sublease income	**(7,494)**	(3,441)
Net lease costs	**$ 124,859**	$ 117,254
Finance lease cost:		
Amortization of right-of-use assets	**$ 9,396**	$ 8,355
Interest on lease liabilities	**2,177**	1,753
Total finance lease costs	**$ 11,573**	$ 10,108

The following table summarizes the weighted-average remaining lease term and weighted-average discount rate for the Company's leases as a lessee at December 31:

	2024		2023	
	Operating Leases	Finance Leases	Operating Leases	Finance Leases
Weighted-average remaining lease term (in years)	**6.5**	**3.7**	6.4	4.5
Weighted-average discount rate	**6.2%**	**6.7%**	5.9%	6.5%

The following table summarizes the Company's minimum fixed lease obligations under existing agreements as a lessee, excluding short-term leases, as of the period indicated (in thousands):

	December 31, 2024	
	Operating Leases	Finance Leases
2025	**$ 127,012**	**$ 9,991**
2026	**118,648**	**9,009**
2027	**107,389**	**7,517**
2028	**87,615**	**5,341**
2029	**69,469**	**1,075**
Thereafter	**190,969**	**-**
Total lease payments	**701,102**	**32,933**
Interest	**(137,039)**	**(3,739)**
Total lease liabilities	**$ 564,063**	**$ 29,194**

In addition to the minimum fixed lease obligations under existing agreements in the table above, as of December 31, 2024, the Company has additional operating leases for warehouses that have not yet commenced with total lease payments of $74.9 million. These leases will commence in 2025 with lease terms of between 5.3 and 10.0 years. Additionally, the Company has operating and finance leases for trucks that have not yet commenced with total lease payments of $9.3 million and $9.0 million, respectively. These leases will commence in 2025 with a lease term of 5.5 years.

Notes to Consolidated Financial Statements - Continued

The following table includes a detail of lease assets and liabilities included in the accompanying consolidated balance sheets at December 31 (in thousands):

	2024	2023
Operating leases:		
Operating lease right-of-use assets, net of accumulated amortization	**$ 519,692**	$ 523,192
Current operating lease liability	**(97,086)**	(92,862)
Non-current operating lease liability	**(466,977)**	(464,388)
Total operating lease liabilities	**$ (564,063)**	$ (557,250)
Finance leases:		
Property and equipment, net of accumulated amortization	**$ 27,809**	$ 36,587
Current finance lease liability	**(8,358)**	(8,571)
Non-current finance lease liability	**(20,836)**	(28,637)
Total finance lease liabilities	**$ (29,194)**	$ (37,208)

Supplemental cash flow information related to leases is as follows for the years ended December 31 (in thousands):

	2024	2023
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	**$ 123,619**	$ 109,738
Operating cash flows from finance leases	**2,191**	1,735
Financing cash flows from finance leases	**8,728**	7,538
Right-of-use assets obtained in exchange for lease obligations:		
Operating leases	**98,139**	168,887
Finance leases	**670**	31,792

Sale-Leaseback

On December 18, 2024, the Company completed a sale-leaseback transaction. Under this transaction, the Company sold real estate with a book value of $27.8 million to an unrelated third party for gross proceeds of $26.2 million, which was assessed to be at fair market value. The gross proceeds were reduced by transaction costs of $0.6 million Therefore, the net proceeds were $25.6 million. The transaction resulted in a loss of $1.7 million.

Simultaneously, the Company entered into a lease agreement for the same asset, which was classified as an operating lease. The lease has a term of 15 years and includes two 5-year renewal options. Lease payments are recorded as lease expense in the Company's financial statements. The right-of-use asset recorded for this lease was $17.6 million and the lease liability was $17.5 million.

Lessor

As disclosed in the Revenues section of Note 2, the Company accounts for revenue earned from renting portable storage units in accordance with lease accounting guidance as under such rental agreements, an identified asset is transferred to the customer and the customer has the ability to control that asset. Prior to the adoption of Topic 842, the Company accounted for such revenue under Topic 606.

Notes to Consolidated Financial Statements - Continued

The following table summarizes the amount of operating lease income (accounted for under Topic 842) and other income (accounted for under Topic 606) included in total revenues in the accompanying consolidated statements of operations for the years ended December 31 (in thousands):

	2024	2023
Revenue accounted for under Topic 842	**$ 474,116**	$ 514,116
Revenue accounted for under Topic 606	**559,788**	593,285
Total revenues	**$ 1,033,904**	$ 1,107,401

Note 15 - Related Party Transactions

The Company maintains a service agreement with Concentrix which has common management with APLPD Holdco III, LLC. The Company's Chief Executive Officer is a member of the Board of Directors of Concentrix. The Company entered into certain transactions in the normal course of business with Concentrix and incurred expenses of $11.4 million and $8.3 million for the years ended December 31, 2024 and 2023, respectively. These expenses are recorded in selling, general, and administrative expenses in the accompanying consolidated statements of comprehensive loss.

Note 16 - Subsequent Events

Management evaluated subsequent events through April 23, 2025, which is the date the accompanying consolidated financial statements were available to be issued.

On March 3, 2025, the Company received a cash contribution from Parent of $144.5 million. The cash will be used for general corporate purposes.

These Financial Statements Have Been Prepared Without An Audit. Prospective Franchisees Or Sellers of Franchises Should Be Advised That No Independent Certified Public Accountant Has Audited These Figures Or Expressed An Opinion with Regard to their Content Or Form.

Consolidated Balance Sheets
(In thousands)

	March 31, 2026	2025	Variance
Assets			
Current Assets:			
Cash and cash equivalents	$122,638	$141,438	($18,800)
Restricted cash	821	871	(50)
Due from financial institutions	4,135	7,497	(3,362)
Accounts receivable	13,615	16,351	(2,736)
Allowance for doubtful accounts	(2,998)	(6,332)	3,334
Net accounts receivable	10,617	10,019	599
Prepaid expenses and other current assets	54,619	56,561	(1,942)
Inventory	62,675	75,074	(12,399)
Total Current Assets	**255,506**	**291,460**	**(35,954)**
Fixed Assets:			
Rental equipment	699,740	671,297	28,442
Accumulated depreciation	(313,793)	(287,003)	(26,789)
Rental equipment, net of accumulated depreciation	385,947	384,294	1,653
Property and equipment	353,482	346,129	7,353
Accumulated depreciation	(224,812)	(204,116)	(20,696)
Property and equipment, net of accumulated depreciation	128,670	142,013	(13,343)
Net Fixed Assets	**514,616**	**526,307**	**(11,690)**
Other Assets:			
Goodwill and other intangible assets	685,778	727,333	(41,556)
Deposits	9,597	9,401	197
Right of use assets acquired through operating leases	469,258	503,922	(34,664)
Other non-current assets	70,532	68,899	1,632
Total Other Assets	**1,235,165**	**1,309,556**	**(74,391)**
Total Assets	**$2,005,287**	**$2,127,322**	**($122,035)**

Consolidated Balance Sheets
(In thousands)

	March 31, 2026	2025	Variance
Liabilities and Member's Capital			
Current Liabilities:			
Accounts payable	$23,500	$27,242	($3,741)
Accrued expenses	54,904	73,502	(18,598)
Current lease liability - operating	103,319	98,130	5,190
Due to franchisees	4,721	4,801	(79)
Deferred revenue	26,332	25,927	405
Current maturities of long term debt, net	22,656	21,925	731
Total Current Liabilities	**235,432**	**251,526**	**(16,094)**
Long-Term Liabilities:			
Long-term debt, notes payable, and finance lease obligations, net	1,396,758	1,413,601	(16,843)
Lease liability - operating	416,041	450,308	(34,268)
Deferred tax liabilities	103,749	117,325	(13,576)
Other liabilities	47,537	38,531	9,006
Total Long-Term Liabilities	**1,964,085**	**2,019,765**	**(55,680)**
Member's Capital:			
Capital contributions	144,500	144,500	-
Accumulated other comprehensive loss	(2,022)	(2,534)	512
Accumulated deficit	(294,834)	(241,211)	(53,623)
Non-controlling interest	(52)	(25)	(27)
Net loss	(41,822)	(44,699)	2,877
Total Member's Capital	**(194,230)**	**(143,969)**	**(50,261)**
Total Liabilities and Member's Capital	**$2,005,287**	**$2,127,322**	**($122,035)**

Consolidated Statements of Cash Flows

(In thousands)

	YTD March 31, 2026	YTD March 31, 2025
Net loss	**($41,822)**	**($44,699)**
Adjustments to reconcile net loss to net cash		
Depreciation and amortization	23,459	28,517
Operating lease expense	24,921	24,694
Finance lease amortization	2,403	2,236
Provision for credit losses	1,162	658
Amortization of deferred loan costs and original issue discount	911	867
Impairment of long-lived assets	325	-
Deferred income taxes	(11,690)	(15,683)
Loss on disposition of assets	186	292
Stock-based compensation	300	1,260
Change in operating assets and liabilities:		
Decrease in accounts receivable	200	2,946
Decrease (Increase) in prepaids and OCA	4,312	(2,530)
Increase in cloud computing asset	(2,393)	(6,521)
Increase in inventories	(1,282)	(599)
Decrease in deposits and ONCA	5,957	4,140
(Decrease) increase in accounts payable	(10,720)	12,072
Decrease in due to franchises	(153)	(181)
Increase in deferred revenue	6,467	3,403
Increase in accrued expenses	14,279	323
Decrease in other noncurrent liabilities	(1,984)	(2,385)
Decrease in operating lease liabilities	(25,383)	(24,550)
Net cash used in operating activities	**(10,545)**	**(15,738)**
Investing activities		
Purchases of property, equipment and containers	(9,266)	(1,006)
Proceeds from disposition of property and equipment	12	320
Net cash used in investing activities	**(9,254)**	**(686)**
Financing activities		
Proceeds from revolving line of credit	-	30,000
Payments on line of credit	-	(30,000)
Capital contributions	-	144,500
Principal payments on long-term debt	(3,647)	(3,647)
Principal payments on notes payable and finance leases	(3,074)	(2,764)
Payments on behalf of parent	(40)	(82)
Net cash (used in) provided by financing activities	**(6,761)**	**138,007**
Effect of exchange rate changes	**($260)**	**($1,203)**
Net (decrease) increase in cash	**(26,820)**	**120,379**
Cash at beginning of period	**$150,278**	**21,930**
Cash at end of period	**$123,459**	**$142,309**
Supplemental disclosures of cash flow information:		
Cash paid for interest	**$26,465**	**$30,198**
Cash paid for income taxes	**$53**	**$0**
Cash refunded for income taxes	**$2**	**$0**

EXHIBIT D

STATE SPECIFIC ADDENDA AND RIDERS

ADDENDUM
TO FRANCHISE DISCLOSURE DOCUMENT FOR
PODS ENTERPRISES, LLC
STATE OF CALIFORNIA

The following paragraphs are added to the disclosure document:

OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF CORPORATIONS at www.dfpi.ca.gov.

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

The following paragraphs are added at the end of Item 17 of the Disclosure Document pursuant to regulations promulgated under the California Franchise Investment Law:

California Law Regarding Termination and Nonrenewal. California Business and Professions Code Sections 20000 through 20043 provide rights to franchisees concerning termination or nonrenewal of a franchise. If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control.

Termination Upon Bankruptcy. The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 et. seq.).

Post-Termination Noncompetition Covenants. The Franchise Agreement contains a covenant not to compete which extends beyond the termination of the respective agreement. These provisions may not be enforceable under California law.

Applicable Law. The Franchise Agreement requires application of the laws of the State of Florida with certain exceptions. These provisions may not be enforceable under California law.

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

ADDENDUM
TO FRANCHISE DISCLOSURE DOCUMENT FOR
PODS ENTERPRISES, LLC
STATE OF ILLINOIS

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

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

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

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

RIDER TO
PODS ENTERPRISES, LLC
FRANCHISE AGREEMENT
FOR USE IN ILLINOIS

This Rider is entered into this _____, 20___ (the "**Effective Date**"), between **PODS ENTERPRISES, LLC**, a Florida limited liability company, with its principal business address at 13535 Feather Sound Drive, 4th Floor, Clearwater, Florida 33762 ("**we**," "**us**," "**our**" or "**Franchisor**"), and _____, a _____ whose principal business address is _____ (referred to in this Rider as "**you**," "**your**" or "**Franchisee**") and amends the Franchise Agreement between the parties dated as of the Effective Date (the "**Agreement**").

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

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

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

4. Your rights upon termination and non-renewal of a franchise agreement are set forth in Sections 19 and 20 of the Illinois Franchise Disclosure Act.

Intending to be bound, the parties sign and deliver this Rider to each other as shown below:

US	**YOU**
PODS ENTERPRISES, LLC	_____
a Florida limited liability company	a(n) _____
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

ADDENDUM
TO FRANCHISE DISCLOSURE DOCUMENT FOR
PODS ENTERPRISES, LLC
STATE OF MARYLAND

Item 17 is amended by adding the following language after the table:

(a) Pursuant to COMAR 02.02.08.16L, any General Release required as a condition of renewal, sale and/or transfer does not apply to any liability under the Maryland Registration and Disclosure Law.

(b) You may sue in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

(c) The provision in the franchise agreement which provides for termination upon bankruptcy of the franchisee may not be enforceable under Federal Bankruptcy Law (11 U.S.C. Section 1010 et seq.)

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

MARYLAND RIDER TO
PODS ENTERPRISES, LLC
FRANCHISE AGREEMENT

THIS RIDER (the "**Rider**") is effective as of _____, 20___ (the "**Agreement Date**"), and amends the Franchise Agreement dated _____, 20____ (the "**Agreement**"), between **PODS ENTERPRISES, LLC** ("**we**," "**us**," "**our**" or "**Franchisor**") with its principal office at 13535 Feather Sound Drive, 4th Floor, Clearwater, Florida 33762, and ("**you**," "**your**" or "**Franchisee**"), whose mailing address is .

1. **Precedence and Defined Terms**. This Rider is an integral part of, and is incorporated into, the Agreement. Nevertheless, this Rider supersedes any inconsistent or conflicting provisions of the Agreement. Terms not otherwise defined in this Rider have the meanings as defined in the Agreement.

2. **No Release, Estoppel or Waiver of State Law**. Nothing in this Agreement is intended to nor will it act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

3. **Jurisdiction**. Any litigation arising on claims under Maryland Franchise Registration and Disclosure Law may be brought by the Franchisee in Maryland.

4. **Limitation on Claims**. All claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

5. **General Release**. Pursuant to COMAR 02.02.08.16L the general release required as a condition of renewal, sale and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

Intending to be bound, the parties sign and deliver this Rider to each other as shown below:

US	**YOU**
PODS ENTERPRISES, LLC	_____
a Florida limited liability company	a(n) _____
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

RIDER TO
PODS ENTERPRISES, LLC
FRANCHISE COMPLIANCE CERTIFICATION
FOR USE IN MARYLAND

The following is added to the Franchise Compliance Certification:

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.

FRANCHISEE APPLICANT:

_____

Dated: _____, 20__

ADDENDUM
TO FRANCHISE DISCLOSURE DOCUMENT FOR
PODS ENTERPRISES, LLC
STATE OF MINNESOTA

1. Item 17, summary column for (f) is amended to add the following:

   With respect to franchises governed by Minnesota law, we will comply with Minn. Stat. Sec. 80C.14, subds. 3, 4 and 5 which require, except in certain specified cases, that you be given 90 days notice of termination (with 60 days to cure).

2. Item 17, summary column for (m) is amended to add the following:

   Any release signed as a condition of transfer will not apply to any claims you may have under the Minnesota Franchise Act.

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

   Minn. Stat. Sec. 80C.21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in this Disclosure Document or agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

4. Item 17 is amended by adding the following language after the table:

   Pursuant to Minn. Rule 2860.4400D, any General Release required as a condition of renewal, sale and/or transfer does not apply to any liability under the Minnesota Franchise Act.

5. Item 17 is amended by adding the following language after the table:

   Minnesota law provides you with certain termination and non-renewal rights. Minn. Stat. Sec. 80C.14 Subd. 3, 4 and 5 require, except in certain cases, that you be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the Franchise Agreement.

MINNESOTA RIDER TO THE
PODS ENTERPRISES, LLC
FRANCHISE AGREEMENT

THIS RIDER (the "**Rider**") is effective as of _____, 20___ (the "**Agreement Date**"), and amends the Franchise Agreement dated _____, 20____ (the "**Agreement**"), between **PODS ENTERPRISES, LLC** ("**we**," "**us**," "**our**" or "**Franchisor**") with its principal office at 13535 Feather Sound Drive, 4th Floor, Clearwater, Florida 33762, and ("**you**," "**your**" or "**Franchisee**"), whose mailing address is .

1. **Precedence and Defined Terms**. This Rider is an integral part of, and is incorporated into, the Agreement. Nevertheless, this Rider supersedes any inconsistent or conflicting provisions of the Agreement. Terms not otherwise defined in this Rider have the meanings as defined in the Agreement.

3. **Termination**. Section 17 of the Agreement is amended to add the following:

With respect to franchises governed by Minnesota Law, we will comply with Minn. Stat. Sec. 80c.14, subds. 3, 4, and 5, which require, except in certain specified cases, that you be given 90 days notice of termination (with 60 days to cure).

4. **Limitation of Legal Actions**. No action may be commenced for claims coming under Minnesota Law more than 3 years after the cause of action accrues.

5. **Waiver of Jury Trial**. Section 22.10 is deleted in its entirety.

6. **Jurisdiction and Venue and Governing Law**. The following is added to Sections 22.6 and 22.7:

Minn. Stat. Sec. 80C.21 and Minn. Rules 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in the Disclosure Document or franchise agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum or remedies provided for by the laws of the jurisdiction.

7. **Injunctive Relief**. The Franchisee does not consent to the Franchisor obtaining injunctive relief for any matters coming under Minnesota Law; but the Franchisor may seek such injunctive relief.

8. **General Release**. Pursuant to Minn. Rule 2860.4400D the general release required as a condition of renewal, sale and/or assignment/transfer shall not apply to any liability under the Minnesota Franchise Act.

9. **Non-Renewal**. Section 17 of the Agreement is amended to add the following:

With respect to franchises governed by Minnesota Law, we will comply with Minn. Stat. Sec. 80C.14 Subds. 4 and 5, which require, except in certain specified cases, that you be given 180 days' notice of our decision not to renew your Agreement. Intending to be bound, the parties sign and deliver this Rider to each other as shown below:

Intending to be bound, the parties sign and deliver this Rider to each other as shown below:

US	**YOU**
PODS ENTERPRISES, LLC	_____
a Florida limited liability company	a(n) _____
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

ADDENDUM TO THE
PODS ENTERPRISES, LLC
NEW YORK DISCLOSURE DOCUMENT

1. Item 3 is modified to read as follows:

Neither the franchisor, its predecessor, a person identified in item 2, nor an affiliate offering franchises under the franchisor's principal trademark:

A. 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. Has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the ten-year period immediately preceding the application for registration, has been convicted of or 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.

C. 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.

2. Item 4 is modified to read as follows:

Other than the 1 Bankruptcy shown in Item 4, neither the franchisor, its affiliate, its predecessor, officers, or general partner during the 10-year period immediately before the date of the offering circular; (a) filed as debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its debts under the bankruptcy code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the U.S. Bankruptcy Code during or within 1 year after the officer or general partner of the franchisor held this position in the company or partnership.

3. Item 17, Section d, is amended to add the following language:

"the franchisee may terminate the agreement on any grounds available by law."

4. Item 17, Section j, is amended to add the following language:

"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."

5. Item 17, Section w, is amended to add the following language:

"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.

ADDENDUM
TO FRANCHISE DISCLOSURE DOCUMENT FOR
PODS ENTERPRISES, LLC
STATE OF NORTH DAKOTA

1. The Summary column of Item 17 paragraph (c) of this disclosure document is modified to read as follows:

> "Give us at least 90 days notice of your intention to renew, sign our current form of franchise agreement and ancillary agreements, and sign a release (except for matters coming under the North Dakota Franchise Investment Law (the ND Law")."

2. The Summary column of Item 17 paragraph (r) of this disclosure document is modified by adding the following at the end of the sentence:

> "Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota."

3. The Summary column of Item 17 paragraph (u) of this disclosure document is amended by adding the following at the end of the paragraph:

> "except that matters coming under the ND Law will be submitted to arbitration in a mutually agreeable location.

4. The Summary column of Item 17 paragraph (v) of this disclosure document is amended to read as follows:

> Except for matters coming under the ND Law, litigation must be in Pinellas County, Florida.

5. The Summary column of Item 17 paragraph (w) of this disclosure document is amended to read as follows:

> Except for matters coming under the ND Law, the law of Florida (subject to state law).*

6. The Franchisee is not required to waive jury trial for any matters coming under ND Law.

NORTH DAKOTA RIDER TO
PODS ENTERPRISES, LLC
FRANCHISE AGREEMENT

THIS RIDER (the "**Rider**") is effective as of _____, 20___ (the "**Agreement Date**"), and amends the Franchise Agreement dated _____, 20____ (the "**Agreement**"), between **PODS ENTERPRISES, LLC** ("**we**," "**us**," "**our**" or "**Franchisor**") with its principal office at 13535 Feather Sound Drive, 4th Floor, Clearwater, Florida 33762, and ("**you**," "**your**" or "**Franchisee**"), whose mailing address is .

1. **Precedence and Defined Terms**. This Rider is an integral part of, and is incorporated into, the Agreement. Nevertheless, this Rider supersedes any inconsistent or conflicting provisions of the Agreement. Terms not otherwise defined in this Rider have the meanings as defined in the Agreement.

2. **Grant of Renewal Franchise**. You are not required to sign a general release as to any matters coming under the North Dakota Franchise Investment Law (the "**ND Law**").

3. **Post-Term Competitive Restrictions**. Covenants not to compete, such as those mentioned in this section, are generally unenforceable in the State of North Dakota.

4. **Jurisdiction**. All matters coming under the ND Law may be brought in the courts of North Dakota.

5. **Waiver of Punitive Damages and Jury Trial**. Paragraphs 23.4 and 22.10 of the Franchise Agreement are deleted in their entirety.

6. **Limitation of Claims**. The statute of limitations under ND Law applies to all matters coming under ND Law.

7. **Governing Law**. This Agreement will be governed by North Dakota law.

Intending to be bound, the parties sign and deliver this Rider to each other as shown below:

US	**YOU**
PODS ENTERPRISES, LLC	_____
a Florida limited liability company	a(n) _____
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

ADDENDUM
TO FRANCHISE DISCLOSURE DOCUMENT FOR
PODS ENTERPRISES, LLC
STATE OF RHODE ISLAND

The following sentence is added to Item 17 (v) and (w): A provision in a franchise agreement restricting jurisdiction or venue to a forum outside Rhode Island or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under the Rhode Island Franchise Investment Act.

ADDENDUM
TO FRANCHISE DISCLOSURE DOCUMENT FOR
PODS ENTERPRISES, LLC
STATE OF WASHINGTON

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act (the "**Act**"), Chapter 19.100 RCW, prevails.

Section RCW 19.100.180 of the Act, may supersede the franchise agreement in your relationship with us, including the area of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with us including the area 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.

WASHINGTON RIDER TO
PODS ENTERPRISES, LLC
FRANCHISE AGREEMENT

THIS RIDER (the "**Rider**") is effective as of _____, 20___ (the "**Agreement Date**"), and amends the Franchise Agreement dated _____, 20____ (the "**Agreement**"), between **PODS ENTERPRISES, LLC** ("**we**," "**us**," "**our**" or "**Franchisor**") with its principal office at 13535 Feather Sound Drive, 4th Floor, Clearwater, Florida 33762, and ("**you**," "**your**" or "**Franchisee**"), whose mailing address is .

1. **Precedence and Defined Terms**. This Rider is an integral part of, and is incorporated into, the Agreement. Nevertheless, this Rider supersedes any inconsistent or conflicting provisions of the Agreement. Terms not otherwise defined in this Rider have the meanings as defined in the Agreement.

2. **Initial Fees**. The following is added to Section 4 of the Agreement: All initial fees and payments shall be deferred until such time as the franchisor completes its initial obligations under the franchise agreement and the franchisee is open for business.

3. **Washington Franchise Investment Protection Act**. In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act (the "**Act**"), Chapter 19.100 RCW, prevail.

4. **Relationship**. Section RCW 19.100.180 of the Act may supersede this Agreement in your relationship with us, including the area of termination and renewal of your franchise. There may also be court decisions which may supersede this Agreement in your relationship with us including the area of termination and renewal of your franchise.

5. **Waiver of Rights**. A release or waiver of rights signed by you will not include rights under the Act except when signed pursuant to a negotiated settlement after the agreement(s) are in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, rights or remedies under the Act such as a right to a jury trial may not be enforceable.

6. **Transfer Fees.** Transfer fees may be collected to the extent that they reflect our reasonable estimated or actual costs in effectuating a transfer.

7. **Arbitration**. 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.

Intending to be bound, the parties sign and deliver this Rider to each other as shown below:

US	**YOU**
PODS ENTERPRISES, LLC	_____
a Florida limited liability company	a(n) _____
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

EXHIBIT E

LIST OF CURRENT FRANCHISEES
AS OF DECEMBER 31, 2025

AND

LIST OF FRANCHISEES WHO HAVE LEFT THE SYSTEM
OR NOT COMMUNICATED WITH US
WITHIN 10 WEEKS OF THE ISSUANCE DATE OF THIS DISCLOSURE DOCUMENT

A. NAMES, ADDRESSES AND TELEPHONE NUMBERS OF FRANCHISEES AS OF DECEMBER 31, 2025

STATE	NAME OF FRANCHISEE	STREET ADDRESS	CITY	ZIP CODE	TELEPHONE NUMBER
Arizona	Steven Figueroa	700 S. 94th Ave.	Phoenix	85353	480 518 4010
Arizona	Lane Moore & Alan Quarterman Cactus Portable Storage, LLC	6161 South Palo Verde Rd.	Tucson	85706	(404) 545-0086
Arkansas	Ben Pierce and Ken Pierce Northwest Arkansas Portable Storage, Inc.	5225 N. Oak Street	Springdale	72766	(314) 660-4484
California	Steve Yapp California Portable Storage, Inc.	301 S. Rose Avenue Suite 104	Oxnard	93030	805-644-6503
Florida	Jordan Matheson and Matt Parker Capital City Moving & Storage, LLC	1660 Commerce Blvd.	Midway	32343	(850) 210-4059
Indiana	Stormy Chitwood Portable Storage, Inc.	9325 East 33rd Street	Indianapolis	46235	317-710-1424
Louisiana	James Day Central Louisiana Portable Storage, LLC	700 McKeithen Drive	Alexandria	71303	337-208-7415
Missouri	Bill Munholland River City Portable Moving & Storage, LLC	14101 Norby Road	Grandview	64030	(816) 761-2297

STATE	NAME OF FRANCHISEE	STREET ADDRESS	CITY	ZIP CODE	TELEPHONE NUMBER
Missouri	Jeff Hails Tri Lakes Portable Storage, LLC	4400 S. Timber Creek Ave.	Battlefield	65619	(816) 564-4874
Nebraska	Steve Bales Portable Storage of Nebraska, LLC	11831 Centennial Road	Lavista	68128	(402) 681-7080
Nevada	David Boyd	4030 North 5th St. Suite 200	North Las Vegas	89030	702-348-5581
Ohio	Adina Pelletier On Demand Storage, LLC	3241 Centerpoint Drive	Urbancrest	43123	(614) 332-2520
Texas	Bruce Goldman and Kelly Madden CTC Distributing, Ltd.	615 Blaze Blvd.	Edinburg	78539	956-227-1944
Texas	Robert Torrans International Warehousing Inc.	3800 Picoma Drive	Texarkana	75501	(903) 832-8144
Texas	Steve Goates Southwest Portable Storage, LLC	4623 Candy Lane	Tyler	75701	(903) 509-4500
Wisconsin	Andrew Mielke and Don Drake Packerland Portable Storage, Inc.	2801 West Evergreen Dr	Green Bay	54913	(920) 882-7448

B. LIST OF NAMES, CITY AND STATE AND TELEPHONE NUMBERS OF FRANCHISEES WHO HAVE LEFT THE SYSTEM FOR ANY REASON DURING THE FISCAL YEAR ENDED DECEMBER 31, 2025 OR WHO HAVE NOT COMMUNICATED WITH US WITHIN 10 WEEKS OF THE ISSUANCE DATE OF THIS DISCLOSURE DOCUMENT

None.

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

EXHIBIT F

PRINCIPAL OWNERS GUARANTY

PRINCIPAL OWNERS GUARANTY

This Guaranty must be signed by the principal owners (referred to as "you" for purposes of this Guaranty only) of (the "Business Entity") under the Franchise Agreement dated _____ (the "Agreement") with PODS ENTERPRISES, LLC ("us," or "our" or "we").

1. Scope of Guaranty. In consideration of and as an inducement to our signing and delivering the Agreement, each of you signing this Guaranty personally and unconditionally: (a) guarantee to us and our successors and assigns that the Business Entity will punctually pay and perform each and every obligation, undertaking, agreement and covenant of the Agreement (including competitive restrictions); and (b) agree to be personally bound by, and personally liable for, the breach of, each and every provision in the Agreement (including competitive restrictions). Additionally you guarantee full compliance with all of the terms and conditions contained in the Business Entity's Franchise Agreement. This Guaranty is an irrevocable, absolute and continuing guaranty of payment and performance and is not merely a guaranty of collection.

2. Waivers. Each of you waive: (a) acceptance and notice of acceptance by us of your obligations under this Guaranty; (b) notice of demand for payment of any indebtedness or nonperformance of any obligations guaranteed by you; (c) protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations guaranteed by you; (d) any right you may have to require that an action be brought against the Business Entity or any other person as a condition of your liability; (e) all rights to payments and claims for reimbursement or subrogation which you may have against the Business Entity arising as a result of your execution of and performance under this Guaranty; and (f) all other notices and legal or equitable defenses to which you may be entitled in your capacity as guarantors.

3. Consents and Agreements. Each of you consent and agree that: (a) your direct and immediate liability under this Guaranty are joint and several; (b) you must render any payment or performance required under the Agreement upon demand if the Business Entity fails or refuses punctually to do so; (c) your liability will not be contingent or conditioned upon our pursuit of any remedies against the Business Entity or any other person; (d) your liability will not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence which we may from time to time grant to Business Entity or to any other person, including, without limitation, the acceptance of any partial payment or performance or the compromise or release of any claims and no such indulgence will in any way modify or amend this Guaranty; and (e) this Guaranty will continue and is irrevocable during the term of the Agreement and, if required by the Agreement, after its termination or expiration. You agree your liability under this guaranty shall be reinstated and revived and our rights shall continue if for any reason any payment (in whole or in part) by or on behalf of the Business Entity is rescinded or must be restored by us, whether as a result of any bankruptcy or reorganization proceedings or otherwise, all as though such amount had not been maintained.

4. Enforcement Costs. If we are required to enforce this Guaranty in any judicial or arbitration proceeding or any appeals, you must reimburse us for our enforcement costs. Enforcement costs include reasonable accountants', attorneys' (including attorneys who serve as our employees), attorney's assistants', arbitrators' and expert witness' fees, costs of investigation and proof of facts, court costs, arbitration filing fees, other litigation expenses and travel and living expenses, whether incurred prior to, in preparation for, or in contemplation of the filing of any written demand, claim, action, hearing or proceeding to enforce this Guaranty.

5. Effectiveness. Your obligations under this Guaranty are effective on the Agreement Date, regardless of the actual date of signature. Terms not otherwise defined in this Guaranty have the meanings as defined in the Agreement. This Guaranty is governed by Florida law and we may enforce our rights regarding it in the courts of Pinellas County, Florida. Each of you irrevocably submits to the jurisdiction and venue of such courts.

Each of you now sign and deliver this Guaranty effective as of the date of the Agreement regardless of the actual date of signature.

GUARANTORS

_____

DATE

EXHIBIT G

UCC-1 FINANCING STATEMENTS

STATE OF FLORIDA UNIFORM COMMERCIAL CODE
FINANCING STATEMENT FORM

A. NAME & DAYTIME PHONE NUMBER OF CONTACT PERSON B. Email Address
C. SEND ACKNOWLEDGEMENT TO: Name Address Address City/State/Zip

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S EXACT FULL LEGAL NAME – INSERT ONLY **ONE** DEBTOR NAME (**1a OR 1b**) – Do Not Abbreviate or Combine Names

1.a ORGANIZATION'S NAME				
1.b INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)		SUFFIX
1.c MAILING ADDRESS Line One	This space not available.			
MAILING ADDRESS Line Two	CITY	STATE	POSTAL CODE	COUNTRY

2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME – INSERT ONLY **ONE** DEBTOR NAME (**2a OR 2b**) – Do Not Abbreviate or Combine Names

2.a ORGANIZATION'S NAME				
2.b INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)		SUFFIX
2.c MAILING ADDRESS Line One	This space not available.			
MAILING ADDRESS Line Two	CITY	STATE	POSTAL CODE	COUNTRY

3. SECURED PARTY'S NAME (or NAME of TOTAL ASSIGNEE of ASSIGNOR S/P) – INSERT ONLY **ONE** SECURED PARTY (**3a OR 3b**)

3.a ORGANIZATION'S NAME				
3.b INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)		SUFFIX
3.c MAILING ADDRESS Line One	This space not available.			
MAILING ADDRESS Line Two	CITY	STATE	POSTAL CODE	COUNTRY

4. This **FINANCING STATEMENT** covers the following collateral:

5. ALTERNATE DESIGNATION (if applicable) ☐ LESSEE/LESSOR ☐ CONSIGNEE/CONSIGNOR ☐ BAILEE/BAILOR ☐ AG LIEN ☐ NON-UCC FILING ☐ SELLER/BUYER

6. Florida DOCUMENTARY STAMP TAX – YOU ARE REQUIRED TO CHECK **EXACTLY ONE** BOX

☐ All documentary stamps due and payable or to become due and payable pursuant to s. 201.22 F.S., have been paid.

☐ Florida Documentary Stamp Tax is not required.

7. OPTIONAL FILER REFERENCE DATA

EXHIBIT H

FORM OF FRANCHISE COMPLIANCE CERTIFICATE

FRANCHISE COMPLIANCE CERTIFICATE

As you know **PODS ENTERPRISES, LLC** ("**we**" or "**us**" or "**our**"), and you are preparing to enter into a Franchise Agreement for the operation of a **PODS® BUSINESS** franchise. The purpose of this Questionnaire is to determine whether any statements or promises were made to you that we have not authorized or that may be untrue, inaccurate or misleading, to be certain that you have been properly represented in this transaction, and to be certain that you understand the limitations on claims you may make by reason of the purchase and operation of your franchise. **You cannot sign or date this Questionnaire the same day as the Receipt for the Franchise Disclosure Document but you must sign and date it the same day you sign the Franchise Agreement and pay your franchise fee.** Please review each of the following questions carefully and provide honest responses to each question. If you answer "No" to any of the questions below, please explain your answer on the back of this sheet.

Yes__ No__ l. Have you received and personally reviewed the Franchise Agreement and each attachment or schedule attached to it?

Yes__ No__ 2. Did you receive the Franchise Agreement and each ancillary agreement, containing all material terms, at least 7 calendar days before signing any binding agreement with us or an affiliate? (This does not include any mutually agreed upon changes to any agreement.)

Yes__ No__ 3. Have you received and personally reviewed the Franchise Disclosure Document we provided?

Yes__ No__ 4. Did you receive the Franchise Disclosure Document at least 14 calendar days before signing the Franchise Agreement, this Questionnaire, or any related agreement, or before paying any funds to us or an affiliate related to the franchise sale?

Yes__ No__ 5. Did you sign a receipt for the Franchise Disclosure Document indicating the date you received it?

Yes__ No__ 6. Do you understand all the information contained in the Franchise Disclosure Document and Franchise Agreement?

Yes__ No__ 7. Have you reviewed the Franchise Disclosure Document and Franchise Agreement with a lawyer, accountant or other professional advisor?

Yes__ No__ 8. Have you discussed the benefits and risks of developing and operating a PODS® Business franchise with an existing PODS® Business franchisee?

Yes__ No__ 9. Do you understand the risks of developing and operating a PODS® Business franchise?

Yes__ No__ 10. Do you understand the success or failure of your franchise will depend in large part upon your skills, abilities and efforts and those of the persons you employ as well as many factors beyond your control such as competition, interest rates, the economy, inflation, labor and supply costs and other relevant factors?

Yes__ No__ 11. Do you understand all disputes or claims you may have arising out of or relating to the Franchise Agreement must be mediated in Florida, if not resolved informally?

Yes__ No__ 12. Do you understand that you must satisfactorily complete the initial training course before we will allow your franchised Business to open or consent to a transfer?

Yes__ No__ 13. Do you agree that no employee or other person speaking on our behalf made any statement or promise regarding the costs involved in operating a PODS® Business franchise that is not contained in the Franchise Disclosure Document or that is contrary to, or different from, the information contained in the Franchise Disclosure Document?

Yes__ No__ 14. Do you agree that no employee or other person speaking on our behalf made any statement or promise or agreement, other than those matters addressed in your Franchise Agreement, concerning advertising, marketing, media support, marketing penetration, training, support service or assistance that is contrary to, or different from, the information contained in the Franchise Disclosure Document?

Yes__ No__ 15. Do you agree that no employee or other person speaking on our behalf made any statement or promise regarding the actual, average or projected profits or earnings, the likelihood of success, the amount of money you may earn, or the total amount of revenue a PODS® Business franchise will generate, that is not contained in the Franchise Disclosure Document or that is contrary to, or different from, the information contained in the Franchise Disclosure Document?

Yes__ No__ 16. Do you understand that the Franchise Agreement and attachments to the Franchise Agreement contain the entire agreement between us and you concerning the franchise for the PODS® Business, meaning any prior oral or written statements not set out in the Franchise Agreement or the attachments to the Franchise Agreement will not be binding?

YOU UNDERSTAND THAT YOUR ANSWERS ARE IMPORTANT TO US AND THAT WE WILL RELY ON THEM. YOU ARE REPRESENTING THAT YOU HAVE CONSIDERED EACH QUESTION CAREFULLY AND RESPONDED TRUTHFULLY TO THE ABOVE QUESTIONS.

_____	_____
Franchise Applicant	Franchise Applicant
_____	_____
Name (please print)	Name (please print)
Dated _____	Dated _____
_____	_____
Franchise Applicant	Franchise Applicant
_____	_____
Name (please print)	Name (please print)
Dated _____	Dated _____

EXPLANATION OF ANY NEGATIVE RESPONSES [REFER TO QUESTION NUMBER]:

EXHIBIT I

STATE ADMINISTRATOR AND AGENTS FOR SERVICE OF PROCESS

STATE ADMINISTRATOR AND
AGENTS FOR SERVICE OF PROCESS

If a state is not listed below, we have not appointed an agent for service of process in that state in connection with the requirements of the franchise laws. There may be states in addition to those listed below in which we have appointed an agent for service of process. There also may be additional agents appointed in some of the states listed below.

STATE	STATE REGULATORY AGENCY	AGENT TO RECEIVE PROCESS IN STATE, IF DIFFERENT THAN THE STATE REGULATORY AGENCY
California	Department of Financial Protection and Innovation *Los Angeles* 320 West 4th Street Suite 750 Los Angeles, CA 90013-2344 (213) 576-7500 *Sacramento* 2101 Arena Blvd. Sacramento, CA 95834 (916) 445-7205 *San Diego* 1350 Front Street, Room 2034 San Diego, CA 92101-3697 (619) 525-4233 *San Francisco* One Sansome Street, Suite 600 San Francisco, CA 94104-4428 (415) 972-8565	
Hawaii	Department of Commerce and Consumer Affairs Business Registration Division Commissioner of Securities P.O. Box 40 Honolulu, Hawaii 96810 (808) 586-2744	Commissioner of Securities Department of Commerce and Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, Hawaii 96813
Illinois	Franchise Bureau Office of Attorney General 500 South Second Street Springfield, IL 62706 (217) 782-4465	
Indiana	Franchise Section Indiana Securities Division Secretary of State Room E-111 302 W. Washington Street Indianapolis, Indiana 46204 (317) 232-6681	
Maryland	Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, MD 21202-2020 (410) 576-7042	Maryland Securities Commissioner 200 St. Paul Place Baltimore, Maryland 21202-2020

STATE	STATE REGULATORY AGENCY	AGENT TO RECEIVE PROCESS IN STATE, IF DIFFERENT THAN THE STATE REGULATORY AGENCY
Michigan	Michigan Attorney General's Office Consumer Protection Division Attn: Franchise Section 525 W. Ottawa Street Williams Building, 1st Floor Lansing, MI 48933 (517) 373-7117	
Minnesota	Minnesota Department of Commerce Securities Division 85 7th Place East, Suite 280 St. Paul, Minnesota 55101-2198 (651) 539-1600	Commissioner of Commerce 85 7th Place East, Suite 280 St. Paul, Minnesota 55101-2198 (651) 539-1600
New York	Office of the New York State Attorney General Investor Protection Bureau of Franchise 120 Broadway, 23rd Floor New York, NY 10271-0332 (212) 416-8236	Attention: Uniform Commercial Code New York Department of State One Commerce Plaza 99 Washington Avenue, 6th Floor Albany, NY 12231-0001 (518) 473-2492
North Dakota	North Dakota Securities Department State Capitol 5th Floor, Dept. 414 600 East Boulevard Avenue Bismarck, ND 58505-0510 (701) 328-4712	Securities Commissioner North Dakota Securities Department State Capitol 5th Floor, Dept. 414 600 East Boulevard Avenue Bismarck, ND 58505-0510 (701) 328-4712
Oregon	Department of Consumer & Business Services Division of Finance and Corporate Securities Labor and Industries Building Salem, Oregon 97310 (503) 378-4140	
Rhode Island	Department of Business Regulation Securities Division 1511 Pontiac Avenue John O. Pastore Complex–69-1 Cranston, RI 02920-4407 (401) 462-9527	
South Dakota	Division of Insurance Securities Regulation 124 S. Euclid, Suite 104 Pierre, SD 57501 (605) 773-3563	
Virginia	State Corporation Commission 1300 East Main Street 9th Floor Richmond, VA 23219 (804) 371-9051	Clerk State Corporation Commission 1300 East Main Street, 1st Floor Richmond, VA 23219

STATE	STATE REGULATORY AGENCY	AGENT TO RECEIVE PROCESS IN STATE, IF DIFFERENT THAN THE STATE REGULATORY AGENCY
Washington	Department of Financial Institutions Securities Division P.O. Box 9033 Olympia, WA 98507-9033 (360) 902-8760	Department of Financial Institutions 150 Israel Road SW Tumwater, WA 98501
Wisconsin	Division of Securities Department of Financial Institutions Post Office Box 1768 Madison, Wisconsin 53701 (608) 266-2801	

EXHIBIT J

APLPD HOLDCO III, LLC GUARANTEE OF PERFORMANCE

EXHIBIT K

STATE EFFECTIVE DATES

State Effective Dates

The following states have franchise laws that require the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

State	Effective Date
California	None
Hawaii	None
Illinois	None
Indiana	None
Maryland	None
Michigan	None
Minnesota	None
New York	None
North Dakota	None
Rhode Island	None
South Dakota	None
Virginia	None
Washington	None
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 L

RECEIPTS

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 PODS Enterprises, LLC offer you a franchise, we must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale. New York requires that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of any binding franchise or other agreement, or payment of any consideration that relates to the franchise relationship. Michigan requires that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement, or payment of any consideration, whichever occurs first.

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

The franchisor is PODS Enterprises, LLC, located at 13535 Feather Sound Drive, 4th Floor, Clearwater, Florida 33762. Its telephone number is (727) 538-6400.

We authorize the respective state agencies identified on Exhibit "I" to receive service of process for us if we are registered in the particular state.

Issuance Date: May 8, 2026

The name, principal business address, and telephone number of the franchise sellers offering the franchise are:

Name	Principal Business Address	Telephone Number
_____	13535 Feather Sound Drive, 4th Floor Clearwater, Florida 33762	(727) 538-6400

I received a disclosure document dated May 8, 2026 (the state effective dates are listed on the pages preceding the table of contents). The disclosure document included the following Exhibits:

Exhibit A	Application and Deposit Agreement	Exhibit G	UCC-1 Financing Statement
Exhibit B	Franchise Agreement and Exhibits	Exhibit H	Form of Franchise Compliance Certificate
Exhibit C	Financial Statements	Exhibit I	State Administrator and Agents for Service Of Process
Exhibit D	State Specific Addenda and Riders	Exhibit J	APLPD Holdco III, LLC Guarantee of Performance
Exhibit E	List of Current Franchisees and Franchisees Who Have Left the System	Exhibit K	State Effective Dates
Exhibit F	Principal Owners Guaranty	Exhibit L	Receipts

Date: _____

_____
Individually and as an Officer

_____
Printed Name
of_____
(a _____ Corporation)
(a _____ Partnership)
(a _____ Limited Liability Company)

[Keep this page for your records]

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 PODS Enterprises, LLC offer you a franchise, we must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale. New York requires that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of any binding franchise or other agreement, or payment of any consideration that relates to the franchise relationship. Michigan requires that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement, or payment of any consideration, whichever occurs first.

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

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Exhibit B	Franchise Agreement and Exhibits	Exhibit H	Form of Franchise Compliance Certificate
Exhibit C	Financial Statements	Exhibit I	State Administrator and Agents for Service Of Process
Exhibit D	State Specific Addenda and Riders	Exhibit J	APLPD Holdco III, LLC Guarantee of Performance
Exhibit E	List of Current Franchisees and Franchisees Who Have Left the System	Exhibit K	State Effective Dates
Exhibit F	Principal Owners Guaranty	Exhibit L	Receipts

Date: _____

_____
Individually and as an Officer

_____
Printed Name
of_____
(a _____ Corporation)
(a _____ Partnership)
(a _____ Limited Liability Company)

Sign and return this page to us at:
PODS ENTERPRISES, LLC
a Florida limited liability company
13535 Feather Sound Drive, 4th Floor
Clearwater, Florida 33762
(727) 538-6400